

# THE HOMELAND SECURITY *NEWS CLIPS*

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**TO: THE SECRETARY AND SENIOR STAFF**  
**DATE: THURSDAY, APRIL 14, 2016 5:00 AM EDT**

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## **LEADING DHS NEWS**

### **Long Lines And Missed Flights Fuel Criticism Of TSA Screening**

By Jon Schuppe

[NBC News](#), April 13, 2016

If you think the waits at airport security are bad now, just wait until summer.

That's the warning from American Airlines, the latest in a growing chorus of Transportation Security Administration critics who say the agency isn't doing enough to make sure passengers make their flights.

"The lines at TSA checkpoints nationwide have become unacceptable," American spokesman Ross Feinstein said in a statement Wednesday. "The result: our customers are waiting in TSA lines greater than one hour."

And the problem got "exponentially" worse in the first three months of the year, normally slow times for air travel, he said.

During the spring-break week of March 14-20, nearly 6,800 American passengers missed flights because of checkpoint delays, with the worst cases occurring in Los Angeles, Miami, Atlanta, Dallas and Philadelphia.

"As we approach spring and summer, we are concerned that these lines will grow even longer," Feinstein said.

Related: [Huge Increase in Passengers Causing Air Travel Nightmares](#)

The warning came a week after the director of Seattle-Tacoma International Airport threatened to hire replace TSA personnel with private security contractors. Atlanta's Hartsfield-Jackson International Airport is considering doing the same.

A Chicago aviation commissioner told the Chicago Tribune that the lines at O'Hare International Airport were "severe" and that the city was pushing the TSA to shorten them.

The uproar puts the TSA — created in the aftermath of 9/11 — in a tough spot: make sure no terrorists get on a plane, but also avoid inconveniencing millions of law-abiding travelers while fighting budget cuts.

The agency is struggling to find the right balance. As the number of fliers have increased, its staff of screeners has shrunk. Last summer, its acting head was reassigned after undercover investigators smuggled weapons, fake explosives and other contraband through checkpoints at dozens of airports.

The TSA says it has since tightened operations and improved inspections. It has pushed more people to sign up for its pre-screening program.

Related: [TSA Chief: 'Chaos' of Brussels Attacks Motivates Agency Improvements](#)

A TSA spokesman cited recent terror attacks in Brussels and a hijacked airliner in Egypt as examples of a challenging "threat environment" in which American transportation networks are considered high-value targets.

With double-digit increases in travel expected at many airports this summer, the TSA is planning to expand the use of bomb-sniffing dogs along with "accelerated hiring" and more overtime staffing, the spokesman said.

The TSA has fought to stem budget cuts and this year has asked for money to hire 300 additional screeners, which would represent a minuscule increase for a staff of 42,525.

So the agency still recommends showing up at the airport two hours before a flight's departure.

"Traveler security is TSA's number one priority and we will remain intensely focused on this important mission," the spokesman said.

### **Airports Ditch TSA For Private Security Screeners In Bid To Shorten Security Lines**

[CBS News](#), April 13, 2016

Airports nationwide have seen security checkpoint lines double in size. There is real concern from airlines, airports and flyers about what the lines at TSA checkpoints will look like this summer.

Extremely long TSA lines and wait times hitting up to 90 minutes caused spring break chaos, creating huge backups at airports — from Charlotte to Chicago to California — and prompting demands the TSA fix the problem now, reports CBS News correspondent Kris Van Cleave.

American Airlines says in just one week last month, nearly 6,800 of their domestic passengers missed their scheduled flights because of long security lines.

Nationally, the number of Transportation Security Administration screeners is down 15 percent since 2011. The agency has been taking fire from Congress.

Security lines at Seattle Tacoma International Airport — or SEA-TAC — can stretch over an hour. Officials here said Tuesday they will hire private contractors to help with administrative duties to free up the TSA to focus solely on screening, as the airport explores dropping the agency altogether.

"We're going to investigate what it would take to privatize, we're looking at other airports that have privatized," said SEA-TAC Managing Director Lance Lyttle.

Twenty-two U.S. airports — including San Francisco and Kansas City International — use private firms for security screening.

Major airports across the country told CBS News they've seen their security wait times swell. The lines at Phoenix Sky Harbor can be 45 minutes or longer.

In Atlanta and Minneapolis-Saint Paul, you could clock nearly an hour before TSA inspects your carry on. TSA administrator Peter Neffenger said the long lines are a security concern.

"We have very high passenger volumes right now," Neffenger said. "I do have concerns about long wait times because it does gather people up and in addition to being an inconvenience for the traveler, which is no small problem, it does propose a potential challenge with respect to large crowds of people."

Earlier this year, Hartsfield-Jackson Atlanta International Airport – fed up with a TSA that is "woefully understaffed" – said they are considering "privatizing the security screening process."

"We're working very hard to dramatically improve our ability to move people through, shifting resources to the highest-volume airports, front-loading our hiring to those airports, training more people than we've ever trained before," Neffenger said.

So how did we get here?

There are a number of factors that are coming together, including an increase in passengers, increased focus on screening as opposed to efficiency and far fewer Americans who have signed up for TSA PreCheck than the agency hoped for.

There has also been a budget cap on the number of TSA screeners the agency can hire and train.

Neffenger said the agency is rapidly filling open positions but he will likely need to ask Congress for more screeners.

## Security Delays At Newark Airport Expected To Get Worse

By Paul Berger

[Bergen \(NJ\) Record](#), April 14, 2016

Anyone who has departed from Newark Liberty International Airport in recent weeks has found that long lines have returned as the short-staffed TSA struggles to cope with more stringent screening procedures and rising passenger numbers.

Now, with the busiest travel time of the year approaching, combined with a recent decision by the government to loosen flight-slot restrictions at Newark — a move that could bring more passengers to the airport — the problem is poised to get worse.

Transportation Security Administration staff shortages are a national problem. The agency says its frontline staffing budget has been reduced annually since 2012. But Newark

may pose a particular challenge for the agency as the airport braces for a substantial influx of passengers.

The Federal Aviation Administration announced recently that it was lifting flight-slot restrictions at the airport starting Oct. 31. The decision followed an agency analysis that found that during peak hours of 3 to 9 p.m. about 11 percent of arrival and departure slots were not being used. The FAA said that it anticipated "significant demand" for the empty flight slots.

Newark served 35.7 million passengers last year. Already, a recent 5 percent increase in travelers using the airport sent an additional 2,000 people per day through security lines, according to an April 4 letter written by TSA chief Peter Neffenger.

Neffenger was responding to a letter from New Jersey congressmen and Sens. Cory Booker and Bob Menendez, expressing concern about security lines at Newark this past December that led to hundreds of passengers missing flights.

"We would like to know what assurances you can provide us that sufficient resources will be allocated to quickly and efficiently expand the agency's staff at Newark airport," they wrote.

In his response, Neffenger said that he had instructed TSA management at Newark "to hire above their annual staffing allocation for the upcoming summer travel season." A TSA official said the agency could not provide details on when the increase would begin or how many extra positions would be filled.

That explanation probably won't sit well with frustrated travelers, who have taken to social media to complain of security waits of 30 minutes to more than one hour that they have described as "ridiculous" and "a disaster." Airlines are now asking Newark passengers to arrive two hours early for domestic departures and three hours early for international flights just to deal with getting through security.

"United warned about long TSA lines at Newark Airport — they're not kidding. Starts downstairs on baggage level," Jim DeFelice, an author, tweeted last Friday morning. Another user, John Challice, tweeted this past Sunday afternoon: "Security lines at #EWR are insane! Even PreCheck (which we pay for) winds into the main terminal."

Staffing reductions

The TSA has cut 70 staff positions at Newark since 2014, according to agency figures. By the end of this year, the Port Authority estimates that its passenger numbers will have risen by 7.3 percent compared with 2014 levels. Next year, with the FAA's lifting of slot restrictions, that number should be significantly higher.

Booker said he was pleased that Neffenger had committed extra resources to Newark for this summer. But Booker added that in light of the FAA's decision to open up more flight slots "it's absolutely critical" that the TSA has

adequate staffing levels to cope with the increase in passengers.

A spokesman for the Port Authority, which operates Newark Airport, said the agency was “working to help ensure the TSA has the necessary assistance, resources and funding to keep the traveling public safe.”

Budget cuts are not the only pressure on the TSA. The agency has had to tighten security procedures following a damning internal investigation, conducted by the Department of Homeland Security last year, in which investigators were able to easily smuggle weapons past security.

Lisa Farbstein, a TSA spokeswoman, said the agency is also screening more carry-on luggage than usual as passengers try to avoid newly implemented checked bag fees.

“Our number one goal is to provide world-class security and sometimes that takes time,” Farbstein said.

The TSA is also struggling because of lower-than-anticipated enrollment in the agency’s PreCheck program. Members pay an \$85 fee and attend an appointment at a nearby airport to be fingerprinted and interviewed by federal agents. Once enrolled, they can join an expedited PreCheck security line where passengers don’t need to remove shoes and jackets and where laptops and liquids stay in bags.

#### Open when needed

Even some PreCheck members have been frustrated at Newark, where Terminals A and B do not have dedicated PreCheck screening lanes. Farbstein said that TSA only opens a dedicated lane in the terminals based on the number of PreCheck customers that day.

Scott Carlson, a regular business traveler and a PreCheck member from Phoenix, said he was amazed to arrive at Newark’s Terminal A last Friday to find there was no PreCheck line available. Carlson, who waited more than one hour in the regular security line, said he only made his Southwest Airlines flight home because he happened to arrive at Newark 90 minutes early. “It never even occurred to me in an airport like Newark that there would not be a TSA PreCheck line or an expedited line,” Carlson said.

Mike Messersmith, another PreCheck member, said he, too, only made his flight — to Cincinnati — because he happened to arrive at the airport’s Terminal B earlier than expected. He spent one hour and 15 minutes in a security line last Tuesday afternoon.

Messersmith, a marketing executive from Manhattan who said he avoids Newark whenever possible because of security delays, recognized that passengers are used to travel frustrations. His problem, he said, is that “it seems to be the norm at Newark.”

## **Survey: Air Travelers Satisfied, But Want Improved Comfort**

By Melanie Zanona

[The Hill](#), April 13, 2016

A new survey finds that a vast majority of travelers were pleased with their air travel experience in 2015, which a top industry organization attributes to falling ticket prices and expedited screening.

But most travelers singled out onboard comfort as an issue that needs to be improved.

About 80 percent of respondents in a poll from Airlines for America (A4A), which represents major airline carriers, reported feeling satisfied with their overall air travel experience last year. Only 6 percent were somewhat or very dissatisfied. A4A is a trade group that represents the nation’s major airline carriers, with the exception of Delta.

The level of satisfaction was even higher among those enrolled in the Transportation Security Administration’s PreCheck program.

The industry is bracing for increased airport wait times this summer, prompting organization officials to encourage more passengers to enroll in TSA PreCheck.

“It is paramount that the carriers work collaboratively with the TSA and customs and [the Federal Aviation Administration], anyone involved in the entire journey, to make it as smooth as possible,” A4A chief economist and vice president John Heimlich said on a press call Wednesday. “We would love to see enrollment in the expedited screening program rise.”

In other poll findings, over 70 percent of travelers said airline companies should make improvements to “onboard comfort” a top priority.

That topic has garnered increased attention in Congress. The Senate blocked an effort last week to attach language to the FAA bill that would have frozen current seat sizes and directed the agency to develop minimum standards.

A separate survey from Travelers’ Voice and Morning Consult, also released Wednesday, found that six in ten people highlighted the need for Congress to focus on specific aspects of air travel, such as seat size.

“I don’t see actual evidence that seat comfort declined or that even seat size has declined,” Heimlich said.

“What we do see evidence of is more segmentation of cabins and more diversity in business models: some who emphasize more the premium cabin, some who emphasize the strict, low-fare all coach cabins, and some who do things in between,” he added. “I think that is precisely why we had an all-time high level of passenger volumes last year.”

The survey did not, however, specifically poll travelers on their level of satisfaction with seat sizes and legroom.

Pollsters also found that the percentage of Americans who have ever flown has increased from 49 percent in 1971 to 81 percent in 2015.

Younger people and travelers with lower incomes are also more likely to fly than they were 18 years ago, and more people are traveling for personal reasons than business trips.

## **Feds: Liberian War Criminal Detained In Philadelphia Suburb**

[Associated Press](#), April 13, 2016

PHILADELPHIA (AP) — Federal authorities say a Liberian war criminal who allegedly lied about his past to enter the U.S. is being detained on immigration charges in suburban Philadelphia.

U.S. Attorney Zane Memeger announced Wednesday that 49-year-old Mohammed Jabbateh is charged with lying on his immigration forms while seeking asylum and residency nearly two decades ago.

An indictment says Jabbateh was a high-ranking officer in a Liberian rebel group for much of the 1990s. It says he committed or ordered others to commit war crimes including the murder of civilians, sexual enslavement of women, conscription of child soldiers, rape, torture and corpse abuse.

Jabbateh had been living in East Lansdowne. He made a brief court appearance and has a bail hearing set for Monday.

His lawyer did not immediately return a call for comment.

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## **Man Said To Be Liberian Rebel Leader Arrested In Pennsylvania**

[Reuters](#), April 13, 2016

Full-text stories from Reuters currently cannot be included in this document. You may, however, click the link above to access the story.

## **McSally Bill Requiring Border-security Study Passes House**

By William V Theobald

[Arizona Republic](#), April 13, 2016

WASHINGTON — Legislation authored by Arizona Rep. Martha McSally that requires the Department of Homeland Security to conduct a comprehensive security assessment of the southwest border easily passed the House on Wednesday.

The bill passed on a voice vote and now heads to the Senate.

McSally, a Republican and chairwoman of the Border and Maritime Subcommittee of the House Homeland Security Committee, has been critical of DHS for offering inconsistent estimates of how secure the border is.

“The first step to fixing something is actually understanding the problem,” McSally said during floor debate of the bill.

She said there had been no comprehensive analysis of the border in 20 years.

Her bill requires DHS to complete — within six months of its passage — a southwest border-threat analysis that includes an assessment of:

The bill also requires the Border Patrol to issue a strategic plan by March 1, 2017, and every five years after that.

This is the sixth bill the freshman McSally has sponsored that has at least passed the House. That is more than all but one of the 61 members elected in 2014.

Also on Capitol Hill on Wednesday, Gen. John Kelly, former commander of U.S. Southern Command, acknowledged in response to a question from Sen. John McCain that large numbers of people and large amounts of drugs continue to cross the southern border.

“So, I would have to say that the border is, if not wide open, then certainly open enough to get what the demand requires inside of the country,” Kelly said at a hearing of the Senate Homeland Security and Governmental Affairs Committee.

## **Homeland Security Official Shares Agency’s Priorities In Lecture At AU**

By Rebecca R. Bibbs

[Anderson \(IN\) Herald Bulletin](#), April 13, 2016

ANDERSON – Radicalization of domestic terrorists, cybersecurity and encryption, and the potential chilling effect on travel and tourism because of increased vigilance at airports are some of the matters that weigh heavily on officials in the federal Office of Homeland Security, the agency’s second in command said.

That’s a change from a year ago when the threat of terrorism from abroad was the agency’s primary focus, Alejandro Mayorkas told about 120 people in a lecture Wednesday at Anderson University.

“It’s a very different paradigm,” he said.

Invited to speak by AU President John Pistole, Mayorkas is President Barack Obama’s appointee as deputy secretary of the Office of Homeland Security, the U.S. government’s third-largest department with a \$60 million budget and workforce of 240,000 worldwide.

Mayorkas also opened up the floor to questions from the audience on topics including human trafficking, Homeland Security’s role in tracking money transferred internationally through apps and the naturalization of young undocumented immigrants who have never known any other nation as home.

Though foreign terrorism remains on the agency’s radar, some attention shifted to the domestic front following

the Dec. 2 mass shooting that killed 14 and injured 22 at Inland Regional Center in San Bernardino, Calif., Mayorkas said. FBI officials said the attack was carried out by Syed Rizwan Farook and his wife, Tashfeen Malik, identified as radicalized Muslim extremists.

"We're very, very focused on that. We try to counter radicalization," he said. Radicalization diminishes, he added, with a strong foundation of faith, family and purpose.

The trend toward putting encryption keys in the hands of consumers predates the privacy concerns brought to light by Edward Snowden, a former federal government contractor who divulged that the National Security Agency spied on U.S. citizens without warrants, Mayorkas said. He said the intent of technology companies was to give individuals in countries of oppression a way to communicate without dire consequences.

However, a recent disagreement between the FBI and Apple over encryption of the iPhone has catapulted the issue of privacy into the public consciousness, Mayorkas said.

"The trend toward encryption has been growing," he said. "Increasingly, we know terrorists use encryption to further terrorism without the government detecting their operations."

Mayorkas said the increasing burden of searching travelers and their belongings has made travel frustrating for those waiting in long lines at airports.

"There is growing concern in the private sector that our focus on security is coming at the expense of ease of travel in this country," he said.

J.J. Thompson, of Rook Security, which has been contracted by AU to shore up its cybersecurity, was in the audience and said many of the topics touched on by Mayorkas are issues in his business. As an audience member, he asked Mayorkas about what Homeland Security is doing to ensure that "wolves in sheep's clothing" aren't coming through as the nation opens its doors to refugees from nations where there is a known threat to Americans.

"I think his answer is they're relying on intelligence officers who are very well trained," he said. "That answer is as good as it can be."

## **PHOTO: Homeland Security Secretary Jeh Johnson Makes A Surprise Visit To Montclair**

[North Jersey \(NJ\) Media Group](#), April 14, 2016

This past Friday, United States Secretary of Homeland Security Jeh Johnson, at the dais, made a surprise visit to the Montclair-based BlueWaveNJ's annual gala to salute longtime friends and gala honorees Rosemary Iverson and James E. Johnson. When not serving in Washington, D.C., Johnson is a Montclair resident. For Montclair's 2016 4th of July Parade, Jeh Johnson will be the Grand Marshal.

## **IMMIGRATION AND CUSTOMS** **ENFORCEMENT**

### **Charges Of U.S. Maid Held Captive Due To 'Cultural Confusion,' Lawyer Says**

By Sebastien Malo

[Reuters](#), April 13, 2016

Full-text stories from Reuters currently cannot be included in this document. You may, however, click the link above to access the story.

### **Dubai Doctor Denies Labor Trafficking Claims**

By Kristina Davis

[San Diego Union-Tribune](#), April 13, 2016

San Diego — A Dubai physician who is accused of withholding pay and keeping an Indonesian housekeeper virtually captive before sending her to care for family members in El Cajon is denying the claims.

Dr. Haider Kubba, a surgeon, said in emails that the maid's allegations of labor trafficking are false, and that she asked him to hold onto her wages for her. He also said that she was never held captive, but she escorted the family to events they were invited to and was free to go home to Indonesia.

Criminal charges were filed in the case last Friday against Kubba's wife's sister and brother-in-law, after the maid, known only by the initials W.M., told investigators she was working against her will. She had passed a note to a nurse visiting the couple's El Cajon apartment that asked for help. Kubba, who remains in Dubai, has not been charged.

The housekeeper told agents with U.S. Homeland Security Investigations that she began working for Kubba's family in Dubai and was not paid wages and locked inside the home for five years, only being allowed out to take out the family's trash, according to the complaint.

She said she asked several times to return to Indonesia but Kubba held onto her passport and didn't let her go. She said he then persuaded her to move to El Cajon for a couple months to help with his wife's ailing parents, telling her then she could go back to Indonesia.

W.M. said she was put under similar restrictive conditions in El Cajon, saying Firas Majeed and his wife Shatha Abbas withheld her pay and verbally abused her. She reached out to the nurse on March 18 — five months after she arrived in the U.S.

Majeed and Abbas pleaded not guilty in San Diego federal court last week to labor trafficking charges.

Kubba wrote in emails that the woman's claims are untrue. He said W.M. refused to take her salary and asked the family to hang onto the money for her. He said he was surprised at one point when she escaped from the Dubai



home to the Indonesian consulate. He said he arrived and paid her what she was due, in front of consulate officials, and she agreed to resume working for him.

"She didn't hesitate and she returned back to my house as she liked my kids too much cause they are so polite," Kubba wrote. He said his wife bought the woman clothes and jewelry and considered her a family member. He also said he and his wife frequently asked her if she wanted to return home but she refused.

Abbas declined an interview request when approached by a reporter outside court last week.

W.M. is in protective custody at a shelter in San Diego County.

## California State Measure Calls For End To Profit-making Immigrant Detention Contracts

[Southern California Public Radio](#), April 13, 2016

A new state bill aims to stop California cities and counties from contracting with private prison companies that detain immigrants, but the effort is generating pushback from one locality.

The high-desert prison town of Adelanto, a city of roughly 32,000, is home to two jails and one immigrant detention center.

U.S. Immigration and Customs Enforcement contracts with Adelanto for detention space for up to 1,455 immigrants at \$112.50 per detainee, per day. The city, in turn, contracts with The GEO Group, a private company that runs both the Adelanto Detention Facility and one of the city's jails.

Adelanto officials sold the building that houses the detention center, a former state prison, to GEO in 2010. But the city holds the contract for its operation, and receives a cut of the amount ICE pays for the service.

With the Adelanto facility's daily population averaging roughly 1,200 and based on the per-diem rate, ICE pays up to about \$4 million a month — and more if the detention center is filled to its 1,940-detainee capacity.

But a bill sponsored by state Sen. Ricardo Lara (D-Bell Gardens) could put an end to Adelanto's immigrant detention contract.

"For far too long, our immigration system has promoted profits over people," Lara told KPCC. "The goal is to prohibit these for-profit companies from profiting off the backs of immigrants."

Cities like Adelanto depend on detention space revenue. In Adelanto, which nearly went bankrupt last year, City Council member John "Bug" Woodard, a self-described Tea Party Republican, said the GEO contracts are vital to the city's economy.

"I think a good 25 percent of our income comes from those jailhouses," Woodard said. "GEO is an important part of this community, and any idiot up in Sacramento that would

like us not to do business with them, they've got their heads where the sun don't shine."

Adelanto has been fighting to stave off bankruptcy in recent years. Last year, Woodard championed a new revenue source — an ordinance that allows medical marijuana cultivation in the city.

Proponents of Lara's detention bill say it would affect four local governments in California that work with private detention contractors, Adelanto included. The bill would only bar local governments from working with for-profit detention contractors; it would not prohibit them from contracting detention space directly to ICE, as does the Orange County Sheriff's Department, for example.

Immigration authorities have increasingly relied on private contractors and local governments for space to house immigrants awaiting or fighting deportation since the early 2000s, when the detainee population exploded as a result of tighter immigration policies.

While its scope seems limited, the bill would affect many more local-government contracts in other ways: a provision of the bill would make it mandatory for all immigrant detention facilities in California to comply with federal standards guidelines that are now optional.

"Even if immigrants are in public holding facilities, like say with the sheriff or a local police station, these rules would have to be adhered to, regardless of whether they are private or public," Lara said.

The bill would also make it easier for immigrants to sue these detention facilities if they believe their rights are violated.

The threat of lawsuits worries the California State Sheriffs' Association, which opposes the proposal. So does the possibility of ICE having to move detainees from private-contract facilities affected by the bill to those that rent space directly to ICE, as many local jails do.

"Some of that workload could potentially fall on public facilities that are already fairly overcrowded," said Cory Salzillo, legislative director with the sheriffs' association.

The measure requires approval by both houses of the California Legislature and the governor's signature before it could take effect. The Senate Judiciary Committee is set to hear the bill next week.

## **CUSTOMS AND BORDER PROTECTION**

### **Stop Border Patrol From Looting Deportees**

By Vicki B. Gaubeca

[The Hill](#), April 13, 2016

"At least they should have left us with an ID," said Javier\*, his eyes filled with fear. Stranded nearly 2,000 miles from home, he had been robbed of his money, passport and cell phone. Who stole his belongings? The U.S. government.

Imagine finding yourself in an unknown place with none of your personal effects, no phone, no cash and no idea how you're going to get home. This happens to people every day in border cities in Northern Mexico.

Last week, American Civil Liberties Union (ACLU) of New Mexico joined human rights defenders from both the United States and Mexico to urge the U.S. Department of Homeland Security (DHS) to investigate the cases of 26 people deported by the U.S. government without their personal belongings. Their cases, in just one sector of the U.S. Border Patrol, form part of a larger trend of "systemic dispossession" — the methodical confiscation of private property by our government.

Over the past year, my colleagues at the Programa de Defensa e Incidencia Binacional (PDIB), a human rights organization based in Ciudad Juárez, interviewed hundreds of people who were recently deported to Mexico.

Their findings are deeply troubling: the reason that so many people were deported with no belongings was that the U.S. government had robbed them of what they had.

U.S. agents, most of them from the U.S. Border Patrol, took people's money — in some cases, hundreds of dollars from a single person. Agents took photo IDs and legal documents. They threw away cell phones, clothing, family rosaries and medicine. Agents even took — and failed to return — documents that demonstrate the persecution suffered by asylum seekers.

The experiences of dispossession documented in PDIB interviews are consistent with the findings of a 2013 border civil rights study by researchers at the University of Arizona. In that study, people in the El Paso Border Patrol sector suffered the highest rates of dispossession at the hands of U.S. government agents. Eighty-five percent of people apprehended from that sector, and 65 percent deported from that sector, reported that the government took and failed to return at least one of their belongings.

Dispossession is not an intractable problem. In late February, DHS directly addressed dispossession in a series of local repatriation arrangements with the government of Mexico. In those arrangements, DHS and Mexico agreed that the government "should take all feasible steps to ensure that property, valuables and money retained are available for return to the rightful owner at the time of initial release from DHS custody."

Regardless of one's feelings about immigration, we can all agree that robbing people and abandoning them in an unknown place — taking their hard-earned money, cell phones or photo ID — isn't just wrong, it's cruel. U.S. agents are stranding people in border cities where they have no familial or community ties and are without the means to find a job, communicate with and receive a wire transfer from family, or even rent a room.

We as Americans need to stop the wholesale robbery of people by our government and demand that U.S. Border Patrol agents treat noncitizens with the same dignity and humanity that we would want for ourselves. DHS must investigate and change its policies regarding the retention and return of personal belongings, and it must hold accountable the agents who abuse these policies.

Gaubeca is Director, Regional Center for Border Rights, ACLU New Mexico

## **Judge Stops Border Patrol From Putting War Vet In Texas**

[Associated Press](#), April 13, 2016

BAY CITY, Mich. (AP) — A war veteran seeking to avoid a U.S. Border Patrol assignment in Texas because of post-traumatic stress disorder has won a key ruling from a federal judge in Michigan.

Anthony Gazvoda says the culture and environment in Laredo, Texas, reminds him of his time in Afghanistan while with the Army and triggers PTSD. The 31-year-old would like to be stationed at Sault Ste. Marie, Michigan, in his native state.

Judge Thomas Ludington on Wednesday barred the government from ordering Gazvoda to Texas and marking him as AWOL if he doesn't report. The judge gave the government a month to determine whether any positions have been available in Sault Ste. Marie or Port Huron in the past year.

The government says the move sought by Gazvoda conflicts with anti-discrimination policies.

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## **TRANSPORTATION SECURITY** **ADMINISTRATION**

### **Rand Paul Wants Every Airline Pilot To Carry A Firearm**

By Sarah Mimms

[Vice](#), April 13, 2016

"Flight attendants please prepare for takeoff. Lock and load."

That could be the future under legislation pushed by Senator Rand Paul this week.

The former presidential candidate, who is now facing a potentially tough reelection fight in Kentucky, is pressing Congress to pass legislation allowing all pilots aboard commercial flights in the US and internationally to carry firearms.

Paul has long advocated for allowing all US airline pilots to carry firearms to prevent potential hijackings and terrorist plots. His bill, the Arm All Pilots Act of 2015, died in committee last year with no co-sponsors. But now Paul is reviving the legislation as an amendment, hoping for a vote as early as this week.

"I want every potential jihadist and terrorist in the world to know that our pilots are armed, and that if you come into the cockpit you will be shot," Paul told CNN of his legislation last year. "And so I think there is a deterrent effect from guns."

Related: [Man Shot by US Capitol Police on Monday Was Brandishing a BB Gun, Has History of Mental Illness](#)

Thousands of pilots are currently able to carry concealed weapons aboard their flights, under the Department of Homeland Security's Federal Flight Deck Officer program, which was passed after 9/11. The FFDO allows pilots and other flight crew members to take special training courses from federal Air Marshals and then, as deputized members of law enforcement, they may carry concealed weapons aboard their flights, although they have to keep their possession of a weapon in-flight quiet.

Paul's bill would reduce restrictions on those eligible for the program and create five new facilities to train them. Currently, only one facility in New Mexico handles training for the FFDO program. Paul's legislation would allow pilots to complete much of their training online, he told supporters in a fundraising email touting the legislation on Wednesday.

"As you can imagine — this is a crucial program in a time that our airline pilots are the primary target of hijackings and other terrorist attacks," Paul wrote.

Paul pointed out that the program is "highly cost-effective," arguing that it costs the federal government just \$17 to deputize pilots under the FFDO, compared to the \$3,000 bill for a Federal Air Marshal to fly on a single flight.

The FFDO program as currently structured has long been a source of contention. Although George W. Bush expanded the program during his presidency, the Obama administration has sought to cut funding for the existing program, arguing that the Transportation Security Administration's pre-flight screening of passengers and locks on cockpit doors make the program unnecessary.

Related: [Clinton, Sanders Get Testy in Flint, Michigan, Ahead of Major Primary Contest on Tuesday](#)

But former Homeland Security Secretary Janet Napolitano and the US Airline Pilots Association have voiced support for the program, as a last line of defense against terrorism. Andrew Danzinger, who flew Obama's plane on election night in 2008 and wrote a series of columns for the New York Daily News before his death last year, was also a strong advocate for arming pilots like himself.

"Gun control laws are subject to a great deal of debate, but there shouldn't be any disagreement about the desirability

of pilots carrying guns in the cockpit," he wrote last year. "For the record, I'm 100% for it — as are most pilots."

Since the program began, there has been one incident in which a pilot accidentally fired a handgun in the cockpit while the aircraft was in flight.

In 2008, a US Airways pilot fired his .40-calibre semiautomatic H&K USP aboard a US Airways flight from Denver to Charlotte as the plane was descending to land.

The bullet pierced the aircraft's skin, but the the plane landed safely and all 124 passengers and five crew were unharmed.

The pilot said he was stowing the gun when it went off as he and his co-pilot prepared to land. US Airways fired the pilot, and then later rehired him. The TSA later determined that the design of the agency-mandated holsters could potentially lead to an accidental discharge.

## More Than 500 Stage LAX Airplane-accident Drill

[Los Angeles Daily News](#), April 13, 2016

Explosions sent smoke into the air and blood-soaked passengers were scattered on the tarmac Wednesday at Los Angeles International Airport on, but the drama wasn't real.

The bustle of activity was part of the 2016 LAX Air Exercise, a two-hour, unrehearsed drill designed to test the ability of hundreds of emergency-response personnel to react to a disaster on the airfield.

The scenario simulated an aircraft landing at LAX and striking a vehicle on the ground. Organizers set off actual explosions on the tarmac to simulate the crash, and about 150 volunteers posed as victims, many with bloody makeup and props simulating broken limbs or other injuries.

"Exercises like the one we're holding here today affirm the LAFD's commitment to train like our lives depend on it, because they do," Los Angeles Fire Department Chief Ralph Terrazas said. "And the lives of thousands of people — both Angelenos and members of the traveling public — also depend on it."

Taking part in the drill were more than 500 personnel, including representatives from Los Angeles World Airports, the city Police and Fire departments, city Emergency Management Department, American Red Cross, county coroner's office, FBI, Federal Aviation Administration, National Transportation Safety Board, Transportation Security Administration, Customs and Border Protection and the cities of El Segundo, Manhattan Beach, Hermosa Beach and Redondo Beach.

The exercise is mandated by the FAA and must be conducted at least once every three years "to evaluate the operational capability of readiness of LAX's emergency response and management system."

Featured in the exercise were six new Aircraft Rescue Firefighting vehicles that were recently acquired at a cost of \$5.7 million. The vehicles replaced four older ones that have been redeployed to Van Nuys and Ontario airports.

## **TSA Fairness Act Passes House**

By Tim Unruh

[Salina \(KS\) Journal](#), April 14, 2016

The U.S. House of Representatives passed the TSA Fairness Act on Wednesday afternoon to require the Transportation Security Administration to place screeners at small and rural airports with commercial air service.

That development, along with a vote expected today in the Senate on a Federal Aviation Administration authorization bill that contains elements of the TSA Fairness Act, means Salina Regional Airport has inched closer to resolving an issue that has stalled local commercial service since April 1.

“Action by the U.S. Senate and House demonstrates clearly congressional intent that federal screening services should be made available to small airports,” said Tim Rogers, executive director of the Salina Airport Authority.

He would not discuss a timeline for when issues with TSA might be resolved and Great Lakes Airlines would begin daily nonstop flights between Salina and Denver International Airport.

The Senate vote is expected today, according to a spokeswoman for U.S. Sen. Jerry Moran, R-Kan., in Washington.

Salina Regional Airport is one of 29 airports nationally affected by the legislation.

The Senate FAA amendment and the version that passed the House includes a clause that said other airports can't be affected.

The bills require that TSA provide screening at any airport that lost commercial air service on or after Jan. 1, 2013, according to Moran's spokeswoman Katie Niederee.

“This legislation will reverse the denial by TSA and ensure they stop discriminating against smaller rural communities like Salina. The air service agreement with Great Lakes Airlines will support our region's continued economic growth,” Rep. Tim Huelskamp, R-Kan., said in a news release Wednesday.

## **More TSA Insecurity: A Gaping Hole**

[Pittsburgh Tribune-Review](#), April 14, 2016

The latest unsettling news from the oft-criticized federal agency that screens the nation's airports is that only three of the 300 largest airports — in Orlando, Atlanta and Miami — screen employees.

Why only three? Well, there's the cost factor, according to the Aviation Security Advisory Committee, which instructs the Transportation Security Administration. And besides, “no

single measure can provide broad-spectrum protection against risks or adversaries.”

With that mindset, the TSA might as well unplug airport scanners and dismiss screeners.

The admissions from TSA chief Robert Neffenger to the Senate Commerce Committee follow a report last month that, in 2015, the Department of Homeland Security identified 73 employees at nearly 40 airports who had been “flagged” for possible terrorism ties, The Washington Times reports. But a TSA flack assures there's no evidence that the employees are on the government terrorist watch list.

Then there are the reports of gun and drug smuggling by airline employees at airports including New York and San Francisco.

The TSA has come under fire for its screening lapses in the past. And advancing security in airports' public areas after the Brussels airport bombing last month won't close the gaping hole inside so-called secure areas.

Now that this hole has been exposed, who can ensure that it won't be exploited?

## **FEDERAL EMERGENCY MANAGEMENT AGENCY**

### **Overnight Energy: Obama Offshore Drilling Rule Imminent**

By Timothy Cama

[The Hill](#), April 13, 2016

OFFSHORE RULE ON ITS WAY: The Obama administration is planning Thursday to unveil the final version of its well control rule, the biggest offshore drilling rule since the 2010 Deepwater Horizon disaster.

A person familiar with the rulemaking confirmed the plan to issue it Thursday, just under a week before the sixth anniversary of the explosion that killed 11 and led to an 87-day spill in the Gulf of Mexico.

As proposed last year, the well control rule would set a new suite of standards for the construction and operation of blowout preventers and other key safety equipment and practices for offshore oil and natural gas drilling.

“Through this proposed rule, we're requiring more stringent design requirements and stricter operational procedures for critical equipment used in offshore energy development,” Interior Secretary Sally Jewell said in announcing the proposal last year.

“We owe it to the American people to ensure we're developing these resources responsibly and safely,” she said.

The oil and natural gas industry opposes key portions of the rule, saying some provisions are unnecessary, costly and could actually decrease safety in the offshore industry.

An industry-commissioned study earlier this year said up to 190,000 jobs are at risk from the new standards.

Read more here.

**APPROPRIATING:** The House and Senate Appropriations subcommittees with energy and water jurisdiction approved their bills for fiscal 2017 funding Wednesday.

Democrats did not oppose the approvals at either meeting, though the House Democrats weren't completely pleased with their version of the bill, and hinted they could propose amendments later in the process.

The House's \$37.4 billion bill prioritizes fossil fuel research and development and takes funding away from Obama's clean energy priorities. It also focuses more attention on the Department of Energy's nuclear weapons programs.

"This bill rejects the budget request's proposal to reduce investment in the energy sources that we rely on today," said Rep. Mike Simpson (R-Idaho), the panel's chairman.

"Within energy programs, the recommendation rebalances the portfolio to provide a true all-of-the-above strategy," he said. "This bill includes strong funding for nuclear energy, providing research and development to ensure a safe, efficient, reliable nuclear fleet, and laying the foundation for the next generation of nuclear reactors."

In the Senate, leaders decided to put forth a bipartisan bill with no controversial policy provisions.

"The bill that Sen. [Dianne] Feinstein and I have negotiated has focused on discretionary funding; it invests in our waterways; it puts us one step closer to doubling basic energy research; it helps to resolve the nuclear waste stalemate that both she and I are determined, one way or another, to resolve," said Sen. Lamar Alexander (R-Tenn.), the chairman.

The actions line up the bills for full committee consideration, which is scheduled for Thursday in the Senate.

Read more here and here.

**ENERGY BILL COMING BACK TO THE SENATE FLOOR:** The Senate's Energy Policy Modernization Act is coming back to the floor for more amendment votes, weeks after disagreements over funding for the Flint, Mich., water crisis derailed it.

Sen. Bill Nelson (D-Fla.) has dropped his hold on the bill, which was based on a potential amendment regarding offshore drilling.

Keep an eye on The Hill for more details and developments.

**ON TAP THURSDAY I:** The Senate Appropriations Committee will meet to consider its energy and water funding bill for fiscal 2017, along with other business. The bill passed the subcommittee Wednesday.

**ON TAP THURSDAY II:** The House Energy and Commerce Committee's energy and power subcommittee will hold a hearing to change the implementation of the Environmental Protection Agency's (EPA) ozone regulation from last year. Top environmental officials from Arizona, Utah, Delaware, southern California and Texas will testify.

Rest of Thursday's agenda...

The Senate Energy and Natural Resources Committee's public lands subcommittee will hold a hearing on the Bureau of Land Management's proposed rule to limit natural gas venting and flaring on federal and American Indian land. Senators will hear from representatives of the Interior Department, Wyoming's Department of Environmental Quality, the Southern Ute Indian Tribe, Flir Systems Inc. and the Western Energy Alliance.

The House Transportation and Infrastructure Committee's emergency management subpanel will hold a hearing on the possibility of a cyberattack or other major failure in the electrical grid. Major Obama administration officials will testify, including Federal Emergency Management Agency head Craig Fugate and top Energy Department and Homeland Security Department officials in charge of the matter.

**IN CASE YOU MISSED IT:**

Check out Wednesday's stories...

- Senators subpoena EPA officials over mine waste spill
- Obama to issue new offshore drilling rule
- Senate subcommittee passes \$37.5B energy, water funding bill
- House panel passes \$37.4 billion energy, water funding bill
- Republicans say EPA rules would stall racing industry
- Lawmakers look to prevent future Flints
- World's largest coal company files for bankruptcy
- Sanders injects fracking into battle for NY

Please send tips and comments to Timothy Cama, [tcama@thehill.com](mailto:tcama@thehill.com); and Devin Henry, [dhenry@thehill.com](mailto:dhenry@thehill.com). Follow us on Twitter: [@Timothy\\_Cama](https://twitter.com/Timothy_Cama), [@dhenry](https://twitter.com/dhenry), [@thehill](https://twitter.com/thehill)

## **Legislature Extends Emergency Declaration For Flint Water Crisis**

By Emily Lawler

[MLive \(MI\)](#), April 13, 2016

LANSING, MI – An ongoing crisis over Flint's drinking water prompted the legislature to extend the official state of emergency Wednesday.

A concurrent resolution passed by the House and Senate today officially extends the state of emergency until August 14, 2016. Sen. Arlan Meekhof, R-West Olive, said that brought the state in line with the Federal Emergency Management Agency timeline.

“The Governor requested that. We extended it once, we did it one more time to match FEMA. Our understanding is that will be the last extension, there won’t be any more after that,” said Meekhof, who sponsored the concurrent resolution.

Read the document here.

Flint changed water sources while under a state-appointed emergency manager. The more corrosive water leached lead from pipes and into citizens’ water. In October, Flint residents were warned the water was unsafe to drink. On Jan. 5 Gov. Rick Snyder declared a state of emergency in Genesee County in response to the crisis.

It was extended once, but without further action would have expired this week, Meekhof said. Now the formal emergency – which allows the state to further coordinate with local government and marshal resources – lasts through Aug. 14.

Snyder praised the extension’s approval in a statement Wednesday.

“The approval of the emergency extension further demonstrates the state is committed to continue working with the city to provide strong support and continue drawing on all resources available to support Flint residents during the city’s recovery,” Gov. Snyder said.

## **Michigan Extends State Of Emergency For Flint Over Water Crisis**

By Ben Klayman

[Reuters](#), April 13, 2016

Full-text stories from Reuters currently cannot be included in this document. You may, however, click the link above to access the story.

## **US CITIZENSHIP AND IMMIGRATION SERVICES**

### **Visa Waiver Programme “At Risk” Warns Obama’s Commerce Secretary**

By David Millward

[Telegraph \(UK\)](#), April 13, 2016

A row over data sharing is threatening the visa waiver scheme which has eased the travel of millions of people to the USA .

“The programme is at risk and we need your help,” Penny Pritzker, the US Commerce Secretary told the World Travel and Tourism Council’s annual summit in Dallas.

Britain is one off 28 countries participating in the visa waiver programme, which enables tourists to be vetted by the US authorities before turning up at the airport.

A major sticking point between Washington and Brussels has been a row over information sharing, with some

European politicians wanting to restrict data about individuals being sent across the Atlantic where privacy laws are not as strict.

President Barack Obama is keen to extend the visa waiver scheme, but terrorist attacks in Brussels, Paris and San Bernardino have changed the political landscape.

There is all party support for measures to tighten the programme – although Democrats have not gone as far as Donald Trump and Ted Cruz in calling for the agreement to be ripped up.

Ms Pritzker’s plea to travel chiefs was seen as an attempt to enlist their support in persuading European politicians go climb down.

“Travellers from Visa Waiver Program countries represent 60 percent of overseas visitors to the U.S., contributing significantly to both our economy and the economies of partner nations,” she said.

“But given the presence of foreign fighters in visa waiver countries, it is clear that this program will have to evolve rapidly if it is to remain effective as a security program.”

The deadlock over transfer of information is presenting a problem, Alejandro Mayorkas, the Deputy Homeland Security secretary, told the Telegraph.

Warning that the scheme could be “subject to challenge”, he added: “It is a security imperative to share information between and amongst countries,” he said.

“There are individuals travelling within the Schengen zone about whom we have information.”

The visa waiver scheme has been tightened in recent months. Measures already adopted mean that anyone who has visited “countries of concern” – including Yemen, Libya and Somalia – since March 2011, no longer qualify for visa waiver.

Dual nationals from Syria, Iran and Sudan have also been excluded from the programme.

Other more far reaching measures advocated by a number of senators – including demanding finger-printing first-time visitors to the USA before they boarded an aircraft – were shelved.

The US tourist industry is fighting to protect the scheme fearing that its demise would hit an industry vital to the US economy.

New restrictions could endanger President Barack Obama’s ambition for the US to welcome 100 million visitors a year by 2021.

“These are really tricky times,” said Roger Dow, the chief executive of the US Travel Association. “The incidents in Paris and Brussels have triggered increased scrutiny here and around the world.

“If there is no security, there is no travel. But we have to have a system which allows legitimate travel without any hassle.”

## Judge Rejects Request To Block Passport Marker Law

By Sudhin Thanawala

[Associated Press](#), April 13, 2016

SAN FRANCISCO (AP) — A federal judge declined Wednesday to immediately block a law that requires a marker to be placed in the passports of people convicted of sex offenses against children.

Since the marker provision has not yet gone into effect, deciding whether to block it over constitutional issues would be premature, U.S. District Court Judge Phyllis Hamilton said.

"It is not clear, for example, what form the identifier will take, which citizens will be required to carry a passport with the identifier, or whether the identifier will appear on the face of the passport or will be readable only by a scanner," she said.

Opponents of the marker have called it a "Scarlet Letter" that would wrongly imply that passport holders had engaged in child sex trafficking or child sex tourism and subject them to danger.

Janice Bellucci, the attorney challenging the law, said she wasn't sure yet whether she would appeal Hamilton's ruling. Bellucci had requested a preliminary injunction against the law.

Bellucci said the judge missed a primary argument for blocking the law.

"It doesn't make any difference what the identifier is and how it's applied to a passport," she said. "The fact is any identifier violates the constitution."

Bellucci has said a marker would unlawfully compel speech.

The passport marker is part of the so-called International Megan's Law that President Barack Obama signed in February. It also requires that other countries are notified that registered sex offenders are traveling there.

The Department of Justice says the law attempts to address cases where people evade such notifications by traveling to an intermediate country before going to their final destination.

In her ruling, Hamilton also rejected a request to block the notification provision, saying federal authorities were already notifying countries when sex offenders travel there.

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## IMMIGRATION

### Hillary Clinton Promotes Community Libraries As Crucial Link To Immigrants

By Liz Robbins

[New York Times](#), April 13, 2016

When Hillary Clinton visited the Queens Library in Flushing a few years ago, she was amazed by the sheer number of immigrants who gathered there for help.

"It was packed with people from all over the world looking for information," Mrs. Clinton recalled on Wednesday morning at the Midtown Manhattan headquarters of the Service Employees International Union, where she met with immigrants and accepted the endorsement of the New York State Immigrant Action Fund, a group focused on promoting immigrant rights.

Mrs. Clinton said that community libraries were the "perfect platform" for immigrants to learn about citizenship initiatives or English classes. And so, libraries would be a critical link to the White House — if Mrs. Clinton were to occupy it, she said.

She announced on Wednesday that, if elected president, she would create an Office of Immigrant Affairs to coordinate programs on the federal, state and local levels to further her agenda to promote a comprehensive overhaul of the immigration system.

Mrs. Clinton said that as president, she would provide \$15 million in grants to support "community navigators" who would assist immigrants in pursuing legal opportunities, including seeking temporary relief from deportation. She also said she wanted to increase outreach and reduce financial barriers for those nine million people in the United States who are eligible for naturalization; only a fraction — 7 percent, she said — currently naturalize. She proposed an increase of fee waivers for the citizenship application.

Steven Choi, the executive director of the Action Fund and its sister organization, the New York Immigration Coalition, said the fund endorsed her because of her planned policies, and also because of the longstanding relationship the groups have had with Mrs. Clinton. "She knows New York State's immigrants," Mr. Choi said. "We know she has a strong consistent track record, that she has worked for immigrant communities and she has delivered."

Mrs. Clinton sat at a round-table discussion in the union's headquarters with immigrants of several nationalities and differing legal status. Melissa Mark-Viverito, who has made immigration overhaul a hallmark of her work as City Council speaker, and who has endorsed Mrs. Clinton, was also in attendance.

On Monday, the day before the New York primary, the Supreme Court will begin hearing oral arguments in *United States v. Texas*, a challenge to President Obama's executive orders that, among other things, allow the undocumented immigrant parents of citizens or lawful permanent residents to stay in the country and work legally. During the roundtable on Wednesday, Norma Flores, 51, an undocumented immigrant from Mexico, who is the mother of two United States citizens, asked Mrs. Clinton to protect immigrants like her.

"I will do that," Mrs. Clinton said. Earlier, Mrs. Clinton said she believed that President Obama's initiatives were rooted in law. "I am certainly very hopeful that we will see a positive outcome from this really important decision that many millions living in our country are holding their breaths over," she said

Mrs. Clinton concluded with a familiar message for the leading Republican candidate, Donald J. Trump. "It's important that we also stand up against voices of hate and divisiveness, whether they are in our communities or running for president," she said.

She added: "I have said frequently about Donald Trump – 'Basta.' Enough with the prejudice and the bluster and the bigotry and all of the appeals to fear and anxiety and anger."

## **Hillary Clinton Says She Would Create Office On Immigrant Policy If President**

**Democratic front-runner would create Office of Immigrant Affairs to coordinate government policy**

By Laura Meckler

[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

## **Supreme Court Ruling On Immigration May Spur More Challenges**

By Richard Wolf

[USA Today](#), April 13, 2016

WASHINGTON — President Obama's last-ditch effort to offer more than 4 million undocumented immigrants protection from deportation reaches a short-handed Supreme Court on Monday, but the eight justices may not have the final word.

A tie vote would hand a victory to Texas and 25 other states that have successfully blocked the program in lower courts, but it could unleash new challenges. States and cities who favor the program could try to fight the nationwide injunction imposed by a lone judge on the Mexican border and upheld by the nation's most conservative federal appeals court.

"Basically, you'd have a judicial mess," says David Leopold, an immigration attorney and former president of the American Immigration Lawyers Association. "You'd have absolute chaos in the courts."

A ruling for Obama that allows millions of undocumented immigrants to apply for "deferred action" status and work permits could be short-lived if Donald Trump or Ted Cruz wins the White House and ends the program next year. And it could fuel future federal-state battles over executive actions.

"We're going to see an executive who doesn't really need to go to Congress in order to get changes in the law,"

warns Michael McConnell, a former federal judge who heads the Constitutional Law Center at Stanford Law School.

The showdown over Obama's immigration plan at the end of his second term is in many ways a mirror image of the battle over his health care law at the end of his first term. In that case, Chief Justice John Roberts handed the president a major victory by a bare 5-4 majority in the midst of his re-election campaign.

This time, the court is depleted following the Feb. 13 death of Justice Antonin Scalia and twice has deadlocked 4-4 in cases that affirmed lower-court rulings without setting a national precedent. A tie vote on immigration would uphold Texas' victory at the appeals court, but the justices may seek to avoid that outcome.

Roberts and Justice Anthony Kennedy are the most likely to tip the balance, possibly by ruling that Texas does not have the right to sue the federal government over immigration policy based solely on the potential costs of issuing driver's licenses to undocumented immigrants.

Obama unveiled the Deferred Action for Parents of Americans and Lawful Permanent Residents (DAPA) program in 2014 as an extension of a similar program that has protected more than 700,000 undocumented immigrants brought to the country as children.

The new plan would broaden that program and add protections for up to 4.3 million adults with children who are U.S. citizens or lawful residents. Those who qualify could apply for work permits and a host of health care, disability and retirement benefits.

Texas went to court in 2014, charging that Obama lacks the authority to protect roughly one-third of the nation's undocumented immigrants by executive fiat. District Judge Andrew Hanen blocked the program from proceeding while it was being challenged, and the U.S. Court of Appeals for the 5th Circuit upheld that order by a 2-1 vote last November.

The Obama administration says the lower-court ruling denies protection to parents "who have lived in this country for years, would pass a background check, are not priorities for removal, and have a son or daughter who is a U.S. citizen or a lawful permanent resident."

Pro-immigration supporters rally outside the Supreme Court in January. (Photo: Susan Walsh, AP)

If the justices agree with the lower courts or are tied 4-4, the case would be returned to the district court for final action. A ruling in favor of the administration, on the other hand, would give a green light for the program to begin.

Immigration rights groups and their supporters smell victory, based on past opinions by Roberts and Kennedy.

Roberts dissented from the court's 2007 decision in an environmental case because, he said, Massachusetts could not prove it was injured by the federal government's refusal to regulate greenhouse gases. "The constitutional role of the



courts ... is to decide concrete cases — not to serve as a convenient forum for policy debates,” he said.

Kennedy wrote the high court’s 2012 decision striking down three out of four challenged provisions of an Arizona law targeting undocumented immigrants. “The states are precluded from regulating conduct in a field that Congress, acting within its proper authority, has determined must be regulated by its exclusive governance,” he said.

Perhaps most important, immigration proponents note that Roberts has sought to steer the court away from political controversies and may be even more inclined to do so during the battle between Obama and Senate Republicans over filling Scalia’s seat.

“He cares very much about the politicization of the courts,” says Brianne Gorod, chief counsel for the liberal Constitutional Accountability Center.

Opponents warn that if the program is upheld, it could set a dangerous precedent by allowing the president to circumvent laws.

“The question in any future case, as in this one, is not whether the president’s rule makes good policy,” Texas Gov. Greg Abbott and five other governors argue in a brief supporting the states. “The question is whether the Constitution allows the president to license statutory violations. It does not.”

Texans who favor President Obama’s immigration program walked to the Capitol in Austin last November to protest the state’s lawsuit. (Photo: Mark Greenberg, for USA TODAY)

If the court doesn’t rule for Obama, it likely will emerge tied or seek to rehear the case when it’s back to full strength — something that could take a year or more. A tie vote would leave the injunction against the program in place, possibly emboldening states to mount more court challenges to federal actions.

U.S. Solicitor General Donald Verrilli argues in the government’s brief that such a result would enmesh the courts “in all manner of disputes between the federal government and a state, or competing factions of states, over immigration policy.”

States and cities that favor the deferred action program could try to mount their own lawsuits, arguing they were deprived of a program that would help local economies and residents. California, Washington state, New York City and others made those claims in briefs supporting the Obama administration.

“The deferred action programs will contribute over \$800 million in additional economic benefits to state and local governments annually,” a brief submitted by New York City and other local governments says. The city itself estimates it loses \$100,000 a day in tax revenue while undocumented workers remain in the shadows.

“The injunction entered below is preventing our states and millions of our residents from receiving the substantial economic, social welfare, and public safety benefits that will flow from the president’s 2014 immigration guidance,” Washington and 15 other states argue in their Supreme Court brief.

Those municipalities or individuals who stand to benefit from the program could go to court. “Probably a lot of creative litigation would be considered,” says Marielena Hincapié, executive director of the National Immigration Law Center.

Stephen Legomsky, professor emeritus at Washington University School of Law and an immigration expert, says courts might be precluded from considering such challenges, based only on the potential impact of a program.

“Other states and localities who favor this program would be right to feel that they have been treated unjustly,” Legomsky says, but “they would face a tough legal hurdle.”

## **Key Issue At Supreme Court Immigration Hearing: Drivers License Fees**

**States’ ability to challenge Obama policy rests on Texas’ claim that plan would require it to subsidize licenses**

By Jess Bravin And Miriam Jordan  
[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

## **Sen. Marco Rubio Seeks End To Special Refugee Status For Cuban Immigrants**

By James Rosen  
[Miami Herald](#), April 13, 2016

Sen. Marco Rubio, who based his presidential bid this year in part on his personal story as the son of poor Cuban immigrants, on Wednesday urged Congress to end a decades-old program that’s enabled immigrants from the island to get welfare benefits from the moment they set foot on American soil.

In an impassioned speech on the Senate floor, Rubio, who ended his White House bid last month after badly losing Florida’s GOP primary, said Cuban immigrants no longer deserved special treatment.

“As many of you know, I am the son of Cuban immigrants,” the Miamian told his colleagues. “I live in a community where Cuban exiles have had an indelible imprint in our country, on the state of Florida and in South Florida in particular. And yet I stand here today to say that this provision of law, this distinction, is no longer justified.”

Rubio’s proposal would end automatic refugee status for Cubans and place them in the same category as other immigrants. He offered it as an amendment to a bill

authorizing funding for the Federal Aviation Administration, which is before the Senate this week.

Rep. Carlos Curbelo, a Kendall Republican and fellow Cuban-American, is sponsoring a similar measure in the House of Representatives.

“As the Senate works through their amendment process, I will continue to build bipartisan support amongst House colleagues for this critical legislation and explore all paths forward in getting the bill signed into law,” Curbelo told McClatchy on Wednesday.

Haitians are the only other immigrant group that gets automatic refugee status upon entering the United States. Rubio’s legislation would not affect their status.

All four Cuban-American members of Congress from South Florida support ending automatic refugee status for Cuban immigrants.

Thanks to a major welfare overhaul two decades ago by President Bill Clinton working with congressional Republicans, other immigrants are ineligible for welfare benefits for their first five years in the United States.

Some immigrants can get aid earlier, but they must prove that they are political refugees who were persecuted in their homelands; Cubans don’t have to prove persecution and receive refugee status immediately.

Support for the provision has faded as tales of abuses of the benefits have been revealed, even as some Cuban-Americans have asserted that the Cuban government has cracked down on dissidents since President Barack Obama re-established diplomatic relations with Havana last year. Obama made a historic visit to Cuba last month.

Rubio told a gripping tale of alleged abuse of the privileged status, noting that many Cubans who are granted the status arrive in the United States via Central America, working their way north through Mexico before crossing into the United States.

It’s really about respecting the generosity of the United States in providing refuge to Cubans.

Ana Carbonell, White Rose Institute

“A significant number of people are drawn to this country from Cuba because they know when they arrive they can step foot on dry land, they will immediately receive status and they immediately qualify for a package of federal benefits that no other immigrant group would qualify for unless they can prove they’re refugees,” Rubio said.

“This current policy is not just being abused, it’s hurting the American taxpayers,” said Rubio, who is not seeking re-election to the Senate. “There are reports that indicate that financial support for Cuban immigrants exceeds \$680 million in the year 2014 alone, and those numbers, by the way, have quite frankly gone up since then.”

Among the 43,000 Cubans who entered the United States last year, about 10,000 came directly to Miami, with most of the rest crossing the Mexican border, according to

U.S. Customs and Border Protection data assembled by the Pew Research Center in Washington.

10,000 The number of Cubans who arrived in Miami last year, more than double the figure in 2014.

Rubio described a still-worse form of abuse. With travel restrictions loosened between the two countries, some Cubans with no intention of leaving their homeland permanently, he said, are coming to South Florida dozens of times a year, filing for benefits in different locations and then having relatives wire them the money back in Cuba.

“It is difficult to justify refugee benefits for people who are arriving in the United States and are immediately traveling repeatedly back to the nation they claim to be fleeing,” Rubio said.

With welfare cash payments in Florida averaging more than \$500 a month for a family of three, Cubans can receive aid that approaches their homeland’s per capita annual income of about \$7,567, according to the World Bank.

Ana Carbonell, former spokeswoman for former Hialeah Mayor Julio Robaina and head of the White Rose Institute, a nonprofit group in Coral Gables, said she and other leaders of South Florida’s Cuban-American community were aware of the problems cited by Rubio and supported his efforts to repair them.

“It’s really about respecting the generosity of the United States in providing refuge to Cubans,” Carbonell told McClatchy. “The (Rubio) legislation reminds folks of not letting that generosity be abused so that folks who are truly needy of that assistance can continue to have it provided to them on the basis of the law.”

Under the measures by Rubio and Curbelo, Cuban immigrants would be able to obtain welfare benefits without waiting five years, but like other new arrivals they would have to provide evidence that they were personally persecuted in their homelands to get the aid.

Republican Sens. John Cornyn of Texas and Jeff Flake of Arizona have co-sponsored Rubio’s amendment. In the House, Curbelo’s bill has bipartisan support, with Democratic Reps. Frederica Wilson of Miami Gardens, Debbie Wasserman Schultz of Weston and Lois Frankel of West Palm Beach co-sponsoring it along with Republican Reps. Mario Diaz-Balart and Ileana Ros-Lehtinen, both of Miami, plus 30 other Democrats and Republicans elsewhere in Florida and other states.

“As tens of thousands of people diligently make their way through our immigration system from all over the world, this bill takes one small but important step in preventing the fraudulent and abusive practices of those few individuals who would take advantage of the rights afforded to such a vulnerable population,” Wasserman Schultz, head of the Democratic National Committee, said Wednesday.

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## State's Criminal EB-5 Case Rests On Little-used Charge

By James Nord

[Associated Press](#), April 13, 2016

PIERRE, S.D. (AP) — The high-profile financial misconduct case against the man who once ran South Dakota's investment-for-visa program relies on a little-used felony charge that has been filed in much simpler cases, such as the shooting of a truck with a rifle and the auctioning of a Volvo loader.

Joop Bollen is accused of diverting more than \$1.2 million from an account created as part of a contract with the state to protect it against costs or liability from South Dakota's EB-5 visa program. Bollen, who authorities say replenished most of the money, is charged with disposing of secured property, which can carry prison time.

Bollen's attorney has said the state is trying to make him a scapegoat.

The charge is often brought in cases where someone damages or improperly sells property that's collateral for a loan. In South Dakota, there have been four convictions on the charge since 2007, and a total of 78 counts filed in that timeframe, according to the state's Unified Judicial System.

For example, in 2014, a Watertown man was accused of driving into his girlfriend's truck — for which they had a loan from a bank — and then shooting it with his AR-15 rifle after an argument. In a separate case that year, a man from the same city was accused of selling tools he was still paying off to a pawn shop for about \$4,000.

Marsh Halberg, a Minnesota defense attorney who isn't connected to Bollen's case, said the charge Attorney General Marty Jackley chose to pursue against Bollen is legitimate.

"Is he being resourceful, creative? I guess to a certain extent, yeah. I think it might pay off," Halberg said. "I think it's got some legs to it."

Bollen has been charged with five counts, each of which is punishable by up to two years in prison and a fine, though Jackley has said there's a presumption of probation if convicted for Bollen's class of felony.

Bollen headed the EB-5 program for the state when he was in charge of the South Dakota International Business Institute at Northern State University. The program was privatized in 2009 and turned over to SDRC, the company Bollen founded, until the state took over management in 2013. The investment program came under fire in 2013, after a former state official associated with it killed himself as felony theft charges were being prepared against him.

Bollen's attorney, Reed Rasmussen, said civil litigation — which the state is already pursuing — is more appropriate than a criminal charge.

"Under the state's best-case scenario, he may have breached the contract," Rasmussen said.

Jackley said the charge stems from new developments in the investigation into the program and that the law underpinning the case is "specifically on point." The attorney general also cited a 2010 state Supreme Court opinion that he said gave authorities direction on the appropriate charge to use.

"We find out what the facts are, and then we apply them to the law as written by the Legislature and as interpreted by our highest court," Jackley said.

Still, Jackley has said he's frustrated he can't bring conflict-of-interest charges in the investment program scandal or in a separate case unrelated to EB-5 of alleged theft and an attempted cover-up at a Platte-based educational cooperative. He intends to seek legislation next year that would increase his options in such cases.

The state's legal documents accuse Bollen, 53, of Aberdeen, of improperly transferring money out of an account that his company was supposed to maintain. In at least one case, the money was subsequently used to buy an Egyptian artifact, according to a court document.

A court affidavit said most of the money was repaid to the account, but a state investigator said in the document that a nearly \$167,000 transfer does not appear to have been refunded.

Bollen's next hearing is scheduled for May 13.

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## Nebraska Moves To Allow Professional Licenses For Immigrants

By Grant Schulte

[Associated Press](#), April 13, 2016

LINCOLN, Neb. (AP) — Nebraska lawmakers approved a bill Wednesday that would allow immigrants with temporary legal status to work in more than 170 professions, including jobs as teachers, nurses and doctors.

Senators passed the measure with a 33-11 vote, enough support to override a likely veto by Gov. Pete Ricketts.

Supporters say that the youths should have access to professional and commercial licenses. The bill would apply to those who came or were brought to the country illegally, but received lawful status under President Barack Obama's executive action allowing them to stay in the country. Nebraska had nearly 5,200 youths who could be affected by the legislation as of December, according to U.S. Citizenship and Immigration Services.

The bill has won support from an array of business and religious groups, the Nebraska Cattlemen Association and Omaha Mayor Jean Stothert. It would apply to more than 170

professions, from electricians and pharmacists to tattoo artists and mixed martial artists.

"It's a common sense workforce development proposal to keep educated and skilled residents in Nebraska," said Sen. Heath Mello of Omaha, the measure's sponsor.

Mello said he introduced the bill after learning that some youth in the Omaha area who are in the country illegally were getting trained in the medical field and then taking their skills to Iowa because they couldn't get licensed in Nebraska.

Many states don't specifically prevent the youth from getting professional licenses, he said, but a 2009 state law prohibits Nebraska from granting "benefits" to anyone who has entered the country illegally. Under Nebraska law, benefits include state-issued commercial and professional licenses.

The issue has already surfaced in other legislatures and is expected to spread.

"There are a lot of states that haven't looked closely at it," said Tanya Broder, a senior staff attorney with the National Immigration Law Center. "Nebraska is part of a growing trend."

Florida enacted a law in 2014 that allows law licenses for youths who were brought to the U.S. as a minor, have work authorization and have lived in the country for more than 10 years. Illinois passed a similar measure last year, and Nevada approved a law to allow teaching licenses for deferred-action youths.

A new California law allows professional and commercial licenses for anyone with a taxpayer identification number, regardless of their immigration status

The policy announced by President Barack Obama in 2012 gives certain youths a Social Security number, a two-year work permit and protection from deportation. It applies to people who are at least 15 years old, arrived in the U.S. before their 16th birthday, were under 31 in 2012, have lived continuously in the U.S. since 2007 and are in school or working toward a degree.

Ricketts said the bill is too broad and is unfair to immigrants who followed the legal process to establish residency. In a statement released Tuesday afternoon, the governor said it would also grant licenses to asylum seekers and people with temporary protected status, including those from countries such as Somalia, Syria, and Yemen where terrorists are known to congregate.

Mello said both types of immigrants are forced to undergo a rigorous federal screening before they are granted the status.

Sen. Bill Kintner of Papillion, a conservative Republican, said the state shouldn't reward the children of people who came to the country illegally, even though the federal government granted them legal status.

"I just don't think it's our job," Kintner said. "We didn't cause the problem. We shouldn't have to fix the problem. We

should put the pressure on the federal government to fix the problem that they created, perpetuated and have failed to do anything about."

Florida and Illinois have already passed laws allowing deferred-action youths to receive law licenses. California allows professional and vocational licenses for anyone with an individual taxpayer identification number, regardless of immigration status.

Advocates for the youth cheered Wednesday's vote.

Passing the bill "is a great step forward for Nebraska because we all have much to gain from the skills, talent and hard work of the young people who could obtain professional licenses," said Darcy Tromanhauser, who works on immigration issues for the group Nebraska Appleseed.

Last year, Nebraska became the nation's last state to extend driving privileges to those who were allowed to stay in the U.S. under Obama's program. Ricketts opposed that measure as well, but senators overrode his veto.

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## Immigrant Advocates To Rally At Supreme Court

By Sergio Bustos

[Associated Press](#), April 13, 2016

MIAMI (AP) – A group of Florida immigrants are headed to Washington to rally in support of President Barack Obama's immigration programs that allow millions of children and parents illegally in the country to avoid deportation.

The trip and rally are part of a national effort to make their voices heard Monday when the Supreme Court hears arguments in a lawsuit brought by 26 states that challenges Obama's actions. A ruling could be made in June.

At issue is the Deferred Action for Parents of Americans. In 2014, Obama took executive action to allow people who have been in the United States more than five years and who have children in the country legally to "come out of the shadows and get right with the law." Another program, Deferred Action for Childhood Arrivals, which allows children brought here illegally by their parents to remain temporarily. The court is reviewing the program impacting parents.

Combined, more than 5 million immigrants in the U.S. illegally benefit from the programs. In Florida, about 229,000 individuals here illegally are eligible.

A host of immigrant advocates and individuals who are in the country illegally spoke at a news conference in Miami Wednesday to explain how critical it is for the nation's highest court to rule in their favor.

Julio Calderon, a student at Florida International University, comes from a family of six that includes relatives

here legally and illegally. He is here illegally after entering the country in 1998 just 30 days after his 16th birthday, which is past the deadline to qualify for DACA. His younger brother, however, qualified under the same program, allowing him to work, go to school and get a driver's license.

"Even though I'm not eligible, I continue to fight for immigration reform for all," said Calderon, who graduates this year with a degree in economics and who is working with a lawyer to gain legal residency.

"We want to live and work in peace. We don't want to live in fear," said Yaquelin Lopez, who is dependent on DAPA to remain in the country. DAPA allows parents here illegally with U.S. children to gain temporary legal status.

Jorge Cortes, who qualified for DACA, said "deportations are dividing families" and that immigrants, like himself, are paying taxes and contributing to the U.S. economy. Originally from Colombia, Cortes is a business entrepreneur in Miami.

Maria Rodriguez, executive director of the Florida Immigrant Coalition, who is among the main organizers of the Washington trip and rally, said she expects the Supreme Court to rule in immigrants' favor "because it's good for immigrant families and good for the country."

On the web, [floridaimmigrant.org](http://floridaimmigrant.org)

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## Capitol Hill Buzz: Republicans Want Answers On Visit To Iran

By Richard Lardner

[Associated Press](#), April 13, 2016

WASHINGTON (AP) – Stop us if you've heard this one.

Three guys walk into ... the Iranian Interests Section in Washington, D.C.

They're Republican congressmen and they did actually march into the office that represents Tehran's only official government presence in Washington to apply in person for visas to travel to Iran. That was more than two months ago and they still don't have an answer. So they fired off a letter to Iranian Foreign Minister Mohammad Javad Zarif asking him what gives.

"If you reject our visa applications, please provide an explanation," wrote GOP Reps. Mike Pompeo of Kansas, Lee Zeldin of New York and Frank LoBiondo of New Jersey in the letter to Zarif released Wednesday. All three lawmakers opposed the landmark international nuclear deal with Iran.

The congressmen have outlined what amounts to a Republican fantasy trip, which may account for what they called the "ridicule and delay" their request has generated inside Iran.

They want to visit American hostages held by the Iranians and get briefings on the detention in January of 10 American sailors who strayed into Iranian territorial waters. They're also pushing for trips to three Iranian nuclear sites and to get information about Iran's recent ballistic missile tests that many Republicans contend violate a U.N. resolution.

The congressmen told Zarif they've already missed a chance to observe elections in Iran because of the delay.

"With your claims that many moderates were elected, we imagine that there should be no problems now with our trip," they wrote.

The lawmakers noted that the U.S. government allows Iranian leaders to come to the United States. And American business delegations are going to Iran, so clearly the corporate world is getting visas.

"We trust the same courtesy will be extended to American leaders," they wrote to Zarif.

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Deputy Secretary of State Anthony Blinken didn't waste the moment when he sat down to testify at a Senate hearing ahead of U2 front man Bono.

"Mr. Chairman, as a wannabe musician I could only dream of one day opening for Bono," Blinken said in the packed hearing room. "So thank you for making that dream come true. It's not the Verizon Center, but I'll take it," he added, referring to the Washington's 20,000-seat arena.

Bono and Blinken testified Tuesday before told the Senate appropriations subcommittee on foreign operations about the global refugee crisis and violent extremism.

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Senate Republicans have a sure-fire way of preventing President Barack Obama from making a recess appointment to fill the vacancy on the Supreme Court.

The answer: Pro-forma sessions through every recess and break, up and until Jan. 20, 2017 when the next president is sworn in.

That's the word from Judiciary Committee Chairman Chuck Grassley, who told Iowa reporters on a conference call Wednesday that GOP senators are lined up to preside over the brief sessions every three days.

"I think I'm signed up to be here December the 20th," said the Iowa Republican.

Obama has nominated federal Judge Merrick Garland to fill the opening on the court after the death of Justice Antonin Scalia. Republicans, led by Majority Leader Mitch McConnell, R-Ky., and Grassley, maintain that the president elected by voters in November should make the court pick.

It would be highly unusual for the president to make a recess appointment for the high court, but Republicans are taking no chances.

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Associated Press writer David Pitt in Des Moines, Iowa, contributed to this report.

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## **SECRET SERVICE**

### **Trump Campaign Manager Will Not Be Prosecuted, Sources Say**

By Hadas Gold And Marc Caputo

[Politico](#), April 13, 2016

A Florida prosecutor has decided not to prosecute Donald Trump's campaign manager for battery after a March run-in with former Breitbart reporter Michelle Fields, sources with knowledge of the situation told POLITICO.

The decision not to press charges against Corey Lewandowski is scheduled to be announced on Thursday afternoon by Palm Beach County State Attorney David Aronberg.

Fields may still pursue a defamation case against Lewandowski, a source said.

Fields filed a police report last month after Lewandowski grabbed her by the arm and moved her out of Trump's way following a press conference at Trump National Gold Club in Jupiter. She said he left bruises on her arm. Police later charged Lewandowski with simple battery, releasing video from surveillance cameras that shows Lewandowski reaching for and grabbing Fields.

Aronberg would not comment, but in a POLITICO interview last week, he pointed out that Jupiter police had a low "probable cause" standard to cite Lewandowski for battery. But the responsibility for moving forward with a full-blown prosecution rested with Aronberg's office, which had to consider whether a crime occurred and whether they believed a jury of Floridians would prosecute.

"We have a higher standard to go forward with a prosecution," he said.

Fields would not comment on the record. Lewandowski could not immediately be reached for comment.

Many lawyers said they just didn't think jurors would think of this case as a battery, even though it met the technical threshold for the crime under Florida law, which essentially defines battery as unwanted touching.

"If you asked people to describe a battery, this certainly wouldn't cut it. No injury, no damage, no nothing," said veteran Miami criminal defense lawyer David Oscar Markus, who earlier this month successfully defended former Baltimore Orioles outfielder Delmon Young in a battery case involving a Miami valet.

"Not every minor interaction needs to go to court. Time for everyone to chill out," he said. "Jeb Bush has a better claim for battery against Trump after those debates than this reporter does against Lewandowski."

Despite the appearance of a small incident, the Lewandowski case had big ramifications.

Fields, along with at least six other colleagues, resigned from Breitbart after the incident, saying the conservative-website known for its pro-Trump slant was not properly supporting her. Fields was also forced to flee her home and at one point, Washington, D.C. because of death threats she received after several news organizations accidentally published Lewandowski's full police report, which included Fields' personal contact information.

Initially, Trump, Lewandowski and his campaign questioned whether the incident even took place, saying Fields was attention-seeking and questioning her character. Following the charges filed by police, Trump began test-driving what was likely a factor in the prosecutor's decision to not pursue the case: Claiming that Fields touched him first.

Trump also said she was where she shouldn't have been by slipping inside the perimeter of Secret Service agents who were in charge of protecting him. An anonymous Secret Service agent told DailyMail.com that Fields was told to stay away from Trump.

In making those statements, Trump helped lay the foundation for Lewandowski to raise a "defense of others" argument, which allows someone to forcibly grab another person if he or she is somewhere prohibited and poses a potential threat.

Aronberg made clear to POLITICO that he had watched at least one Trump interview by FOX's Sean Hannity where Trump had subtly raised this "defense of others" doctrine. In deciding whether to prosecute, Aronberg's office would take into account the potential success of Trump raising this argument in court.

While Aronberg said every case is taken seriously and is handled fairly, the reality is that this simple misdemeanor battery case was only a high priority because of media attention. His office, one of the largest in Florida, oversees 125,000 criminal cases a year, including murders, rapes, robberies and police brutality incidents.

Trump has steadfastly stood behind his campaign manager. But behind the scenes, Lewandowski's role in the campaign is shrinking as the campaign matures and as of the result of long-simmering concerns among some members of Trump's inner circle about Lewandowski's lack of national

experience, his perceived unwillingness to challenge Trump and his brash temperament. The campaign recently brought on convention manager, Paul Manafort and on Wednesday, announced the hiring of former Scott Walker campaign manager Rick Wiley.

## **Secret Service Is Developing Trump Security Plan**

[WGRZ-TV Buffalo \(NY\)](#), April 14, 2016

BUFFALO, N.Y. – The United States Secret Service is in the process of developing a comprehensive security plan for Donald Trump's rally at First Niagara Center, the head of the Buffalo Field Office said on Thursday.

Trump's rally is scheduled for Monday, one day before the New York primary. Over the next four days, the Secret Service will collaborate with local law enforcement agencies, which could include the Buffalo Police Department, Erie County Sheriff's Office, NFTA Police and any town or village police department potentially involved in Trump's travel plans from the airport to the arena.

A spokesperson for the Sheriff said his office has not received any directions from the Secret Service yet. First Niagara Center staff also said the agency has not yet shared official plans.

Trump has faced tense moments on the campaign trail during some of his rallies, including a situation in Dayton, Ohio, in which Secret Service agents had to protect him from a protester rushing the stage. Trump canceled an event in Chicago last month because of safety concerns. A rally in St. Louis saw 32 arrests.

Protests are already planned in Buffalo, with more than 1,000 people already indicating on Facebook that they'll attend a peaceful event prior to Trump's rally.

The large crowds downtown will surely lead to a lot of foot and vehicle traffic, requiring heavy oversight from local agencies.

Bernie Tolbert, who has previously served as FBI Special Agent in Charge of the Buffalo Office as well as a senior security executive for the NBA, said authorities will sweep the entire arena hours before the rally begins. Later that night, when people begin to enter the arena, Tolbert expects them to face pat-downs, magnetometers and wands as a part of the Secret Service's screening process.

At Trump's rally in Rochester last week, authorities executed the sweep more than five hours before the rally started.

"It takes a lot of work and an awful lot of manpower," Tolbert said. "And even with that, there are still things that could happen that you just can't plan for."

Tolbert said the short notice of Trump's rally could provide some challenges for the Secret Service, considering they will have fewer than two weeks to plan for the event. In

his experience in hosting presidents or other notable visitors requiring Secret Service, Tolbert said it wouldn't be uncommon for the local Secret Service branch to keep tabs on people they believe could pose a danger.

"They'll be required to do certain procedures, including checking out names of people they know who have either made a threat before-- or they feel (could be) potential threats," Tolbert said. "So we have to check those people out, and make sure you know where they are, what they're doing."

Trump's rally begins at 7 p.m. on Monday.

Ted Cruz, meanwhile, will participate in a town hall meeting with MSNBC on Thursday. John Kasich has not scheduled an event in Buffalo yet, but his local organizers, including Assemblyman Ray Walter, said they're still pushing hard for a visit.

## **NATIONAL PROTECTION AND PROGRAMS**

### **House Refuses REAL ID Licenses, Supports Separate ID Cards**

By Melinda Deslatte

[Associated Press](#), April 13, 2016

BATON ROUGE, La. (AP) — House lawmakers refused Wednesday to allow Louisiana to issue driver's licenses that comply with the federal REAL ID law. But they did agree to let people pay for a special state-issued identification card compliant with the federal act.

The House-approved proposal contrasts with the approach backed by the Senate and by Gov. John Bel Edwards. Senators voted two weeks ago to let drivers choose whether they want a REAL ID-compliant license or not.

The competing bill passed by the House would continue the ban on REAL ID compliance for licenses, but allow people to get a separate ID card that meets the terms of the federal act.

Louisiana residents would have to pay a fee — on top of their license cost — to get the second card. The Office of Motor Vehicles would have to create a separate database to house the documents that would be scanned and retained to meet the REAL ID security requirements.

Driving the debate is worry that without some compliance with the federal law, Louisiana residents could need a passport or other federally approved identification to board domestic flights or enter federal buildings within the next few years.

Privacy concerns have been repeatedly raised by conservative groups, however, about the data collection that would be required to comply. In 2014, Edwards' Republican predecessor, Bobby Jindal, vetoed a bill similar to the Senate approach because of data-sharing worries.

Congress passed the REAL ID Act to create national identification standards after the 9/11 terrorist attacks. More than 20 states meet the requirements, and most others like Louisiana have received temporary extensions, according to the U.S. Department of Homeland Security.

Louisiana's lawmakers enacted a ban in 2008 on meeting the federal requirements. Since then, many of the most heavily criticized security features have been dropped.

"It's not for a national identification card," said Rep. Jimmy Harris, D-New Orleans. "REAL ID does not create a federal database of driver's license information."

Harris proposed a bill similar to the Senate version that would have allowed drivers to choose between a REAL ID-compliant license or not.

"It is optional, optional, optional," he said.

But the House voted 56-41 to heavily rewrite the bill as proposed by Rep. Mike Johnson, R-Bossier City, to instead create the separate REAL ID-compliant identification card. Johnson said that would ensure that people who don't want their information scanned into a database would be protected and their information wouldn't be shared with the federal government.

"I support Louisiana becoming REAL ID compliant. However, I think we have to do it in a very careful way," Johnson said.

Opponents of the change questioned the costs of the dual system.

"I guess I'm failing to appreciate the level of fear that's associated with this," said Rep. Randal Gaines, D-LaPlace.

Staci Hoyt, deputy commissioner of the Office of Motor Vehicles, has said to comply with the federal law Louisiana needs to scan into a database and store the birth certificates, passports or other documents used to verify a person's identity. She said the state has been regularly scanning the documents for new drivers since 2012.

Hoyt has said the state database can't be linked to other databases.

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## **OFFICE OF HEALTH AFFAIRS**

### **The Looming Threat Of Avian Flu**

By Maryn McKenna

[New York Times Magazine](#), April 13, 2016

Even at a distance, it was obvious that there was something odd about the compost pile behind one of Brad Moline's long white barns. Moline, 37, tops six feet, but the pile towered above him. It was 30 feet wide and 100 feet long, and the compost was crumbly and rich. But its sloping sides were studded with bones.

There were seven other piles like this on the Moline family farm, in northwest Iowa, enough to fill three football fields up to the first row of seats. Bleached pelvic crests and the knobby ends of shins poked up from the humus alongside an unbroken wishbone. They were all that was left of the 56,000 turkeys that Moline and his older brother, Grant, and their father, John, were raising last May, when avian influenza arrived on their farm. When they went to bed one night, their turkeys were healthy; the next morning, almost 100 were dead and hundreds more were gasping for breath. Thousands of birds died in days.

"I'd never seen anything like it before," Moline said when I visited him last October. "My father, who is 70 years old, he'd never seen anything like it before, and some older relatives that have been around this area for a long time, they'd never seen anything like it. It rolled through the farm like a runaway train."

The Molines had been dreading the flu for months, watching it advance across the state and hoping their isolated location, outside a small town called Manson, would keep the disease away. Instead, following orders from the United States Department of Agriculture, the family was required to kill all their birds, even those that were not showing symptoms, sacrificing them as a firebreak to keep the disease from spreading. They stacked the thousands of carcasses in 200-foot windrows of wood shavings and straw so the heat of decay would burn the virus away. They turned the piles with tractors, scrubbed and fogged and aired their barns, turned the piles again, swabbed the empty buildings to check for infection and waited out weeks of quarantine to earn an all-clear from the U.S.D.A. and the state's Agriculture Department.

Iowa was the worst-hit state in the outbreak, and the Molines' farm was the first allowed to restock once it was over. When I visited, there were 28,800 turkeys in four of their barns — 11-week-old birds, reedy and at the midpoint of their lives — and another 28,000 new arrivals cheeping in the brooder barn, where they spend their first few weeks. It seemed as if the devastating flu had never been there — except for the extra compost, as much as they would have accumulated in 10 years of normal farming.

It has been a year since the bird flu tore through the Midwest: enough time for decimated farms to cash their indemnity checks and begin buying replacement birds; for the wholesale price of eggs, which doubled, to slide back to normal; for national awareness of the outbreak, the worst animal-disease epidemic in United States history, to dissipate. But among the poultry farmers who endured the flu, and others watching elsewhere in the country, there is a pervasive uneasiness, because after a year of scrutiny, federal and academic scientists still cannot say for sure how their properties became infected. Despite their own efforts to harden their defenses, and new federal plans to help them, it



is possible that poultry farmers are not equipped for the flu to return among the United States' billions of chickens; and that ranchers and pork producers might be equally unprepared if an unfamiliar disease detonated among the country's 92 million beef and dairy cattle or 68 million pigs. Planning for epidemics, animal or human, is to a large extent based on what a disease did the last time. It is much more difficult to predict what a disease will do next.

It was reasonable to expect the United States to be prepared for avian flu. Big, unpredictable epidemics were a part of American life for as long as America existed, going back to Philadelphia's yellow-fever epidemic in 1793. But in 2001, mere weeks after the terrorist attacks on the World Trade Center and elsewhere, members of Congress and the media received letters laced with powdered anthrax. Five people died, 17 more were made gravely ill, thousands were put on preventive antibiotics and policy makers confronted, as they never had before, that the country needed to be protected against deliberately caused diseases. That recognition was followed by two more: Naturally occurring epidemics might be as dangerous as maliciously introduced ones; and diseases in plants and animals could undermine national security as seriously as human epidemics would.

The Department of Homeland Security was set up in 2003, and one of its first responsibilities, set by presidential directive the following January, was to protect "the agriculture and food system against terrorist attacks, major disasters and other emergencies." The president asked Congress for billions to finance the new task of defending the country, including more than \$1 billion for the Animal and Plant Health Inspection Service, or Aphis, the U.S.D.A. division that tracks diseases. But the funding was used for federal structures that would research and detect agricultural diseases; little reached down the production chain to strengthen what farmers were doing on their own properties. Dr. Carol Cardona, a professor of avian health at the University of Minnesota who studies poultry disease, explains that the thinking was that farms, deep in thinly populated rural areas, would not be a danger to one another: "The food system responded to 9/11 with changes further up the food chain."

Those structures worked as they were supposed to when the avian flu arrived in December 2014. The virus was detected as it jumped the Canadian border from small farms in British Columbia and landed in wild birds in Washington State before spreading through poultry farms on the West Coast. Avian flu usually comes from wild birds: mostly ducks, geese and shorebirds, which shed the virus in their bodily waste and secretions as they migrate. To watch for its arrival, federal and state agencies collaborate on surveillance systems, taking samples of lakes where birds roost, wild birds when they are banded and wild turkeys and ducks that are shot by hunters. But those systems cannot test every one of the millions of birds that cross the United States every

season. The first signal of the flu's arrival can be when domesticated birds die.

And that was what happened next. The flu changed course, zigzagging across the map instead of down: On March 4, 2015, it struck Minnesota, the No. 1 turkey producer in the United States; Missouri was next, on March 9; then Arkansas on March 11, Kansas on March 13, South Dakota on April 1. The pattern did not match wild migration patterns, and scientists watching its spread were baffled as they tried to find the source. On April 2, it struck Minnesota yet again, and within two weeks, the flu hit 23 farms holding 1.5 million turkeys. It descended on Iowa on April 13, invading first a turkey farm and then a giant property holding more than 4.1 million egg-laying hens.

The U.S.D.A. had written plans anticipating the arrival of avian flu, but there was no way to test how effective they would be: There had not been a multistate epidemic of highly pathogenic avian influenza — fast-moving, virulent and very infectious — in the United States for more than 30 years. The main effort against avian influenza has been geared toward detecting and controlling an epidemic in people. A strain known as H5N1 emerged in Hong Kong in 1997, and since then it has infected 846 people in 16 countries and killed more than half of them — a small number of victims, but an enormous mortality rate. So far almost all the victims have been farmers or people who live in proximity to chickens, but virologists fear its spreading to the global population. The United States has a National Strategy for Pandemic Influenza, created to counter that threat, that focuses on how the disease would affect humans. Farmers have built their barns and established their routines around the more common diseases of turkeys and chickens — Marek's disease, infectious bronchitis, fowl cholera — which can be prevented with vaccinations and good hygiene. But those protections weren't adequate against this flu.

Turkeys in the United States are raised in solid-walled barns for their first few weeks, and after that in open-sided buildings, hundreds of feet long and faced with a few feet of plywood topped by walls of mesh. Panels that resemble upside-down roller blinds slide up when conditions are cold or blustery and down again when the wind drops or temperatures warm. The design is industry-standard, as were the procedures the Molines followed to protect their birds. They swapped their outdoor boots for indoor ones before they walked into the barns that housed the adult birds. They also dipped their outdoor boots in disinfectant before entering the brooder barn and pulled on coveralls and fresh boots once they were inside. As the flu drew near, they added extra precautions, like extra boot dips and parking cars farther away from the barns.

The Molines' property is small and relatively low-tech, but even huge farms, where advanced biosecurity is routine, had no better luck. Rembrandt Foods, about 100 miles

northwest of the Molines, is the third-largest egg producer in the country; before the flu arrived, it owned 15 million hens on its farms. The birds live in sealed solid-walled sheds, hundreds of thousands per building, under computerized lights and climate-controlled ventilation. Workers shower and change into uniforms when they arrive for work, step through disinfectant before they enter a barn and shower and change again on the way out. The parking lots are cement instead of gravel to reduce the omnipresent Iowa dust and any organisms that might hitch a ride on it, and the company commissions outside audits of its biosecurity. It passed one just before the epidemic started. The flu got in anyway. More than eight million birds had to be destroyed.

“Fifteen years of work,” says Dave Rettig, Rembrandt Foods’ president, who began his career with a farm of just 25,000 birds. “Gone in a week.”

A study done in July estimated that the flu cost the United States \$2.6 billion in lost sales, almost \$400 million in forgone taxes and 15,693 jobs. But as devastating as the losses were to Iowa, Minnesota and other states, their 50 million turkeys and hens represented a small portion of the poultry industry. The largest concentrations of chickens in the United States — Georgia, which raises 1.3 billion broilers a year, and the Delmarva Peninsula, where the broiler business began in the 1920s — lie under another migration route that ducks take over the Americas. If the flu were to land in those areas and spread the way it did in the Midwest, much of the United States poultry industry would be in jeopardy: almost nine billion birds, 90 billion eggs, more than \$40 billion in earnings, 1.3 million jobs.

The 2015 avian flu emphasizes the vulnerability of farms to outbreaks — leaving the United States open to an economic catastrophe, or possibly even a human one. “If you look back to the anthrax attacks and 9/11, the investment was in surveillance for bioterrorism pathogens,” says Dr. James Roth, who directs the Center for Food Security and Public Health at Iowa State University’s College of Veterinary Medicine and is helping to develop a new national poultry-protection plan. “There was almost no federal money invested in biosecurity for livestock. Basically, it is the responsibility of the producer.” And what little funding there was has been diminishing. The appropriation for Aphis’s emergency-response unit, which led the federal reaction to the Midwestern epidemic, was one-fourth less in 2015 than it was as recently as 2010. Last month, Kevin Shea, Aphis’s administrator, told the House Committee on Agriculture: “Our current funding level for animal-health activities is below levels that were available to us 10 years ago.” He added, “Aphis has seen a reduction of more than 200 animal-health professionals in that time. The need to rebuild our capacity is critical.”

Last year’s flu was not the first livestock outbreak that took the nation by surprise in recent years. In 2002, exotic

Newcastle disease spread into commercial poultry in California. It took 11 months, and the slaughter of more than three million birds, to end the outbreak. In 2003, a cow with bovine spongiform encephalopathy, mad cow disease, was found in the western United States. Fears of the brain-destroying human disease that it causes, which killed at least 122 people in Britain between 1995 and 2013 and forced the destruction of 1.3 million cows, cost the United States some \$6 billion in forgone export sales. In 2013, porcine epidemic diarrhea virus entered the country — no one is yet sure how, though the cause may have been contamination of the bags that hold bulk feed — and killed at least seven million piglets, spiking pork prices by almost 10 percent. The animal disease that planners fear the most is foot-and-mouth disease, which has not been seen in the United States since 1929. It hadn’t been seen in Britain since 1968, but then in 2001, it descended upon the country’s cattle herds, forcing the destruction of more than six million cows, pigs and sheep. That epidemic cost Britain about \$11 billion. If the disease returned to the United States, the U.S.D.A. estimates that the price tag could be anywhere between \$15 billion and \$100 billion.

Months after the avian-flu outbreak, virologists at the Southeast Poultry Research Laboratory, a division of the U.S.D.A., examined virus samples from infected farms. When it reproduces, flu makes infinitesimal copying errors, so viruses dropped by different ducks, or the same duck at different times, show tiny variations. The samples recovered from the first farms were different; the ones recovered later were identical or nearly so, which suggested they had to have been transferred mechanically — on a piece of equipment, or a tire, or a boot. The farms of the Midwest were infecting one another.

Federal epidemiologists documented afterward that farms might have caught the flu when a feed truck made deliveries; when equipment technicians visited; when rendering trucks picked up birds that died in the normal course of farm business. No one could say for sure how those visitors acquired the virus. It might have been by driving onto another farm that was not yet quarantined. It could have been contamination by feathers or scraps of barn litter blowing off a disposal truck. In the small towns among northwest Iowa’s large farms, people who work for one farm business are often roommates — or parents or children or spouses — of people who work for another. If one resident carried the virus home on his boots, another might take it unknowingly to work the next day. Most farmers still haven’t been able to determine exactly how their properties were infected.

The U.S.D.A. and trade associations have since commissioned much more detailed plans that, if carried out, could better protect farms from the flu and from one another, drawing quarantine zones among properties and prescribing

what farmers should do inside their own fences. The agency also ramped up federal procedures to detect the virus earlier and cull chickens faster. In January, farmers got a preview of how that would work: A turkey farm in Indiana fell to a different flu variant.

Within a few days, a much shorter response than last year's, all the commercial and backyard flocks within 12 miles were tested, and all the birds on 10 farms were killed. The new plans worked, but the episode confirmed poultry producers' fears that the flu would come back. "All the industry in all the states, and I have talked to a lot of them," says Dr. T.J. Myers, who oversees the Aphis unit that led the response to the Midwestern outbreak, "are scared to death." The obvious protection, an influenza vaccine, cannot be used until after flu arrives, partly because it masks birds' symptoms. Last fall the U.S.D.A. approved a vaccine for the new strain, but it is keeping it held on the shelf. If it is given in advance, other countries could buy poultry with live infections, and human health experts fear it could conceal a pandemic's start.

Avian flu surprised everyone last year, and the farmers who lived through it wonder whether they will be surprised again. At Rembrandt, Rettig has reassigned employees to make sure that those sharing a household work at the same site, and he bought the company more of its own delivery equipment. The Molines, smaller and less capitalized, are not sure what else they can do. "The most frustrating part" of the outbreak "is there's nothing that says, This is how we got it; this is how we can stop it," Brad Moline told me.

He was walking me to a barn where he had rigged a new invention he was proud of. Turkey houses have vents along the roof ridge that open and close when the panels move. Investigators had warned the brothers that sparrows and barn swallows might transmit the virus. Moline had seen the birds fly in through the vents, and so he designed a chicken-wire tunnel that ran all along the roof ridge.

"We think that might keep them out," he said. We looked up at the new tunnel. A sparrow had already found its way inside. It flew along the roof line, looking for a way to escape: back and forth, back and forth, trapped.

Maryn McKenna is the author of "Superbug" and "Beating Back the Devil." She is a senior fellow at the Schuster Institute for Investigative Journalism at Brandeis University.

## **SCIENCE AND TECHNOLOGY**

### **DIRECTORATE**

#### **New Trusted Info Sharing Network Tech Deployed By DHS S&T**

[Homeland Security Today](#), April 14, 2016

A new technology to streamline and improve secure information sharing between the Department of Homeland Security (DHS) and its partners called the Backend Attribute Exchange, has been deployed, DHS's Science and Technology Directorate (S&T) announced.

The new system "will simplify user identification and verification between different organizations for the Homeland Security Information Network (HSIN) by eliminating redundancies while ensuring proper security," DHS said, adding that, "Using the Backend Attribute Exchange, a person's credentials would be kept at their workplace, and be accessible should they visit another organization. Rather than sending credentials between the locations insecurely, the Backend Attribute Exchange supplies a more efficient, more secure way for the visiting agency to verify the necessary information."

HSIN is DHS's own information sharing and collaboration infrastructure. HSIN supports information sharing and collaboration among federal, state, local, territorial, tribal, private sector and international partners for national security purposes.

Ten years after its designation as the platform for sharing sensitive-but-unclassified information across the homeland security enterprise, HSIN has more than 55,000 users who rely on the systems' tools for planning, response, and daily operations.

"Ensuring the identity of network users is critical to sharing information securely," DHS Under Secretary for Science and Technology Dr. Reginald Brothers said. "By strengthening data security, this innovation will better enable collaboration between DHS and our partners in support of our homeland security mission."

Developed by the Maryland-based Johns Hopkins University Applied Physics Laboratory (JHU-APL) and the Connecticut based Queral Inc. with funding from S&T, the system will be utilized as a tangible technology by HSIN.

## **TERRORISM INVESTIGATIONS**

### **Obama Claims Progress On Islamic State Amid Worrying Signs**

By Josh Lederman And Kevin Freking

[Associated Press](#), April 13, 2016

LANGLEY, Va. (AP) – President Barack Obama claimed progress Wednesday in the U.S.-led fight against the Islamic State group, even as political turmoil in Iraq and renewed violence in Syria threatened to jeopardize hard-fought gains.

During a rare presidential visit to CIA headquarters, Obama said it had been "a bad few months" for the Islamic State and gave a detailed account of areas where U.S.-backed forces have wrested territory back from the extremist

group. Though he acknowledged the fight remains difficult and complex, he said IS was on the defensive and that the U.S. intends to “keep that momentum.”

“Every day, ISIL leaders wake up and understand that it could be their last,” Obama said, using an acronym for the extremist group.

Obama offered no new steps or specifics about how the U.S. will beef up the fight against IS, although U.S. officials have suggested those steps are in the works. Defense Secretary Ash Carter has said the Pentagon is seeking ways to increase military support for the fight, including a likely increase in U.S. forces, along with the possible use of Apache helicopters for Iraqi-led combat missions.

The visit to the CIA’s campus in suburban Virginia was designed to assure Americans that the U.S. is fully engaged in the fight, despite persistent complaints from Obama’s critics that his strategy isn’t aggressive enough. Indeed, in recent months Obama has made similar field trips to the Pentagon and the State Department to illustrate how all facets of the U.S. government are on the case.

“They are working around the clock to keep us safe,” Obama said, adding that CIA operatives had thwarted terrorists repeatedly without being able to acknowledge it publicly. “They don’t get a lot of attention.”

Though Obama gave an optimistic portrayal of progress in both Iraq and Syria, the picture on the ground remains muddled at best.

In Syria, escalating fighting between the government and militants has threatened to jeopardize a fragile cease-fire the U.S. and Russia brokered earlier this year. Peace talks resumed Wednesday in Geneva aimed at resolving Syria’s civil war, though deep disagreements about who should participate have continued to plague that process.

Syrians living in parts of the country still under government control also voted Wednesday in parliamentary elections that Syrian President Bashar Assad’s opponents dismissed as a sham intended to lend an air of legitimacy to his beleaguered government, in yet another worrying sign for the peace talks.

The uptick in violence in Syria has raised difficult questions about how to proceed if the truce falls apart and frees Assad and his Russian backers to resume attacks on U.S.-supported opposition groups. Russia, which had been bolstering Assad with an air campaign against his opponents, recently ordered a drawdown in warplanes, but said strikes would continue against IS and the al-Qaida-linked Nusra Front. Both of those groups are excluded from the cease-fire.

In Iraq, Obama pointed to the Iraqi military’s preparations to retake the IS stronghold of Mosul as an example of increased momentum in the fight. Yet modest signs of progress have been tempered by ongoing sectarian challenges and a political crisis in Baghdad that have threatened to further destabilize the country.

Obama’s remarks at the CIA came the week before he travels to Saudi Arabia for a summit with Persian Gulf leaders focused largely on the threat from the Islamic State. Previewing his request to countries attending that summit, Obama said “the entire world” must step up to help Iraq restore stability “so that ISIL cannot return.”

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Lederman reported from Washington. Associated Press writer Darlene Superville contributed to this report.

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## **U.S. Gaining Momentum On Islamic State, Obama Says**

By Gregory Korte

[USA Today](#), April 13, 2016

WASHINGTON — The United States and allied forces have the Islamic State on the defensive, President Obama said Wednesday, with the terrorist group failing to mount a single offensive operation in Syria or Iraq since last summer.

“We have momentum, and we intend to keep that momentum,” he said. “It’s harder than ever for them to move, and for them to amass forces.”

In remarks after meeting with his National Security Council in at the CIA headquarters in Langley, Va. Wednesday, Obama hinted at no changes in U.S. strategy, saying the current military, intelligence and diplomatic efforts are depriving ISIL of fighters, money and leadership.

But he also said the ultimate solution has to be a diplomatic one. “The only way to truly destroy ISIL is to end the Syrian civil war that ISIL has exploited,” he said.

Acknowledging recent terror attacks in Brussels, Turkey and Iraq, Obama condemned ISIL in some of his strongest language of late. “These depraved terrorists still have the ability to inflict horrific violence on the innocent, to the revulsion of the entire world,” he said. “Their barbarism only stiffens our unity and determination to wipe this vile terrorist organization off the face of the Earth.”

Obama meets with his National Security Council about once a week, but has also been taking a tour of its agencies in order to highlight their roles in defeating ISIL. The CIA visit was the first since he convened the National Security Council at the State Department in February, and he used the occasion to highlight the unsung work of intelligence services in fighting terrorism.

“They are working around the clock to keep us safe,” he said. “They don’t get a lot of attention, but their work is tough

and it is critical, and I rely on it, and everybody up here relies on it in order to make informed decisions and to protect the American people.”

## **President Obama Visits CIA Headquarters As U.S. Steps Up Attacks Against Islamic State**

By Brian Bennett And W.J. Hennigan

[Los Angeles Times](#), April 13, 2016

President Obama made a rare visit Wednesday to CIA headquarters for briefings on the war against Islamic State as the administration steps up air attacks along a patch of Syria's northern border in a renewed push to block the flow of fighters and supplies to the extremist group.

Obama, who recently asked the Pentagon and CIA for proposals to increase pressure in Syria, is considering sending 200 more members of U.S. special operations forces to advise and assist Kurdish and Arab militias seeking to close the so-called Manbij Gap, a porous 60-mile stretch that long has served as a cross-border corridor for the militants.

Islamic State forces holding the corridor have come under more coalition airstrikes in the last two weeks than any other target in Syria, according to U.S. officials. The Turkish military also has increased its artillery barrages against militants across its southern border.

Obama also is considering giving more advanced artillery to Sunni Arab militias, increasing assistance to Syrian Kurdish forces, as well as making efforts to recruit more Sunni Arabs to fight alongside Kurds, according to officials who spoke on condition of anonymity in discussing ongoing planning.

The president – who visited the CIA with Vice President Joe Biden, Secretary of State John F. Kerry and more than two dozen senior national security officials – also may seek to resolve a simmering dispute between the CIA and the Pentagon over which Syrian rebel forces are best positioned to act as proxies and allies in the maelstrom of a multi-sided war.

In recent months, the Pentagon has armed and helped advise Kurdish militias in northeastern Syria after an ambitious effort to train and arm an effective Sunni Arab rebel force collapsed last year. About 50 U.S. special operations personnel are based in the Kurdish-held zone.

Russia is known to support Kurdish militias arrayed in northwestern Syria. The Manbij Gap, which stretches from the outskirts of Aleppo to the Euphrates River, lies between the two Kurdish forces.

Although Syrian Kurdish militias are considered capable fighters, they are reluctant to push further south into territory held by Islamic State where few ethnic Kurds live.

U.S. intelligence officials have warned for months that funneling too much military and intelligence support to Syrian

Kurds risks alienating the Sunni Arab militias that compete for territory with the Kurds, a relatively small ethnic minority.

It also could anger the government in Turkey, which hosts a major U.S. air base and is a crucial U.S. partner in the war.

Turkish Kurds have fought for greater autonomy for more than three decades. The government in Ankara fears that building Kurdish militias – even in Syria – into a stronger fighting force could lead to the formation of a breakaway state along the border.

During a visit to Washington this month for a nuclear summit, Turkey's president, Recep Tayyip Erdogan, told Obama that he does not want U.S.-backed Kurdish forces to end up controlling new territory along the border, including inside the Manbij Gap, according to a U.S. official who spoke on condition of anonymity in discussing the private meeting.

Erdogan told Obama that U.S.-backed Kurdish militias moving west of the Euphrates River into the Manbij Gap would be a “red line” for his government, the official said. It's not known how Obama responded.

Turkey increased its shelling of Islamic State positions south of the border after a spate of terrorist attacks by the group, including a March suicide bombing on a high-end shopping street in Istanbul. Last week, U.S. airstrikes and Turkish artillery provided cover for rebel forces to assault the Syrian town of Rai, a border crossing at the western edge of the Manbij Gap.

Col. Steve Warren, a Baghdad-based spokesman for the coalition, said Wednesday that over the last two weeks U.S.-backed rebel forces have pushed Islamic State from more than a dozen small villages on the western edge of the gap.

“While these operations don't encompass a lot of territory, this is critically important terrain for [Islamic State], because it is their last, best route to move people, money and supplies into Syria and Iraq,” he said.

“There are some very ancient animosities through that region,” Warren said. “Certainly, those have to be accounted for, certainly those will show themselves from time to time as different groups brush up against each other in the course of pursuing and fighting” the militants.

Jeffrey White, a former Defense Intelligence Agency official, cautioned that closing the Syrian border would hurt Islamic State but wouldn't be decisive in the war.

“This kind of anaconda strategy and slow attritional strategy, those are very long-term strategies, and [Islamic State] can offset them in various ways,” he said. “The real issue is getting a force on the ground that can defeat them in battle. The Kurds don't look to be that force. They aren't large enough and they don't look to fight outside their traditional areas.”

The U.S. and its allies long have sought to close the smuggling routes that lace Syria's northern border. The Sunni

extremist group has drawn more than 36,500 foreign fighters to Syria and Iraq from around the globe, and many entered from Turkey.

The latest coalition attacks also are aimed at cutting supply routes to Raqqah, the militants' self-declared capital in Syria. In Iraq, airstrikes and local ground forces already have cut off major roads leading west to Raqqah in an effort to steadily choke the Syrian city.

In February, U.S. special operations forces helped Kurdish fighters seize the northeastern Syrian town of Shadadi, severing what U.S. officials called a key Islamic State supply line.

The Pentagon has argued that the Kurds have proved to be the best allies on the ground in Syria. The Pentagon in October helped create a Kurdish-led rebel coalition called the Syrian Democratic Forces. It has received U.S. airdrops of weapons and supplies, and aid from special operations forces.

The Pentagon also is trying to build up Sunni tribes to fight alongside Kurds. It is taking Sunni Arab leaders out of Syria for up to two weeks of training in Turkey so they can help call in airstrikes, coordinate operations and arrange resupply from the U.S.-led coalition.

To meet that goal, the Pentagon last month relaunched a program to train and equip Syrian rebels, replacing the effort that collapsed in the fall after the first few hundred recruits were ambushed in Syria and handed over their U.S.-issued ammunition and trucks to an Al Qaeda affiliate.

A U.S. official, who was not authorized to speak publicly on the program, said the Pentagon aims to integrate more Sunni Arabs into the training to satisfy Turkey's demands and eventually to launch an attack on Raqqah.

"We know we can't take Raqqah with the Kurds alone," the official said. "That's why we keep pushing ahead with this training program – getting indigenous forces on the ground is essential."

## **Obama Claims 'Momentum' Against Islamic State**

By Nolan D. McCaskill  
[Politico](#), April 13, 2016

President Barack Obama assured the American people on Wednesday that the United States has "momentum" in the war against the Islamic State.

"We have momentum, and we intend to keep that momentum," Obama said, delivering a statement at the CIA headquarters following a meeting with his National Security Council.

The Islamic State is on the defensive on the ground in Syria and Iraq, Obama claimed, while the U.S. and its coalition of allies are on the attack.

Donald Trump and other Republican presidential candidates have criticized the president for supposedly restricting the number of targets that U.S. warplanes are allowed to hit. But Obama highlighted an intense campaign of airstrikes that continues "to pound ISIL targets" as "it's harder than ever for them to move."

He acknowledged that the Islamic State has advanced in some areas but noted that it hasn't had a successful major offensive operation on the ground in nearly a year.

"For ISIL's leadership, it has been a bad few months," he said, before ticking through a number of leaders who have been taken out. "And in the days and weeks ahead, we intend to take out more. Every day, ISIL leaders wake up and understand that it could be their last."

Local forces backed by coalition support continue to drive the Islamic State back in Iraq, Obama said, noting a severed supply line between ISIL strongholds in Raqqa in Syria and Mosul in Iraq and that the terrorist group has been driven out of 2,800 square miles of territory. Local forces are also working to remove ISIL from a pocket of territory along the border with Turkey.

"In other words, the ISIL core in Syria and Iraq continues to shrink," Obama said. "The ranks of fighters are estimated to be at the lowest levels in about two years, and more and more of them are realizing that their cause is lost."

Obama praised U.S. cyber operations he said have disrupted the group's command, control and communications and said that the U.S. is continuing to go after ISIL's financial infrastructure. But he also argued that the Syrian civil war must end and called for a transition away from the regime of Syrian President Bashar al-Assad.

The U.S. is looking forward to a diplomatic resolution to the civil war, he said, while noting that a fragile cease-fire has been in place for about six weeks.

"It has reduced the violence, although not eliminated it. But that reduction is meaningful and it's allowed some humanitarian aid to reach the Syrian people," Obama said. "So the cessation has saved lives, but as we're seeing around Aleppo and other areas, the cessation is tenuous and under strain."

## **Obama Describes Syrian Cease-Fire As 'Tenuous'**

**Syria will be part of his agenda during a meeting next week in Saudi Arabia**

By Carol E. Lee  
[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

## **Obama Says Islamic State On The Defensive**

By Jeff Mason  
[Reuters](#), April 13, 2016

Full-text stories from Reuters currently cannot be included in this document. You may, however, click the link above to access the story.

## **Obama Visits CIA HQ And Talks Next Steps In ISIS Fight**

[NBC News](#), April 13, 2016

ISIS still has “the ability to inflict horrific violence,” but “we have momentum, and we intend to keep that momentum,” President Barack Obama said Wednesday.

The president’s remarks, which come as the administration considers its next steps in fighting ISIS, followed a rare trip to CIA headquarters to meet with his National Security Council to discuss the campaign against the terrorist group and the situation in Syria.

The meeting also comes a week before the president’s planned meeting with Gulf leaders in Saudi Arabia next week to discuss the destabilizing threat ISIS poses.

The Obama administration has said it has made progress against the terrorist group in Iraq and that the United States is safer overall. However, Obama and other officials also acknowledge that there are more terrorists globally and cite the growth of ISIS in Syria and Iraq, as well as other places.

“This remains a difficult fight and a complex one,” said Obama, who made no major announcements and took no questions.

But “we are focused, and we are going to win,” he promised.

Obama has increasingly asked for stepped-up assistance from world leaders — most recently in comments to a gathering of more than 50 world leaders at the Nuclear Security Summit in Washington last month.

ISIS “has already used chemical weapons — there is no doubt if these madmen ever got their hands on a bomb or nuclear material, they would use it to kill as many as possible,” Obama told the gathering.

But the administration has faced criticism from lawmakers, Republican presidential candidates and some military experts for its strategy to defeat ISIS. That strategy, largely dependent on airstrikes and training of local fighters, is shortsighted, Sen. John McCain, R-Arizona, has said repeatedly.

In October, the administration announced that it would send a small number of U.S. special operations forces into Syria, a move that signaled a subtle shift in strategy.

In February the president defended the air campaigns saying that with more than 10,000 strikes so far against the militant group, the effort “continues to destroy (ISIS) forces, infrastructure and their weapons.”

The effort in Syria, in particular, is further complicated by an ongoing dispute between the United States and Russia on the direction of Syrian leadership.

Related: [Obama Nixed CIA Plan That Could Have Stopped ISIS: Officials](#)

Current and former U.S. officials told NBC News that in 2012, Obama refused to approve a CIA proposal for a covert plan aimed at removing Syrian President Bashar Assad from power. But Obama said Wednesday at the CIA that Assad’s removal from power is essential.

## **Obama Claims ‘Momentum’ In ISIS Fight**

By Jordan Fabian

[The Hill](#), April 13, 2016

President Obama on Wednesday claimed the upper hand in the fight against the Islamic State in Iraq and Syria (ISIS) during a rare visit to the headquarters of the CIA.

“Today, on the ground in Syria and Iraq, ISIL is on the defensive,” Obama said, using an alternative acronym for the group. “We have momentum and we intend to keep that momentum.”

The president spoke after meeting with more than two-dozen members of his national security team at the intelligence agency’s Virginia headquarters.

Obama has ventured out to key government agencies in recent months in an effort to show the public his entire administration is engaged in the fight against ISIS. He visited the State Department in February and the Pentagon late last year.

The president has long faced criticism that his administration is not doing enough to fight the terror network and that he’s done a poor job communicating the U.S. strategy against the group.

Obama touted progress made by the U.S.-led military coalition and local ground forces in taking back territory from the extremist group, eliminating their oil infrastructure and reducing the flow of foreign fighters.

But Obama acknowledged the fight remains difficult, citing recent attacks carried out by ISIS in Belgium, Turkey and Iraq.

“These depraved terrorists still have the ability to inflict horrific violence on the innocent, to the revulsion of the entire world,” he said.

“Their barbarism only stiffens our unity,” he added, citing a series of strikes that have killed some of the group’s top leaders.

“Every day, ISIL leaders wake up and understand that it could be their last,” said Obama.

Hours before the president spoke, the Pentagon declared the U.S. had entered into the “second phase” of its fight against ISIS, which includes driving the group out of its strongholds in Mosul in Iraq and Raqqa in Syria.

Defense Secretary Ashton Carter has said he's readying recommendations to increase support for Iraqi forces fighting ISIS, including more special forces and Apache attack helicopters for combat missions.

Obama also said he would continue pushing for a diplomatic resolution to the five-year-long civil war in Syria, which has left a power vacuum that has allowed ISIS to flourish.

He said a six-week-old ceasefire agreement "has saved lives," but it "is tenuous and under strain" in many parts of the country.

Obama plans to discuss the Syrian conflict during a trip to Saudi Arabia next week, where he'll meet with leaders of Gulf state allies.

## **Obama Urges Americans To Remember 'Boston Strong' Message In Face Of Islamic State**

By David Nakamura

[Washington Post](#), April 13, 2016

President Obama urged Americans on Wednesday to remain resilient against threats posed by the Islamic State, calling on the nation not to give in to fear and to remember the "Boston Strong" message nearly three years ago after the bombing at the Boston Marathon.

Obama vowed that the United States is "going to win" in its fight against terrorist groups and said the Islamic State's "barbarism only stiffens our unity and determination to wipe this vile terrorist organization from the face of the earth."

But in his brief remarks to reporters after meeting with a large group of national security aides at the CIA headquarters in Langley, Va., Obama also emphasized that Americans must not panic and must remain true to their values in the face of gruesome terrorist attacks around the world.

"I want to remind Americans again what Boston taught us: how to be strong, how to be resilient," Obama said, flanked by Cabinet members, including Vice President Biden, Secretary of State John F. Kerry, Homeland Security Secretary Jeh C. Johnson and national security adviser Susan E. Rice. "We have to refuse to give in to fear. We have to stay true to our values of liberty and diversity and openness."

The Boston Marathon bombing on April 15, 2013, killed three spectators of the race and injured more than 260 others. That attack was carried out by a pair of Chechen brothers whose family had entered the United States on a tourist visa and subsequently received asylum protections.

Since a series of recent attacks in Paris, San Bernardino, Calif., and Brussels, Obama has sought to temper public fears over terrorism and the expanding reach of the Islamic State, which claimed responsibility for the two European attacks. The San Bernardino killers were said to

claim inspiration from the militant group but there is no evidence of a direct connection.

Yet amid criticism from Republicans in an election year, Obama has repeatedly sought to counter suggestions from the GOP candidates that the United States ban Muslims and take other steps to block immigrants.

Obama met for more than two hours with more than two dozen aides at Langley and several others on a secure video link. The president has held a series of similar meetings at other federal agencies involved in the campaign against the Islamic State, the security situation in Iraq and the civil war in Syria. After the meeting, Obama maintained that the U.S.-led coalition has made progress in the fight against the terrorist group.

"We have momentum, and we intend to keep that momentum," he said. He cited 11,500 airstrikes that have disrupted the opposition's movements and the killing of Islamic State commanders.

"In the face of madmen who only know how to kill, we're going to keep on living our lives and trying to lift people up," the president said. "We go to our stadiums, we cheer for our teams, we thrive in our cities, we run our races, as they will next week in Boston. In other words, we carry on."

## **Obama: US Has Momentum In ISIL Fight**

By Serena Marshall

[ABC News](#), April 13, 2016

President Barack Obama said the U.S. has the momentum in the fight against ISIL, even as it remains a complicated and difficult fight.

"Their barbarism only stiffens our unity and determination to wipe this vile terror organization off the face of the earth," Obama said today while speaking at the CIA's headquarters in Langley, Virginia. "We have momentum and we intend to keep that momentum."

The terror organization with footholds in Syria and Iraq is on the defensive, the president said, and it has not had a successful offensive operation in nearly a year.

"Every day ISIL leaders wake up and realize it could be their last," Obama said as he listed targets that U.S.-led coalition forces have killed.

There have been 11,500 air strikes so far limiting the terror organization's movements, the president explained.

And while the focus largely remains on Iraq and Syria, the president said the coalition is now turning its attention to other locations as well, like Libya, where foreign fighters have begun to go to join ISIL when unable to get into Syria or Iraq.

"We are sending a message," he said. "If you target Americans you have no safe haven. We will find you."

Using the opportunity to remember the Boston Marathon bombing, which is nearing its three-year anniversary, the president said the city taught the nation "how to be strong, how to be resilient."



"In the face of terrorists who try to spread panic, we have to refuse to give in to the fear. We have to stay true to our values of liberty and diversity and openness," he said. "In the face of mad men who only know how to kill, we are going to keep living our lives and try to lift people up.... In other words, we carry on. Terrorists like ISIL and al-Qaeda, they can't destroy a great nation like the United States of America."

## **Pentagon: ISIS Fight Enters 'Phase Two'**

By Rebecca Kheel

[The Hill](#), April 13, 2016

The Pentagon on Wednesday declared that the first phase of military operations against the Islamic State in Iraq and Syria (ISIS) is over and the second phase is underway.

"Our enemy has been weakened, and we are now working to fracture," said Col. Steve Warren, the spokesman for the U.S.-led coalition fighting ISIS. "Phase one of the military campaign is complete, and we are now in phase two, which is to dismantle this enemy.

"We believe that by degrading them in phase one and then dismantling them in phase two, we believe that that will set us up for phase three, which, of course, is the ultimate defeat of this enemy," he added.

Phase one focused on stopping ISIS from advancing and eliminating the group's ability to operate as a conventional force, Warren said.

Successes in the first phase include the recapture of about 40 percent of the territory ISIS once held and the elimination of leaders and income sources, he added.

"While ISIL can still put together some complex attacks, they have not been able to take hold of any key terrain for almost a year now," Warren said, using an alternate acronym for ISIS.

The second phase now underway is focused on fragmenting ISIS and liberating strategically important territory, he said.

In Iraq, that means operations to retake Mosul. In preparation for Mosul, Iraqi forces retook Hit, raising the Iraqi flag there Monday. The coalition estimates the city is 75 percent cleared of ISIS fighters, Warren said.

Fighting in the Tigris River Valley is intense now, Warren said, because ISIS knows territory there is essential to protect Mosul.

"The enemy knows that once they lose this territory, the Iraqi Security Forces will be able to posture for the eventual liberation of Mosul," he said.

In Syria, the second phase is centered on isolating Raqqa, he said. Recent developments in that effort include liberating more than a dozen small villages that take away ISIS's "last, best" route to move people, money and supplies in Syria and Iraq, he said.

Warren pushed back on the idea that fracturing ISIS in the second phase will cause fighters to scatter into other areas, such as North Africa and Europe.

"This idea that somehow by beating them that they're becoming more dangerous is, in my view, ludicrous," he said. "I mean, it's stupid. Nobody is really thinking about it. As we continue to dismantle and defeat this enemy, they become automatically less capable. They become less effective.

"If they don't have a place where they can sit around and plan their external attack, if they don't have funds coming in that allows them to fund their external desires, if they don't have the command and control, the ability to talk to each other and synchronize their external operations, they are by definition less effective."

## **Senate GOP: Obama Must Release Details On Gitmo Detainees**

By Jordain Carney

[The Hill](#), April 13, 2016

Senate Republicans want the Obama administration to publicly release information about Guantanamo Bay detainees several weeks before they plan a detainee transfer to another country.

Sen. James Inhofe (R-Okla.) introduced legislation Wednesday requiring the Pentagon to make information about a detainee publicly available at least 21 days before releasing or transferring them.

"If [President Obama] is unashamedly trying to seal his legacy item to close Gitmo, then he should fully communicate to the public who these terrorists are and the justification for their release or the restrictions on their transfers," said Inhofe, a member of the Armed Services Committee.

Republicans argue that by pushing to close the controversial Cuban facility, the president is putting an unfulfilled campaign promise above national security.

As part of the public disclosure, the secretary of Defense would have to release the detainee's name, where they'll be transferred or released to, their "risk profile," and a summary of the agreement with detainee's new host country.

Inhofe's legislation would also ban Obama from closing the facility — similar to a recent proposal from Sen. Kelly Ayotte (R-N.H.) — and keep in place the ban on transferring detainees into the United States.

The administration's plan, which it submitted to Congress earlier this year, includes transferring some detainees into the United States as part of an effort to close the facility.

Republican Sens. John Barrasso (Wyo.), Tom Cotton (Ark.), Ted Cruz (Texas), Joni Ernst (Iowa), Orrin Hatch (Utah), Johnny Isakson (Ga.), James Lankford (Okla.), Jerry Moran (Kan.), Mike Rounds (S.D.), Marco Rubio (Fla.), Jeff

Sessions (Ala.), John Thune (S.D.) and Thom Tillis (N.C.) currently back the legislation.

Senators argue that the bill would allow Americans to know more about who, and how, detainees are being transferred.

Rubio added that “the American public should have as much information as possible about the terrorist detainees the Obama Administration is seeking to release around the world.”

Inhofe’s proposal is the latest in a recent string aimed at cracking down and effectively undercutting the president’s ability close Guantanamo Bay before he leaves office early next year.

There are currently 89 detainees at Guantanamo Bay.

## **Islamic State Hails Brussels Suicide Bombers**

By Alastair Macdonald

[Reuters](#), April 13, 2016

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## **Islamic State Claims Khalid And Ibrahim El-Bakraoui Were Organizers Of Paris And Brussels Attacks**

**In its propaganda magazine, the extremist group also names prominent Muslims in the West as targets**

By Valentina Pop

[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

## **Spain Arrests Suspected Arms Dealer For Paris Attacks**

By Ciaran Giles

[Associated Press](#), April 13, 2016

MADRID (AP) – Spanish police have arrested a Frenchman suspected of supplying weapons to Paris attacker Amedy Coulibaly for use in the deadly January 2015 attacks in the French capital, the Interior Ministry said Wednesday.

A ministry statement said Antoine Denive, 27, from the northern French town of Sainte Catherine was arrested Tuesday with two other men in the southern Spanish beach town of Rincon de la Victoria on a European arrest warrant. A Serbian man and a Montenegrin man also allegedly tied to arms trafficking were also arrested.

The January 2015 attacks in Paris left 17 victims and three attackers dead. Coulibaly killed four people inside a kosher supermarket, and separately a policewoman, before dying in a shootout with police.

Denive was brought before the National Court in Madrid on Wednesday, where he denied selling weapons to

attackers, but the judge ordered him kept in jail, according to a court spokesman, who spoke on condition of anonymity due to court policy.

Paris prosecutors did not immediately respond to a request for comment on the case. The court spokesman could not provide the name of the lawyer representing the suspect.

The ministry said Denive left France several weeks after the January 2015 attacks and moved to the southern Spanish province of Malaga, where he allegedly continued illegal activity under a false identity. The ministry said he was an arms trafficker with ties to Serbian arms traffickers. The arrest was coordinated by a court in Lille, France, and one in the Spanish city of Torremolinos.

A police raid on Denive’s house uncovered several false documents used by him including a valid European passport in another person’s name, the statement said. Police said they were also studying computer material found there.

There were no immediate details on what arms the Frenchman allegedly supplied to Coulibaly.

A judge will determine whether the allegations that Denive violated Spanish law are viable before deciding whether to send him back to France on charges of arms trafficking and membership in a criminal organization, the court spokesman said.

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Associated Press writer Alan Clendenning in Madrid contributed to this report.

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## **Islamic State Claims Philippines Attack That Killed 23: IS Statement**

By Ali Abdelaty

[Reuters](#), April 13, 2016

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## **Trey Gowdy Injects Benghazi Into The 2016 Campaign**

By Dana Milbank

[Washington Post](#), April 13, 2016

Is Trey Gowdy planning a July surprise?

The chairman of the Select Committee on Benghazi went to ground after he and his colleagues grilled Hillary

Clinton in October. They haven't had a single hearing since then (and had only three public hearings before that one), though they occasionally send news releases reminding the world that their 700-day-old investigation continues.

But that is about to change. Gowdy, after blowing through several previous deadlines he set, has said to expect a final report "before summer," and Republicans say they are drafting it now. In another indication that the rollout is approaching, Gowdy last month cut off Democrats' access to transcripts of witness interviews. This move, ostensibly to prevent leaks, diminishes the minority's ability respond to allegations contained in the majority report.

Depending on how long the declassification review takes, the Benghazi report is on track to drop by mid-July, just before Congress recesses for the conventions and at a time when Republicans will be in need of a distraction from the Trump-Cruz standoff. If the review takes longer (they typically last from a few weeks to a several months) it could come out in September, in the campaign's homestretch.

Either scenario would confirm what critics of the panel have said all along (and what Majority Leader Kevin McCarthy incautiously confirmed) — that the panel is a political exercise designed to damage Clinton. Fox News host Greta van Susteren, writing in the Huffington Post a year ago, argued that "dragging the investigation into 2016 looks political" and that releasing the report right before the election "looks awful" and "sends a bad message about fairness."

If the report comes out in 2016, she wrote, "it is fair to draw an adverse inference against the Committee — an adverse inference of playing politics. . . . Whatever the findings are in this investigation — it will forever be plagued by allegations of unfairness, and politics if this investigation is dragged into 2016."

Back then, Gowdy told van Susteren that "I want it done before 2016" and that "it's not going to come out in the middle of 2016." The panel had originally contemplated finishing work in October 2015. Gowdy later shifted that to the end of 2015, then this spring.

He will argue that Obama administration foot-dragging slowed the investigation, but that's a hard case to make when the committee has continued in recent weeks to add new witnesses. The panel waited to request interviews with former CIA director David Petraeus and former defense secretary Leon Panetta until after Clinton testified. Those two, along with national security adviser Susan Rice and deputy Ben Rhodes, are among at least 35 interviewed since October. Though most of the committee's work has been a retread of previous investigations, it claims it has received more than 72,000 pages of records not seen by other congressional committees — not exactly a picture of stonewalling.

Gowdy and his staff, apparently aware of the perception problem, have been releasing defensive statements to the public. When the report is released, "I'm confident the value

and fairness of our investigation will then be abundantly clear to everyone," Gowdy said on April 8. The majority on April 6 issued a statement taking issue with the "idea that the committee's October hearing [with Clinton] was 'a flop' that produced 'no new information.'" Gowdy previously promised the report findings would be "eye-opening."

One eye-opening thing has already happened: Gregory Hicks, the U.S. diplomat in Libya who criticized the administration response, is now on detail from the State Department working as a legislative assistant to Rep. Devin Nunes (R-Calif.), who previously said Hicks's "shocking testimony" confirmed a "Benghazi whitewash" by the administration.

Another eye-opening thing: The panel never formed rules or agreed to a set budget (some \$6.5 million has been spent). And the probe, after a respectable start, quickly devolved into the mix of unfounded allegations, selective leaks and partisan sniping that characterized the preceding Benghazi investigation by Rep. Darrel Issa's government-oversight panel.

Democrats don't expect to see the majority's report before it is made public. Rep. Elijah Cummings (Md.), the top Democrat on the panel, said in a statement Wednesday that he expects "an excessively long rehash of old Republican allegations that were disproved long ago."

Expect a lot of findings questioning Clinton's honesty (she told her family the Benghazi attack was the work of terrorists but misled the American public), judgment (her policy led to the Libya attack) and humanity (she was indifferent to diplomats' security).

These themes dovetail nicely with the general-election campaign Republicans plan to run against Clinton. This, like the timing of the Benghazi report, is a curious coincidence.

Twitter: @Milbank

## **CYBER NEWS**

### **Congressman Sees Broader Role For DHS In State And Local Cyber Efforts**

By Troy K. Schneider

[Government Computer News](#), April 13, 2016

Cyberthreats are expanding and evolving at such a rate that many state and local governments are struggling to keep up. Rep. Will Hurd (R-Texas) would like to see the Department of Homeland Security do more to help.

"More conversations need to happen" between different layers of government, Hurd told GCN in an April 12 interview. When it comes to state and local leaders on cybersecurity, he said, "there are some that are more sophisticated than others. ... I think DHS can be a resource for those folks, and ensure they're doing the right things."

Hurd, a computer science major and former CIA officer who now chairs the House Oversight and Government Reform Committee's IT Subcommittee, introduced the

State and Local Cyber Protection Act in 2015. That bill would require DHS' National Cybersecurity and Communications Integration Center to help state and local agencies identify both system vulnerabilities and possible protections, provide technical assistance to deploy continuous diagnostic and mitigation services as well as offer training to their personnel.

The bill has yet to see action in the Senate (the House passed it last December), but Hurd sees potential in other changes at DHS. The department is looking to reorganize its National Protections and Programs Directorate – renaming it to Cyber Infrastructure Protection and cutting across current stovepipes of the National Cybersecurity and Communications Integration Center, the Office of Infrastructure Security and Federal Protective Services.

That change, Hurd said, would turn NPPD from an "administrative division" into an operational one. "I think that structure can make it easier to have a point for state and local to go to," he said.

And as the State and Local Cyber Protection Act proposes, DHS provides a cybersecurity services to federal agencies that could be made more broadly available to state and local governments. Hurd said, however, said he was in no rush to expand the customer base for Einstein or the Continuous Diagnostics and Mitigation program.

"More conversations need to happen," he said. "The first step is understanding what the need is out there. I don't know what it is from a holistic perspective. I think that's where DHS can start better understanding what this is."

Hurd said he'd like to see those conversations focus on critical infrastructure first, and he praised the progress that's been made on information sharing in the past few years. But he stressed that DHS, state and local agencies and critical infrastructure providers must take care to respect privacy concerns both real and perceived. (Hurd's bill explicitly outlines requirements for privacy and civil liberties training that DHS would provide.)

In a keynote address at the April 12 FireEye Government Forum on cyber resilience, Hurd said: "The last thing that you want is that the people you're trying to protect are distrustful of you. ... We can protect our civil liberties while protecting our digital infrastructure and chasing bad guys."

"I know it's hard," he said. "But the future of our republic depends on us pursuing those three goals simultaneously."

## **U.S. Senate Panel Releases Draft Of Controversial Encryption Bill**

By Mark Hosenball And Dustin Volz  
[Reuters](#), April 13, 2016

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## **Senators Propose Encryption Rules**

### **'Discussion draft' could escalate clash between Silicon Valley and Washington**

By Damian Paletta

[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

## **Senators' Encryption Measure Adds New Fuel To Apple-FBI Debate**

By Chris Strohm

[Bloomberg Politics](#), April 13, 2016

Technology and Internet companies would have to provide government agencies with access to data when served with a court order under long-awaited draft legislation crafted by two top senators.

The proposal adds fuel to a fight being waged most visibly between Apple Inc. and the FBI over whether companies must give law enforcement agencies access to e-mails, texts, phone calls and other data that's increasingly being encrypted into scrambled code to protect against hackers.

"I am hopeful that this draft will start a meaningful and inclusive debate on the role of encryption and its place within the rule of law," Republican Senator Richard Burr of North Carolina, chairman of the Senate intelligence committee, said in a statement. Burr is writing the bill with his Democratic counterpart on the panel, Dianne Feinstein of California.

"The bill we have drafted would simply provide that, if a court of law issues an order to render technical assistance or provide decrypted data, the company or individual would be required to do so," Feinstein said. "Today, terrorists and criminals are increasingly using encryption to foil law enforcement efforts, even in the face of a court order."

### **Opposing 'Backdoors'**

Major technology industry associations, as well as a growing number of lawmakers, already have come out in opposition to the measure, arguing that it would force companies to create "backdoors" into their products and services that could make consumers and users less secure and expose data to hackers, spies and criminals.

"Mandating the weakening of encryption will put the United States' national security and global competitiveness at risk without corresponding benefits," Michael Beckerman, president and chief executive officer of the Washington-based Internet Association, said in a statement. "Strong encryption is vital to protecting national security, personal privacy, communications, the electric grid, hospitals, and our defense systems."

Apple had no immediate comment on the proposed legislation.

While President Barack Obama has backed the Federal Bureau of Investigation in its court fight with Apple, White House officials have been openly skeptical that lawmakers can produce a solution to the conflict.

#### Prospects Unclear

"The prospects of Congress actually developing a building bipartisan agreement around a good piece of legislation that appropriately balances the competing equities here, and then taking the additional step of actually getting it passed I think are somewhat low," White House press secretary Josh Earnest told reporters Wednesday. Still, Earnest said the administration will "engage with members of Congress."

The senators didn't say when they plan to introduce a final version of the bill, and it's unclear if it will even be taken up by the Senate. Some lawmakers have suggested the best solution may be to create a commission to study an issue that pits politically influential technology companies and the privacy concerns of consumers against law enforcement agencies that say they need tools to catch both terrorists and common criminals.

#### San Bernardino

The FBI in February served Apple with a court order compelling the company to help break into an encrypted iPhone used by Syed Rizwan Farook, who with his wife carried out the deadly December attack in San Bernardino, California.

Apple resisted, bringing national attention to an issue that has simmered for years under the surface. The FBI dropped its case last month after saying it bought a tool from a private organization it hasn't identified to break into the phone.

However, the FBI is pursuing at least one other case against Apple, and law enforcement officials, company executives and technology experts say the matter is far from resolved.

State and local law enforcement agencies say an increasing number of criminal investigations, such as into rape or child abductions, are being stymied because investigators can't get into phones and other communication devices that are encrypted. It's a trend that FBI Director James Comey has referred to as "going dark."

Prosecutors are unable to get into more than 1,000 iPhones, Burr, the intelligence committee chairman, told reporters.

#### Blaming Cook

"Tim Cook, by refusing to do what they've done for years – and that's accommodate law enforcement – has put the target on his back" that invites hackers to seek ways to break into Apple's phones, Burr said. He said Cook, Apple's

chief executive officer, "has done more to jeopardize the security at Apple than this legislation ever intended to do."

The draft bill specifies that the entities that would have to comply with court orders are "a device manufacturer, a software manufacturer, an electronic communication service, a remote computing service, a provider of wire or electronic communication service, a provider of a remote computing service, or any person who provides a product or method to facilitate a communication or the processing or storage of data."

The bill doesn't mandate any penalties if companies fail to comply or specify what remedies courts could impose. Courts already have the authority to impose penalties by holding individuals or companies that don't comply in contempt.

## Senators Introduce Legislation To Compel Tech Companies To Submit Data To The Government

By Karoun Demirjian

[Washington Post](#), April 13, 2016

Senate Select Intelligence Committee Chair Richard Burr and ranking member Dianne Feinstein released a draft bill on Wednesday that would compel American companies to turn over data to the government under court order, staking out a controversial position in Congress's ongoing fight over encrypted communications.

That debate accelerated in the aftermath of last year's terror attacks in Paris and San Bernardino, Calif., and peaked during the last several weeks as the Federal Bureau of Investigations and Apple bickered in courts and committee hearings over whether the tech giant could be forced to unlock the contents of an iPhone for the government.

Feinstein (D-Calif.) and Burr's (R-N.C.) draft, which starts by stating that "no person or entity is above the law," requires tech and communications companies to comply with court orders demanding the release of user data, encrypted or otherwise, in a readable format. The government would not begin storing such data on a regular basis, and the proposal would compensate tech companies that are asked to unlock encrypted data that the government wants.

The government and Apple had been headed to a likely protracted and costly court showdown over the encrypted data on the iPhone used by a San Bernardino terrorist. The main conflict was averted after the FBI paid professional hackers to crack the four-digit PIN on that iPhone — though it's unclear if the FBI will share its hacking technique with Apple. But the FBI still wants to force the tech giant to unlock the device because the amount of data it can currently access limited.

Encryption has become an increasingly central issue in the national security debate, with lawmakers concerned that

the coding built into many tech companies' products jeopardizes law enforcement's ability to learn crucial information. But tech companies and privacy advocates worry that their encryption features will start to be seen as worthless if the government can demand access to any of their products.

The bill from Feinstein and Burr seeks to strike a balance between those concerns — though not everyone agrees it is the right one.

"Today, terrorists and criminals are increasingly using encryption to foil law enforcement efforts, even in the face of a court order," Feinstein said in a statement. "We need strong encryption to protect personal data, but we also need to know when terrorists are plotting to kill Americans."

Burr added that he hoped the draft bill "will start a meaningful and inclusive debate on the role of encryption and its place within the rule of law."

By any measure, that debate is already underway: privacy advocates who were long wary of Congress began to express open outrage late last week, when a draft of the Senate Intelligence Committee leaders' initial legislation was leaked. Now that the draft has been released, they are no happier with what they see.

"This legislation would effectively prohibit Americans from protecting themselves as much as possible," Sen. Ron Wyden (D-Ore.) said in a statement Wednesday.

Not only would the legislation leave people "vulnerable to stalkers, identity thieves, foreign hackers and criminals," Wyden argued, it would also provide an incentive to would-be terrorists to use non-American encrypted products and apps to continue their conversations. That would put terrorists further out of the reach of American authorities, Wyden argued, and hurt U.S. companies in the process.

Burr's and Feinstein's bill isn't the only encryption proposal out there: Sen. Mark Warner (D-Va.) and Rep. Michael McCaul (R-Texas) also have legislation to set up a commission to study the issue for a year and recommend the best policies.

Burr said in his statement Wednesday that he and Feinstein hope to engage everyone who is "willing to engage constructively on this critically important and challenging issue" as the debate continues.

## Senate Intel Panel Releases Official Encryption Bill Draft

By Cory Bennett  
[The Hill](#), April 13, 2016

A draft of the long-awaited Senate Intelligence Committee encryption bill officially arrived on Wednesday.

The measure, from Chairman Richard Burr (R-N.C.) and ranking member Dianne Feinstein (D-Calif.), would force

companies to provide "technical assistance" to government investigators seeking locked data.

The move is a response to concerns that criminals are increasingly using encrypted technology to hide from authorities.

An initial discussion draft of the bill was first made public by The Hill last week.

While law enforcement has long pressed Congress for legislation that would give it greater access to encrypted data, the tech community and privacy advocates warn it would undermine security and endanger online privacy.

"I have long believed that data is too insecure, and feel strongly that consumers have a right to seek solutions that protect their information — which involves strong encryption," Burr said in a statement. "I do not believe, however, that those solutions should be above the law."

Little was different in Wednesday's draft from the version published by The Hill last Thursday.

The measure still states that a company must provide "information or data" to the government "in an intelligible format" when served with a court order.

If the company cannot meet this standard, it must offer "technical assistance as is necessary to obtain such information or data," according to the language.

The bill covers a wide array of companies and individuals that facilitate digital chatting, including device and software manufacturers, as well as providers of electronic communication services.

In a release, Burr and Feinstein noted the bill would not ban any types of encryption or operating systems.

"Terrorists and criminals are increasingly using encryption to foil law enforcement efforts, even in the face of a court order," Feinstein said in a statement. "We need strong encryption to protect personal data, but we also need to know when terrorists are plotting to kill Americans."

One significant addition since last week's leaked draft is a section specifying exactly when the government can seek a court order compelling companies to provide technical help.

The measure lists crimes resulting in death or "serious bodily harm," federal crimes against a minor, serious violent felonies and federal drug crimes. The measure would also apply to foreign intelligence espionage and terrorism cases.

Notably, the bill also extends the power to state crimes that are equivalent to any of the federal crimes listed in the bill.

Local district attorneys have long been banging the drum for the type of authority the Burr-Feinstein bill would grant.

The bill does not include specific penalties for companies that refuse to help. Instead, the bill would leave it up to individual judges to decide how to penalize companies, Burr said earlier this week.

"If they don't honor the court order or appeal, that judge has full authority to exercise penalties, fines," the committee chairman told reporters.

"And that's where it should be, because every situation is going to be different, so you can't necessarily codify a certain route."

Such a situation was recently thrust into the spotlight when Apple rebuffed an FBI court order directing the firm to create software that would allow investigators to access data on an iPhone used by one of the San Bernardino shooters.

The government eventually dropped its case after finding a way to hack the phone without Apple's help.

The measure is expected to face long odds in the Senate.

The tech community has already expressed serious reservations about the early leaked draft. Dean Garfield, CEO of the Information Technology Industry Council — which represents major tech players such as Apple, Facebook, Google and Microsoft — called the effort "misguided."

The White House sent mixed signals about the bill as it reviewed the language in recent weeks.

While officials insist no decision has been made yet on whether to support or oppose the measure, White House press secretary Josh Earnest on Tuesday cast doubt on Congress' ability to pass "constructive" legislation to address the encryption issue.

In addition to the outside pushback, the Burr-Feinstein bill has to compete with an alternative effort from Sen. Mark Warner (D-Va.).

Warner and House Homeland Security Chairman Michael McCaul (R-Texas) in February introduced legislation to establish a national commission that would explore how police can get at encrypted data without endangering Americans' privacy.

The McCaul-Warner commission would consist of 16 members, including tech industry executives, privacy advocates, cryptologists, law enforcement officials and members of the intelligence community.

Modeled after the 9/11 Commission, the group would have six months to create an interim report, and a year to deliver its full findings. Its scope would expand beyond encryption, exploring more broadly how authorities can maintain security with the proliferation of modern technology.

Privacy and civil liberties advocates have not embraced the Warner-McCaul commission, either, though. The American Civil Liberties Union dinged the proposal its broad mandate that they say could lead to overreach.

Burr has insisted that no commission is necessary since law enforcement has already made the problem abundantly clear — encryption is stymying legitimate investigations.

But Burr said he does hope that Wednesday's draft "will start a meaningful and inclusive debate on the role of encryption and its place within the rule of law."

## **F.B.I. Tried To Defeat Encryption 10 Years Ago, Files Show**

By Matt Apuzzo

[New York Times](#), April 13, 2016

WASHINGTON — In early 2003, F.B.I. agents hit a roadblock in a secret investigation, called Operation Trail Mix. For months, agents had been intercepting phone calls and emails belonging to members of an animal welfare group that was believed to be sabotaging operations of a company that was using animals to test drugs. But encryption software had made the emails unreadable.

So investigators tried something new. They persuaded a judge to let them remotely, and secretly, install software on the group's computers to help get around the encryption.

That effort, revealed in newly declassified and released records, shows in new detail how F.B.I. hackers worked to defeat encryption more than a decade before the agency's recent fight with Apple over access to a locked iPhone. The Trail Mix case was, in some ways, a precursor to the Apple dispute. In both cases, the agents could not decode the data themselves, but found a clever workaround.

The Trail Mix records also reveal what is believed to be the first example of the F.B.I. remotely installing surveillance software, known as spyware or malware, as part of a criminal wiretap.

"This was the first time that the Department of Justice had ever approved such an intercept of this type," an F.B.I. agent wrote in a 2005 document summing up the case.

The next year, six activists were convicted of conspiracy to violate the Animal Enterprise Protection Act in the case. An appeals court upheld the convictions in 2009, and said that the use of encryption, among other things, was "circumstantial evidence of their agreement to participate in illegal activity."

Ryan Shapiro, a national security researcher and animal welfare advocate, provided the documents in the case to The New York Times after obtaining them in a Freedom of Information Act lawsuit. Several important details remain secret, including whether the tactic worked. The wiretap was disclosed at trial but the software hacking was not, said Lauren Gazzola, one of the defendants, who now works for the Center for Constitutional Rights.

It is also unclear why the Justice Department, which is required to report every time it comes across encryption in a criminal wiretap case, did not do so in 2002 or 2003. The Justice Department and F.B.I. did not comment Wednesday.

The Trail Mix documents provide an unusual, if dated, glimpse at the cat-and-mouse game that the F.B.I. has been

playing for years with people who use technology to keep their affairs secret. The records show that, even when encryption was not widely used, there was a growing frustration about it in the F.B.I. To defeat it, agents built and used surveillance software earlier than was known.

"The documents show that the F.B.I. has been in the hacking business for a long time," said Chris Soghoian, a technology analyst with the American Civil Liberties Union who reviewed the records.

In 2008 the F.B.I. began a campaign called "Going Dark" to build support for laws requiring companies to allow government access to data in unencrypted form. But the Trail Mix records show that agents were frustrated by encryption many years earlier, and saw the fight against terrorism as an opportunity to get new authority.

"The current terrorism prevention context may present the best opportunity to bring up the encryption issue," an F.B.I. official said in a December 2002 email. A month later, a draft bill, called Patriot Act 2, revealed that the Justice Department was considering outlawing the use of encryption to conceal criminal activity. The bill did not pass.

The Trail Mix investigation focused on sabotage and stalking at Huntingdon Life Sciences, a company with a New Jersey laboratory that conducted pharmaceutical testing on animals. The group Stop Huntingdon Animal Cruelty strongly opposed the company's testing and advocated protests to end it.

F.B.I. agents contended members of the group were also behind criminal attacks that included nuisances like sending nonstop faxes of all-black paper and hacking attacks that caused more than \$450,000 in damages and lost business. Federal law labeled such attacks eco-terrorism.

The activists communicated using a well-known security program called Pretty Good Privacy, which makes emails unreadable by anyone without a password and a digital key. The agents tried several tactics, including getting a "full-content" wiretap that intercepted every byte that left the group's computers. Yet the encryption proved unbreakable.

More than a decade later, the F.B.I. still cannot break sophisticated encryption such as the kind used on Apple's iPhones. Early this year, in its investigation of the San Bernardino, Calif., terrorist attack, the Justice Department tried to require Apple to remove some security features from a locked iPhone so the F.B.I. could guess the password. Eventually, a private consultant developed a way to hack into the phone without Apple's help, and sold the idea to the F.B.I.

Agents in the Trail Mix case also found a workaround. Like the San Bernardino case, the Trail Mix solutions were classified.

"Please be advised that the tool itself is classified SECRET," an F.B.I. computer specialist from Quantico, Va., wrote in early 2003 while delivering an early version of the

tool. "Further, any indication that the tool is specifically software in nature is also classified."

Exactly what the software was built to do is still not clear. But language in the documents suggests that it may have copied the digital keys, kept track of keystrokes to help the F.B.I. identify the passwords, or both.

In a Mafia case years earlier, agents sneaked into a Philadelphia office and attached a device to a computer that recorded every keystroke. That classified device helped agents break into an encrypted file. But until Trail Mix, such a tactic had never been tried using software as part of a wiretap, the documents show.

Cases like Operation Trail Mix and the San Bernardino shootings are examples of why many government officials say they need a new law to guarantee access to encrypted data. Going case-by-case, hack-by-hack is impractical, they say.

"Individually tailored solutions have to be the exception and not the rule," Valerie Caproni, the F.B.I.'s top lawyer, told Congress in 2011.

## **Source: Nothing Significant Found On San Bernardino iPhone So Far**

[CBS News](#), April 13, 2016

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A law enforcement source tells CBS News that so far nothing of real significance has been found on the San Bernardino terrorist's iPhone, which was unlocked by the FBI last month without the help of Apple.

It was stressed that the FBI continues to analyze the information on the cellphone seized in the investigation, senior investigative producer Pat Milton reports.

Investigators spent months trying to gain access to data on the locked iPhone used by San Bernardino gunman Syed Rizwan Farook, believing that it might hold information on the plans or contacts of the attackers, who killed 14 people on December 2, 2015.

Apple was fighting a court order to assist the FBI in bypassing the phone's security measures. On March 28, the FBI announced that it had managed to unlock the phone and was dropping the court fight with Apple.

The FBI has not disclosed what method it used to access the data on the iPhone but the method is believed to have been developed by a third party, a private entity, the government has refused to identify.

FBI Director James Comey said last week that the bureau has not decided whether to share details with Apple about how it hacked into Farook's iPhone 5c. "If we tell Apple,



they're going to fix it and we're back where we started," Comey said. "As silly as it may sound, we may end up there. We just haven't decided yet."

## FBI Paid "gray Hats" For Zero-day Exploit That Unlocked Seized iPhone

By David Kravets

[Ars Technica](#), April 13, 2016

Everybody and their brother has been reporting for weeks that the Israel-based firm Cellebrite assisted the Federal Bureau of Investigation with unlocking the iPhone used by Syed Farook, one of two shooters who killed 14 people in San Bernardino County in December. But the Washington Post says otherwise: the bureau paid so-called "gray hat" hackers for the undisclosed zero-day software exploit.

The Post cites anonymous sources and Ars could not immediately verify the report. The outlet says the undisclosed hackers who assisted the FBI are "ethically murky" because they are somewhere in between "white hats" who disclose their exploits to companies so they can be fixed, and "black hats" who are in the business of stealing private data.

"The individuals who helped the FBI in the San Bernardino, California, case fall into a third category, often considered ethically murky: researchers who sell flaws to governments, companies that make surveillance tools, or groups on the black market," the Post reported Wednesday.

Apple said last week it would not ask the FBI how it cracked the iPhone, and Ars has reported that the gadget maker has few legal legs to stand on if it wants the government to cough up the recipe the authorities managed to acquire. Gray hats are like mercenary soldiers and have no allegiance. And the longer their exploits remains secret, the longer the hackers can financially capitalize off of it.

Farook's iPhone has been at the center of a bitter dispute between Apple and the FBI, but that legal battle—in which a judge had ordered Apple to write code to assist the authorities in unlocking the phone—came to an abrupt halt last month. The government suddenly said it "successfully accessed the data" on the phone without Apple's assistance. FBI Director James Comey said recently that the government purchased the hack and that it was only successful on the 5C running iOS 9.

The government, meanwhile, is pressing a different case in a New York courtroom to get Apple to assist in unlocking a drug dealer's iPhone 5S.

## Feud Opened By Apple-FBI Case Years From Fix, FireEye Chief Says

By Nafeesa Syeed

[Bloomberg News](#), April 13, 2016

Apple versus the FBI was just the beginning: The debate between privacy and cybersecurity will drag on for years as the government vies with powerful corporations while new forms of hacking attacks arise, according to David DeWalt, chief executive officer of FireEye Inc.

"We now have corporations, for the first time in history, as powerful as the United States," DeWalt said in an interview in Washington. "The Apples, the Googles and the Microsofts of the world have become so big, so powerful, that their cash reserves, their lobbying capability is as great – if not greater – than the biggest government in the world."

FireEye, based in Milpitas, California, provides malware and network-threat protection systems for 4,400 customers in 67 countries. The company was hired by the Bangladesh central bank this year to investigate the theft of more than \$100 million by hackers. In the U.S., the company has detected an uptick in cyber extortion cases in recent months, DeWalt said.

Companies are increasingly "polarized" over how to respond to government requests for data, and whether to comply with a law they don't agree with, DeWalt said in the interview Tuesday.

He said he's disturbed that many companies seem to be putting profit over their duty to help in matters of national security. "That balance of corporate responsibility to capitalism feels out of whack to me," he said.

After buying a software tool to break into an iPhone 5c used in December's deadly San Bernardino, California, terrorist attack, the Federal Bureau of Investigation dropped a legal case against Apple Inc. Companies including Facebook Inc. and Google had rallied to Apple's side in that dispute.

The U.S. is still fighting to get Apple's help retrieving data from a phone in Brooklyn, New York, that belonged to a drug dealer. There will be no resolution in the dispute over privacy and security at least until the next president takes office, DeWalt said.

The CEO called any government effort to force disclosure of a product's vulnerabilities that create loopholes or backdoors a "big mistake." Legislation being drafted by Senate Intelligence Committee Chairman Richard Burr, a North Carolina Republican, and the senior Democrat on the panel, Dianne Feinstein of California, is expected to include a requirement for companies to comply with court orders asking for assistance in accessing encrypted data.

When companies are asked for help by law enforcement agencies, they "don't have to publish a backdoor to the government or hackers to use," DeWalt said. "Do it yourself in your own lab. You design the software, you know how it works and ultimately you can provide that information."

That's essentially what the FBI sought in the San Bernardino case, arguing that Apple should have been required to find a way to open the iPhone and then give the law-enforcement agency access to the data.

In the past few months, FireEye has encountered a "multitude" of cyber extortion and ransom cases in the United States, DeWalt said. Eastern European criminal groups and former Russian operatives have targeted financial institutions, law firms and hospitals, threatening to lock up or release sensitive data unless hefty ransoms are paid. Hospitals in the Washington area and Kentucky have been hit in recent weeks.

Other threats include attacks on critical infrastructure, such as nuclear power plants and transportation systems. Operational technology is outdated by decades, DeWalt said. Cyber attacks are also looming from groups such as Islamic State, as cyber weaponry becomes more available.

## House Panel Approves Bill To Protect Older Email From Government Snooping

By Erin Kelly, USA Today

[USA Today](#), April 13, 2016

A key House panel voted Wednesday to pass an email privacy bill that would stop the government from being able to read Americans' old emails without a warrant.

The House Judiciary Committee voted 28-0 to approve the Email Privacy Act, a bipartisan bill that would replace a 1986 law that allows government investigators to peruse emails at will if the communications are at least six months old. The bill would require federal officials to obtain a warrant before they can read or view emails, texts, photos or instant messages — regardless of when the data was sent.

"Today is a great day for not only the Fourth Amendment advocates who have fought long and hard to move the Email Privacy Act, but also for all Americans, who are one step closer to having private and secure digital communications," said Rep. Kevin Yoder, R-Kan., the lead sponsor of the bill along with Rep. Jared Polis, D-Colo.

The vote was Congress' first real move toward updating the 30-year-old Electronic Communications Privacy Act. That law, written well before email was commonly used, considers old emails to be "abandoned" and allows federal agents to read them without obtaining a warrant.

"We are one step closer to eliminating the artificial distinction between a piece of paper in a filing cabinet and an email on a server," said Rep. Suzan DelBene, D-Wash., a former Microsoft executive who serves on the Judiciary Committee.

More than 300 House members have signed on as co-sponsors of the bill, making it the most popular piece of legislation that has not yet received a vote in the House.

"With a vast majority of members supporting this bill, I urge House Leadership to bring it to the floor quickly," said Judiciary Committee Chairman Bob Goodlatte, R-Va.

Sens. Patrick Leahy, D-Vt., and Mike Lee, R-Utah, have introduced similar legislation and said they will push for a vote in the Senate once the House has approved the bill.

"Congress has waited far too long to enact these reforms," the two senators said in a joint statement Wednesday. "The American people deserve a law that matches today's digital age."

The tech industry and civil liberties groups applauded Wednesday's committee vote.

"As more and more communications are now stored in the cloud, updating privacy laws for the digital age is essential," said Ed Black, president and CEO of the Computer and Communications Industry Association. "The bill the Committee approved...sets an important standard of protection — government access to email content should require a warrant."

## Dem Blames Congress For Poor IRS Cybersecurity

By Cory Bennett

[The Hill](#), April 12, 2016

A top Senate Democrat is pointing the finger at his colleagues for forcing the Internal Revenue Service (IRS) to compromise on digital security.

Over the last year, the IRS has been roundly bashed on Capitol Hill for allowing hackers to pilfer hundreds of thousands of taxpayers' data.

But at a Senate Finance Committee hearing Tuesday with IRS Commissioner John Koskinen, Sen. Tom Carper (D-Del.) called out his fellow lawmakers for failing to give the agency proper funds to improve its cybersecurity.

"When it comes to protecting American taxpayers' sensitive information online, Congress continues to ask the IRS to do more with less by enacting deep and damaging cuts to the agency's budget," Carper said.

Carper, the top Democrat on the Homeland Security Committee, has been a main upper chamber champion of legislation to bolster federal cyber defenses. He ushered through a series of small-bore bills in 2014 that clarified the cyber duties of various agencies and improved the government's ability to hire and retain a cyber workforce.

At Tuesday's hearing, Carper chastised his colleagues for withholding needed funds from the IRS.

"Over the last five fiscal years, with roughly a 10 percent reduction in funding from 2010 to 2015, Congress has cornered the IRS into cherry picking what services it can afford to provide American taxpayers," he said.

Cybersecurity is one service the IRS has struggled with. Last August, the agency revealed that hackers had been able to swipe sensitive information about more than 300,000 taxpayers. More recently, a number of the agency's tax

processing systems went down because of technical problems.

Koskinen had to rebuff criticism for these incidents at Tuesday's hearing.

He noted the agency is fighting an unprecedented volume of cyber criminals. The IRS has also implemented 80 of the Government Accountability Office's cybersecurity recommendations over the last few years, the agency head added.

But Carper is worried that continued funding shortages will make it impossible for Koskinen to keep up in his battle against hackers.

"I'm concerned that these successive budget cuts may be pennywise and pound foolish when it comes to the agency's cybersecurity efforts and the agency's ability to protect American taxpayers' information online," Carper said.

## US CIO Tony Scott On Fixing Cybersecurity's Talent Gap (+video)

[Christian Science Monitor](#), April 13, 2016

If you're trying to recruit employees to help defend your organization's computer networks against malicious hackers, good luck. You've got a lot of tough competition.

US government agencies and businesses are scrambling to bolster security operations teams to defend against breaches such as last year's massive data spill at the Office of Personnel Management. US Chief Information Officer Tony Scott revealed on Tuesday that the government will announce the hiring of a Chief Information Security Officer in the next 30 days – a step toward dealing with that problem.

But even though the Obama administration has pledged \$62 million to build a more robust digital security workforce – and private sector companies are promising six-figure salaries to so-called "white hat" hackers – experts say there still aren't enough qualified candidates to go around. In fact, the cybersecurity firm Symantec projects demand for cybersecurity jobs could fall short by 1.5 million people worldwide by 2019.

On Tuesday, Passcode hosted an event in Baltimore to explore the newest ideas and approaches to close the cybersecurity skills gap that featured Mr. Scott and leading figures in digital security from firms such as CrowdStrike and CyberVista. The full video of the event is available here.

Here are some key takeaways from the event:

### 1. It's not just a supply problem

Sure, fixing the cybersecurity workforce has a lot to do with hiring the right people, but employees must constantly adapt to new threats – from the viruses that maliciously encrypt vulnerable files to massive data breaches – to stay up to speed.

"It's not an area where you can go to school, learn something, and then just sit on your hands for the next 30 years," said Scott. "It's kind of an eyes-wide-open field where you have to keep yourself continually educated."

Tony Scott, US chief information officer, spoke at a Passcode event on Tuesday in Baltimore.

### 2. Think outside the network

A lot of network defense comes down to keeping the bad guys out. But with US government agencies and companies facing threats from adversaries such as Chinese hackers, Russian cybercriminals, and the Iranian military, that doesn't just mean scanning your systems for malicious software. Maybe you could help out by deciphering notes on code written in a foreign language – or by understanding the cultural motivations behind a hack.

"Cyber is a global problem and we need people that speak every language on the planet," Scott said. "We need people with all kinds of different skills. We need cultural anthropologists. I'm looking for people who understand biology and cybersecurity. There's no area where we're full up, we need everything."

Tony Scott, chief information officer for the United States, spoke with Passcode editor Michael Farrell at the "Workforce 2.0" event in Baltimore.

### 3. It's not just about the money

Scott knows firsthand that the federal government doesn't pay like the private sector – he had to take a pay cut to join the White House from the software firm VMWare. But, he said, going to Washington is about more than the money.

"Yes, I'd like to see these roles pay better – but at some level, these are some of the most challenging and important roles that you can play," he said. "For me, this was the challenge and the opportunity of a lifetime."

Scott said that the US government has cut down the list of candidates for the federal Chief Information Security Officer position to a handful of candidates – and expects to announce a decision within the next month.

US Chief Information Officer Tony Scott spoke with Passcode's Michael Farrell on Tuesday in Baltimore.

### 4. Open things up for US government hackers

Want to get more hackers into government service? US government agencies should stay in the loop with private companies, said Jason Geffner, CrowdStrike's chief security researcher, and let hackers in Washington show their work at security gatherings such the RSA Conference or the DEF CON hacker convention.

"There's no communication really across the fields," he said. "People who are in the private sector who aren't interested in going into the public sector think it's important to speak on a panel, speak on a conference. It makes it much less appealing to pursue that career path."

Jason Geffner, principal researcher at the cybersecurity firm CrowdStrike, spoke Tuesday at a Passcode event in Baltimore.

#### 5. Passion is key

Don't know how to write a line of code? That may not matter, said Simone Petrella, chief cyberstrategy officer at the cybersecurity firm CyberVista. Other key ingredients for successful cybersecurity pros are curiosity and passion, she said.

"At the end of the day, the people who succeed don't have a degree or a certificate – they're really good at Googling," she said. "It's just the passion to explore more and gain knowledge, that just happens to be in cybersecurity."

Simone Petrella, chief cyberstrategy officer at CyberVista, spoke at a Passcode event on Tuesday in Baltimore.

Employers also need to better communicate that cybersecurity positions involve much more than sitting in front of a computer all day, said Rodney Petersen, leader of National Initiative for Cybersecurity Education at the National Institute of Standards and Technology (NIST).

"In cybersecurity, there's probably a stereotype that it's a loner, it's a hacker, it's a person behind a computer screen – which is quite frankly maybe not attractive to somebody who wants to interact with a team," said Mr. Petersen. "You can volunteer, you can work for your institution, you can do things other than independently hacking."

## Obama Names Cyber Experts From Business, Academia To New Panel

By Roberta Rampton

[Reuters](#), April 13, 2016

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## The Growing Threat Of Ransomware

By Brian Heater

[PC Magazine](#), April 13, 2016

It's been a strange few years for the Alina Simone. In 2011, she released her fourth full-length record to critical acclaim, followed by a book of essays and a debut novel, all while maintaining a journalism career and raising a young daughter. But it's likely a 2015 opinion piece for The New York Times that garnered the most recognition for the Brooklyn-based artist. "My gravestone will say, 'her mom got hacked,'" she says with a laugh.

Published in January of that year, *How My Mom Got Hacked* earned Simone a deluge of media appearances, from primetime news programs to an episode of the popular public radio program Radiolab. The story details her mother Inna's struggle with a mysterious form of malware and the strange

and surprisingly cloak-and-dagger story that unfolded in its wake.

"My mom called me one night, and she was ranting about needing to pay a ransom," she tells PCMag. "I had my laptop open but was also watching TV and half listening. I thought it was a typical mom rant about her hardware crashing [and] having to pay the repair people \$500 because her computer crashed. I thought she was talking in air quotes. She kept saying, 'No, Alina, listen. I mean ransom.'"

By the time Simone got the call, there was less than 24 hours to hit the deadline. Her mother had attempted to withdraw the full amount of ransom, but a combination of the Thanksgiving holiday, the weekend, a snowstorm, and the highly volatile value of bitcoin had caused her payment to fall \$25 short. A failure to pay would cause the \$500 ransom to double.

Simone dropped everything the following morning and made a beeline to the nearest bitcoin ATM. "I had a full-time job and a toddler at home," she explains. "I had a busy morning, but I canceled everything and got a sitter. I ran over to Greenpoint where this bitcoin ATM was located in a shared workspace building. The ATM didn't work and it gave me the spinny wheel. We were freaked out by the virus, but bitcoin gave it this extra level of terror. It just freezes your brain — it's just another thing to figure out."

The story has a happy ending — at least so far as those things go. "She didn't make the deadline, and they were going to charge her double the ransom [but] she pleaded with them and they let her go," Simone says. Mom got her files, the hackers got their money, and everyone who read the story in The New York Times learned about the phenomenon of ransomware, a strange, steadily growing form of malware that effectively holds a user's computer files at electronic gunpoint.

### An Eye on High-Profile Targets

Simone's mother is not the only victim, of course. In a piece published late last year in Info Security Magazine, G Data Software Security Evangelist Andrew Hayter posited that 2016 will be "the year of ransomware," a sentiment echoed by similarly titled pieces subsequently published by big media outlets like the Los Angeles Times and security firms like Symantec.

Thus far, 2016 has brought with it increasingly high-profile examples, including, most notably, the case of Hollywood Presbyterian Medical Center, a 434-bed hospital whose network effectively ground to a halt after hackers breached the system in early February. After relying on pen and paper records briefly, Hollywood Presbyterian paid the 40 bitcoin (\$17,000) ransom to regain control of its network.

More recently, MedStar Health and a hospital in Kentucky were hit with similar attacks, and the targeting of such larger institutions appears to be part of a growing movement.

"We're absolutely seeing that trend," explains Grayson Milbourne, Security Intelligence Director for Internet security firm Webroot. "It's true that there's an increase in focus on attacking corporate entities.

"The value of my personal files and pictures caps off somewhere. But [if] I encrypt the back-end of your corporate system and prevent you from processing payments, that has a tremendous value. And if the hacker can recognize the value of what he has, the ransom can be more dynamically set based on the content of the data."

G Data's Hayter concurs, but while hackers have been planning large-scale attacks for some time, "public companies never could admit that they had malware because it would hurt their stock," he says. "They kept security quiet. I think they've been hit all along, but they just don't talk about it."

What does seem certain is that payments like the one issued by Hollywood Presbyterian add fuel to the fire.

#### The Moral Quandary of Ransomware

Among the many ways ransomware is unique is in the moral quandary it presents its users. Thus far the malware's encryption has proven largely bulletproof, meaning that, once infected, the end-user has one of two options: either pay the ransom — thereby funding the activities of the criminals who hacked into their system — or lose the files forever.

"At first I was really shocked that my mom wanted to pay it," explains Simone. "I told her not to. [I told her] 'you're funding these people. You might be funding terrorists. It's morally wrong, your files don't matter that much.' She said, 'they do to me. I've done my research and it's the only way to get it back.'"

Inna Simone was not alone in her decision. In the majority of cases, all is essentially lost once ransomware takes hold. A month after Simone paid the ransom, a police department in Tewksbury, Massachusetts, made a \$500 payment after enlisting the help of the FBI. In fact, the encryption has proven so hard to crack that even the Federal Bureau of Investigation has essentially thrown up its hands in defeat.

"The ransomware is that good," Joseph Bonavolonta, the Assistant Special Agent in Charge of the FBI's CYBER and Counterintelligence Program told Boston's Cyber Security Summit in October. "To be honest, we often advise people just to pay the ransom."

The FBI declined a follow-up request, telling us that Bonavolonta was "unavailable," and instead offered up the following decidedly more noncommittal statement: "The FBI works closely with the private sector so that companies may make informed decisions in response to malware attacks. Companies can prevent and mitigate malware infection by utilizing appropriate back-up and malware detection and prevention systems, and training employees to be skeptical of emails, attachments, and websites they don't recognize."

The damage, however, was already done — at least as far as the security community was concerned.

"I think that the FBI has not helped the situation at all by coming out and saying that people should pay the ransom," says Hayter. "To me, that goes against everything we know about dealing with malware, bad guys, and cyber crime. You don't want to keep funding them, and that's what paying the ransom does. And they keep putting more funding into development, which seems to be what they're doing right now."

Webroot's Milbourne concurs. "They set a precedent of that being the only option." Small scale individual user payments of \$200-\$300 have already funded hackers to the tune of hundreds of millions of dollars, though he acknowledges that in real life, things are rarely so black and white.

"It's a personal decision," explains Milbourne. "[Webroot's] stance is that we don't believe what the FBI has told people to do is the right approach. That said, the hospital has a business to run. If it means people's lives, \$17,000 is a reasonable price to pay to get your business back online. Does that mean it's a good precedent to be setting? No."

#### Easier Said Than Done

It's easy enough to pass judgment until one comes face to face with ransomware boldly announcing its presence. "Your files are encrypted," boasted the Cryptowall 2.0 lock screen that greeted Inna Simone, adding—in that fake-helpful ransomware way—that the "special software" CryptoWall Decrypter could be purchased for a limited time offer of 500 USD/EUR. All of that was ominously underscored by a clock counting down the seconds until the ransom doubled.

If there is an upside to the ransomware phenomenon, it is consumer awareness. And every party can agree that the best way to manage malware is to simply avoid getting hit in the first place.

Ransomware comes from a growing number of sources, largely through Internet connections, with a smaller percentage arriving through physical vectors like USB sticks. In most cases, however, the real breakdown occurs at a similar point of vulnerability: humans.

The same month the Hollywood hospital was hit, Baltimore-based firm Independent Security Evaluators issued the eerily prescient results of a two-year study involving a dozen healthcare facilities. In one scenario, researchers dropped 18 USB sticks loaded with simulated malware across various floors of a hospital. Within 24 hours, one unsuspecting user plugged one of the sticks in the system, requesting malware from ISE's servers. This was just a test, thankfully, but the scenario highlights the inevitable fact that a computer's security system is only as effective as the person using it.

"There's still terrible USB hygiene around the world with people still using XP service pack one," says Milbourne.

"There are a lot vulnerable systems. But primarily [ransomware proliferates] through web exploit kits and direct email campaigns that trick people into being dumb and infecting themselves."

#### Protect Yourself

Like much of the malware out there, ransomware finds its way onto systems through untrusted sites and attachments. So the major tenants of avoiding an infection are similar to those for avoiding malware in general: install security software, keep your operating system and applications up to date, and don't visit any suspicious sites or open email attachments from unknown sources.

Hayter recommends getting rid of potential malware gateways like Flash and Silverlight, while OpenDNS Security Analyst Kevin Bottomley suggests installing an ad blocker and NoScript browser add-ons, as online advertisements become an increasingly popular vector for the spread of malicious malware.

Some websites use ad services "that generate revenue through attracting ad distributors, and they provide a lot of flexibility to those distributors with respect to how they code their ads to display on pages," says Milbourne. "It'll open in the background, the user has no idea."

This type of scenario recently hit a number of mainstream sites run by some of the most prominent names in publishing, from The New York Times to AOL, potentially exposing tens of thousands of users to ransomware in the U.S. alone within a 24-hour time period.

Equally disturbing is the speed with which ransomware is capable of spreading once a system has been compromised. According to Bottomley's research, "it's usually [a] sub-three-minute infection to encryption time." By the time you're finished grabbing a cup of coffee, ransomware has already had more than sufficient time to do its thing. And as it's evolved, ransomware has become increasingly effective at propagating across a network.

The newly identified ransomware Locky, for example, has discovered how to identify and gain access to unmapped network shares. "You want to disconnect that endpoint from the network and limit any potential spread," says Milbourne. "And then it comes down to what got hit and what's infected. In a lot of cases, it's just an end-user. When we start to see problems is when these things propagate and start to hit resource servers and things that really impact the flow of business."

As ransomware becomes more sophisticated, the likelihood increases that even the most thoughtful users are at risk of getting hit, highlighting the importance of backing up files online and off. Restoring those files is admittedly inconvenient, but ransom seekers don't hold much sway when you've got unencrypted copies as a backup. It might sound like overkill, but ransomware is "becoming more and more prolific," says Hayter.

#### Humble Beginnings

The phenomenon has been around in some form other at least since the late 80s, when the AIDS trojan demanded users send \$189 to a Panamanian post office box, lest their "conscience may haunt [them] for the rest of [their] life...and [their PC would] will stop functioning normally." Things have grown exponentially since those early shady days of the PC Cyborg Corporation. In a report issued late last year, McAfee found a huge jump of late, from 257,357 new ransomware samples in the first half of 2014, to 380,652 in the second half. By the first half of 2015, that number jumped 5.3 times to over 2 million.

The security company added that the rapid growth is likely to continue, due in no small part to the relatively new trend of "Ransomware-as-a-service." Between the hundreds of millions of dollars extorted from smaller targets and the increasing focus on corporations and institutions, ransomware has proven to be an extremely lucrative business model — and one with decidedly less risk of bodily harm and capture than more traditional crime.

"Cyber criminals have figured out that they can make money more easily than with drug deals," says Hayter. "They're turning to cybercrime for their income. And then they can use that income to do more development and get into other forms of crime — or just make more money and buy more Ferraris."

A perhaps unexpected turn in the ransomware game is that hackers are adopting some traditional business tactics, like customer service. Simone's mother, for example, was able to negotiate with the ransom seekers, who agreed to accept the final \$25 a little after the deadline without doubling the ransom.

People "won't pay the ransom if they think they're f\*\*ked anyway," Simone says. "It's e-commerce. They've taken all of the lessons of e-commerce from legitimate businesses and applied it to ransomware."

As McAfee notes, hackers have also developed custom malware solutions built to spec for potential ransomers — a sort of black-market version of Squarespace, if you will.

"You pay a certain amount," explains Hayter, "you get the ransomware, you customize it to yourself, you direct the payments where to want to direct them, you get 24/7 customer support for your ransomware product."

Part of the malware's business expansion model has involved the targeting of new platforms. Once largely the realm of Windows PCs, security analysts have been aware of the presence of Android variants for a number of years. This March also marked the first known instance of a ransomware attack on Mac users, as KeRanger demanded users pay one bitcoin (\$400) to rescue files locked down after the installation of BitTorrent software, Transmission.

"It's a sign that the criminals are seeing that there is some value in making Mac malware," explains Hayter. "In the

past, the Mac just wasn't an attractive target because there wasn't the profit margin there. Now that [hackers] got through once, I think Apple is going to do a better job protecting the walled garden."

Apple was able to quickly address the issue by revoking the software's app development certificate and updating its malware protection, but it's hard not to see this first breach as a sign of more ominous things to come.

But for all their concerns, the security experts we spoke with are hopeful. "In the 40 years that malware has been around, we've found ways to defeat families of malware," says Hayter. "Catching up with the bad guys has always been the problem. They always seem to be one step ahead. But I think there's hope on the way in a very short amount of time. The anti-malware industry cannot wait. This is a rush job. This is an emergency."

## Thieves Hack W-2s Of 1,300 Employees At Rockhurst University

By Donald Bradley

[Kansas City \(MO\) Star](#), April 13, 2016

Rockhurst University on Wednesday notified about 1,300 employees that someone had stole personal information from their IRS W-2 forms through a data breach.

The theft, which includes Social Security numbers, occurred April 4 and was discovered April 6. None of the victims has reported any loss from the phishing incident, school officials said Wednesday.

They said the theft had been reported to the FBI, police and the IRS.

In a letter, University President Thomas B. Curran apologized to victims for the disruption in their personal and professional lives.

"I'm angered that someone chose to victimize our institution and the good people that contribute to its important work," Curran wrote. "And I acknowledge and accept that you may be angry, frustrated and/or frightened, but I ask and hope for your participation and assistance in addressing this situation."

Rockhurst says the breach occurred when someone impersonating a university administrator requested W-2 information and provided a bogus email address.

"We are taking steps to notify and train employees so that they are more able to recognize these sophisticated fraud schemes," Curran wrote.

The university also said it is arranging identity theft and credit monitoring protection at no cost for two years to the employees.

The theft affected all employees who worked at Rockhurst during 2015. W2s include employees' names, addresses, incomes and Social Security numbers —

information that thieves can sell or use to file bogus tax returns and claim fraudulent refunds.

The IRS told Rockhurst it would be on the lookout for such returns, university officials said.

The Government Accountability Office recently studied fraudulent refunds after reports from the IRS that it prevented \$24.2 billion in payments to identity thieves in 2013 but paid \$5.8 billion in federal returns that were later determined to be fraudulent. The GAO called such scams a "large, continually evolving threat that is costing taxpayers billions of dollars per year."

Last month, the IRS sent a notice to employers' payroll departments about spoofing emails seeking W-2 information. The IRS said it has seen a 400 percent increase in phishing and computer malware cases this tax season.

The Associated Press contributed to this story.

## Underwriters Labs Refuses To Share New IoT Cybersecurity Standard

[Ars Technica](#), April 13, 2016

UL, the 122-year-old safety standards organisation whose various marks (UL, ENEC, etc.) certify minimum safety standards in fields as diverse as electrical wiring, cleaning products, and even dietary supplements, is now tackling the cybersecurity of Internet of Things (IoT) devices with its new UL 2900 certification. But there's a problem: UL's refusal to freely share the text of the new standard with security researchers leaves some experts wondering if UL knows what they're doing.

When Ars requested a copy of the UL 2900 docs to take a closer look at the standard, UL (formerly known as Underwriters Laboratories) declined, indicating that if we wished to purchase a copy—retail price, around £600/\$800 for the full set—we were welcome to do so. Independent security researchers are also, we must assume, welcome to become UL retail customers.

"It's very concerning," Brian Knopf of I Am The Cavalry, a group of security researchers focused on public safety issues, told Ars. "Without transparency, the research community cannot help improve or audit the standards." As Ars has previously reported, Knopf is leading an effort to develop a five-star cybersecurity rating system for IoT devices.

Security researcher Rob Graham, CEO of Errata Security and a prominent critic of the UL approach to cybersecurity, agreed with Knopf. "No review copy of their proposal seems weird, and...counter to basic security principles of transparency."

Ken Modeste, UL's chief of cybersecurity technical services, defended the company's position. "Our whole mission is public safety," he told Ars. "We've been here since

1894. We want to help industry and the public to choose safe products.”

Modeste pointed out that UL has been involved in the cybersecurity space for a decade, and employs around 600 staff focused on financial cybersecurity—certifying point-of-sale (POS) terminals, PCI compliance, and so forth. That, he said, led to talks with the US Department of Homeland Security (DHS) and other US government agencies to develop the technical specifications for UL 2900. “UL is probably one of the best organisations engaged in cybersecurity,” he added.

Modeste did not acknowledge that the lack of a freely available standard was even a problem, pointing out that numerous government and industry stakeholders have seen the standard and contributed to its development, and that UL charges rates comparable to organisations like the IEEE or IEC.

Instead, he emphasised that UL’s goal is to provide “the ability for a vendor to have some repeatable and reproducible way to evaluate their product to ensure it meets some minimum requirements.”

That goal may be of even greater concern than their lack of transparency, according to Peiter “Mudge” Zatkó, the former head of cybersecurity research at DARPA who is now building the Cyber Independent Testing Laboratory (CITL), a US Air Force-funded “Consumer Security Reports” for IoT devices.

Mudge told Ars he has evaluated over 100,000 pieces of software, many of them IoT devices, and based on that work he prefers a “nutritional label” or “Monroney Sticker” model that isn’t pass/fail, but rather offers more fine-grained detail. The Monroney Sticker is the window label, required for all new cars sold in the US, that provides consumers with information such as fuel efficiency, smog emissions, and most importantly safety ratings.

“Too many unhealthy products will pass the bare-minimum certification process,” Mudge said, “and the result is that users will [conclude] they are ‘healthy’ (when they are unhealthy).”

He was also critical of UL’s business model. “[UL] are a for-profit organisation,” he wrote. “I worry about that as it creates [a] perverse incentive structure. Empowering the consumer is not where they derive their value/profit, and that goal can become masked or forgotten in the pursuit of profit.”

After more than a century as a not-for-profit, UL changed their status in 2012 and are now a for-profit corporation.

“Don’t get me wrong,” he added, “I’m a fan of some for-profit models, but not as much when it comes to safety.”

## Putting Cybersecurity Culture In The Spotlight

By Derek Major

[Government Computer News](#), April 13, 2016

Cybersecurity is about more than just protecting systems, especially when phishing is the hacker’s tool of choice for gaining access to networks. For public and private sector security executives, the emphasis increasingly is on making sure their employees aren’t taking the bait on attacks.

That makes it important for government agencies to constantly train both new and current employees on risk factors and actions that could open the door to an attack. Companies and agencies must create a culture for employees to make the right decisions, according to retired Maj. Gen. Earl Matthews, the vice president of enterprise security solutions with Hewlett Packard Enterprise’s U.S. public sector group.

“It’s about culture,” Matthews said at the FireEye Insider Threat Summit on April 12 in Washington. Every organization has a different approach to cybersecurity, he noted, and a cyber-savvy culture “starts with leadership and how that leadership is being used from the top down.”

Since the breach at the Office of Personnel Management showed how serious the damages could be, government security officers have raised the alert level regarding attacks through social engineering. Last year, for example, the Postal Service’s inspector general sent phishing emails of its own to 3,125 USPS employees. One in four recipients clicked on the link, and 90 percent of those who did so failed to report the potential security breach. Ninety-five percent of employees who received the email had not taken USPS’s annual information security awareness training, because only new hires and office employees were required to complete it.

Matthews said HP keeps its staff up to date on potential attacks through cybersecurity training and a reward system where employees can win credits towards buying items at the company store.

In the public sector, Maj. Gen. Sarah Zabel, the vice director of the Defense Information Systems Agency said DISA employees take the equivalent of a pop quiz every week.

“We have an exercise once a week. When people log in, a menu comes up that asks a cybersecurity question,” Zabel said. “We hit phishing hard. but we also hit other topics. It’s a constant reminder telling people that they’re on a mission system. They have to protect it by being alert and being aware.”

Part of changing the culture is not only being aware of how to protect your systems, but also knowing when attacks are most likely to come, said Rod Turk, the director of the Office of Cybersecurity and CISO at the Commerce Department.

“Cybersecurity culture is making sure that users – top to bottom, right to left – [are] keeping cybersecurity in their thought process no matter what they’re doing in the IT world,” Turk said. “It applies to management; it applies to



development and systems. Keeping cybersecurity in mind also means looking down the road and identifying when you may be ripe for a phishing attack.”

The average time between a system being compromised and the breach being detected is 146 days, FireEye CTO Tony Cole said. He asked the panelists if their agencies were beating that timeframe.

“We’re going to lag – in government and in the organizations I’ve been in – we’re going to be on the other end of that,” Zabel said. “We have a very complex network. Every day we have 22,000 changes on our network,” which makes it difficult to “fight inside of that timeframe.”

Turk agreed that securing government enterprise networks is complex, but added that his agency and many others are prepared to handle breaches. However, he said that the day when agency systems are fully protected may never come.

“Are we prepared? Yes we are,” Turk said. “We’ve developed a security operations center and ... our bureaus have their own operations center. We take feeds from them, we have tools in place as well.

“But are we ready, have we done everything that’s perfect?” he asked. “No, I don’t believe perfection in the cybersecurity space is possible.”

About the Author

Derek Major is a Reporter/Producer for GCN.

## Chinese Hacking Of US Companies Declines

By David J Lynch And Geoff Dyer In Washington

[Financial Times](#), April 13, 2016

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## US Takes Cyber Warfare Mainstream

By Roula Khalaf

[Financial Times](#), April 13, 2016

Full-text stories from the Financial Times are available to FT subscribers by clicking the link.

## America Needs A Strategy For Cyberdeterrence

By George F. Will

[Washington Post](#), April 13, 2016

There is a consensus that aggression by one nation against another is a serious matter, but there is no comparable consensus about what constitutes aggression. Waging aggressive war was one charge against Nazi leaders at the 1946 Nuremberg war crimes trials, but 70 years later it is unclear that aggression, properly understood, must involve war, as commonly understood. Or that war, in today’s context of novel destructive capabilities, must involve “the use of armed force,” which the Rome Statute of the International Criminal Court says is constitutive of an “act of aggression.”

Cyberskills can serve espionage — the surreptitious acquisition of information — which is older than nations and not an act of war. Relatively elementary cyberattacks against an enemy’s command-and-control capabilities during war were a facet of U.S. efforts in Operation Desert Storm in 1991, in the Balkans in 1999 and against insurgents — hacking their emails — during the “surge” in Iraq. In 2007, Israel’s cyberwarfare unit disrupted Syrian radar as Israeli jets destroyed an unfinished nuclear reactor in Syria. But how should we categorize cyberskills employed not to acquire information, and not to supplement military force, but to damage another nation’s physical infrastructure?

In World War II, the United States and its allies sent fleets of bombers over Germany to destroy important elements of its physical infrastructure — steel mills, ball-bearing plants, etc. Bombers were, however, unnecessary when the United States and Israel wanted to destroy some centrifuges crucial to Iran’s nuclear weapons program. They used the Stuxnet computer “worm” to accelerate or slow processes at Iran’s Natanz uranium-enrichment facility, damaging or even fragmenting centrifuges necessary for producing weapons-grade material. According to Slate columnist Fred Kaplan, by early 2010, approximately 2,000 of 8,700 “were damaged beyond repair,” and even after the Iranians later learned what was happening, another 1,000 of the then-remaining 5,000 “were taken out of commission.”

For fascinating details on the episodes mentioned above, and to understand how deeply we have drifted into legally and politically uncharted waters, read Kaplan’s new book, “Dark Territory: The Secret History of Cyber War.” Three of its lessons are that cyberwar resembles war, much of it is very secret and everything essential to the functioning of modern society is vulnerable.

The things controlled by or through computers include not just military assets (command-and-control systems, the guidance mechanisms of smart munitions, etc.) but also hospitals, electric power grids, water works, the valves of dams and the financial transactions of banks. And, Kaplan notes, unlike nuclear weapons or the ballistic missiles to deliver them, cyberweapons do not require large-scale industrial projects or concentrations of scientists with scarce skills. All that is needed to paralyze a complex society and panic its population is “a roomful of computers and a small corps of people trained to use them.”

Clearly the United States needs a cyberdeterrent capacity — the ability to do unto adversaries anything they might try to do unto us. One problem, however, is that it can be difficult to prove the source of a cyberattack, such as that which Vladimir Putin did not acknowledge launching, but almost certainly did launch, in 2007 to punish Estonia for annoying Russia.

To appreciate how computer keystrokes can do damage comparable to a sustained air campaign using high

explosives, consider what happened in 1995 in the private sector. Barings, founded in 1762, was Britain's oldest merchant bank, having weathered the Napoleonic wars and two world wars, and its clients included Queen Elizabeth II. One of its young traders, Nick Leeson, in the bank's Singapore office, was so skillful at navigating the derivatives markets that at one point he produced 10 percent of the bank's profits. Inadequately supervised, he created a secret Barings account from which he made risky bets, including a huge one on Japan's stock market rising. He did not, however, anticipate the Kobe earthquake. Japan's stock market plunged, causing enormous losses in Leeson's account that Barings could not cover. The bank quickly collapsed and was bought by a Dutch company for one British pound.

If one rogue trader's recklessness, motivated by mere avarice, can quietly and quickly annihilate a venerable institution, imagine what havoc can be wrought by battalions of militarized cyberwarriors implacably implementing a nation's destructive agenda. It is long past time for urgent public discussion of the many new meanings that can be given to Shakespeare's "Cry 'Havoc!' and let slip the dogs of war."

## **COUNTERING VIOLENT EXTREMISM**

### **Twitter And Islamic State Deadlock On Social Media Battlefield**

**The terror group's online footprint has shrunk in crackdown aided by global hackers, but supporters open new accounts almost as quickly as digital gatekeepers delete them.**

By Christopher S. Stewart And Mark Maremont  
[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

## **NATIONAL SECURITY NEWS**

### **U.N. Begins Round Of Syria Peace Talks In Geneva**

By Marina Depetris And Tom Miles  
[Reuters](#), April 13, 2016

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### **Syria Peace Talks Resume**

**Geneva talks get under way as government holds parliamentary elections denounced by opposition**

By Raja Abdulrahim And Dana Ballout  
[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

### **Syria Peace Talks Set To Resume Amid New Fighting**

By Oren Dorell

[USA Today](#), April 12, 2016

The prospects for Syrian peace talks set to resume Wednesday in Geneva are complicated by a recent spike in fighting between government troops and rebel factions around the strategic city of Aleppo.

"We are very, very concerned about the recent increase in violence," State Department spokesman Mark Toner said this week about the next round of indirect talks, the second since the "cessation of hostilities" or partial cease-fire began Feb. 27.

Toner said the fighting includes "actions we believe are in contravention to the cessation of hostilities."

Syrian government troops, backed by Russian aircraft, have been attacking U.S.-backed rebel groups around Aleppo, as well as al-Qaeda's local affiliate, the Nusra Front, also in the area, Toner said. He said U.S. negotiators plan to use the peace talks to push the parties to adhere to the cease-fire agreement, which allows attacks on the Nusra Front and the Islamic State, but not on "legitimate" opposition groups.

In a new offensive launched Tuesday, Syrian troops sought to retake a hilltop village south of Aleppo from militants, including the Nusra Front, the Associated Press reported.

United Nations special envoy Staffan de Mistura, who will conduct the talks, said Tuesday that establishing a path to a political transition is "crucially urgent." He has said the talks will focus on political transition, governance and constitutional principles, according to AFP.

The Syrian government will also hold parliamentary elections Wednesday, adding another element that could muddle the talks in Geneva. Voting will be only in areas controlled by the government. The opposition says the election further damages the climate for negotiations.

Syria's opposition, supported by the United States, Turkey, Saudi Arabia and Qatar, wants Syrian President Bashar Assad to step down, but Assad and his Russian and Iranian backers want him to stay, at least through presidential elections that would decide his fate.

Those issues seem likely to take a back seat to the recent burst of fighting near Aleppo.

Last week, rebels fighting alongside Nusra Front shot down a Syrian fighter jet, the second in the conflict, and captured its pilot, prompting the government to promise a new campaign to drive out the "terrorists."

Over the weekend, the Nusra Front attacked government troops near Aleppo. Syrian troops responded with force, raising fears they would try to retake Aleppo, a rebel stronghold that has used its proximity to the Turkish border to replenish supplies and fighters throughout the five-year civil war.

“The cease-fire cut off some very unfinished business around Aleppo, which the regime is trying to retake,” said Joshua Landis, a Syria analyst at the University of Oklahoma.

Syrian government troops are trying to retake the entire border with Turkey, which is controlled in various segments by Kurdish militias, Turkey-supported rebels and Islamic State factions, Landis said.

“The Syrian government is more concerned about the areas it hasn’t captured where other Arab militias can get arms and resupplies from Turkey,” he said. “So the cease-fire was going to be broken, it was a matter of when.”

And all sides have used the respite from the fighting to resupply, Landis said.

Russia announced on March 14, that it would withdraw most of its airplanes that conducted a six-month bombing campaign in support of Assad’s forces. Russia has since sent more equipment and supplies to Syria, according to Reuters.

Those supplies apparently include helicopters equipped with missile-jamming devices, Landis said.

Turkey and Saudi Arabia also have been resupplying the rebels who are flush with arms, Landis said.

Charles Lister, a Syria analyst at the Middle East Institute with close ties to opposition fighters, said there is evidence that Syrian rebel factions now have shoulder-fired, anti-aircraft missiles.

Toner admitted it’s difficult to distinguish between the various fighting groups. “These groups are on top of each other,” he said. “It’s a very ... complex.”

## **Syrian Official Rules Out Assad Departure Ahead Of Talks**

By Zeina Karam And Albert Aji

[Associated Press](#), April 13, 2016

DAMASCUS, Syria (AP) – A top Syrian official urged the opposition to let go of its dream of easing President Bashar Assad out of power in a transitional government, complicating peace talks that resumed Wednesday in Geneva on ending the five-year civil war.

As Syrians voted in parliamentary elections in government-held parts of the country – balloting the opposition dismissed as a sham – Deputy Foreign Minister Faisal Mekdad told The Associated Press that a transitional government amounts to a coup d’etat and “will never be accepted.”

A transitional government is the centerpiece of the peace program that the United States, Russia and other

world powers agreed on at a 2012 Geneva Conference. The terms have been left vague intentionally and are supposed to be worked out in the peace talks, but the presumption, at least in the opposition’s mind, is that a transitional government means one without Assad.

“This will not happen, not now, nor tomorrow nor ever,” Mekdad said, speaking at his office in Damascus ahead of the resumption of the indirect talks in Geneva that the U.N. envoy says will focus on a political transition.

Assad recently floated the idea of a national unity government, rejecting the opposition’s demand for a transitional ruling body, and Mekdad echoed the rejection.

“We believe such an idea has failed, it is outdated, it will never be acceptable. This amounts in fact to a coup d’etat. People organize a certain rebellion and then they get power. This will never happen in Syria,” he said.

He said most of the world except Saudi Arabia and Turkey – the two top backers of the rebellion – have all but relinquished calls for Assad to step down, having realized after five years of war that the president is fighting “terrorists” in Syria.

“We believe that if we have to proceed, then we need to forget or we need others to forget the dreams they had for the last five years and to come with factual, actual solutions to the problem,” he said. “This includes the possibility of establishing a national unity government or a broad government that includes members of the opposition.”

But in Geneva, U.N. envoy for Syria Staffan de Mistura told reporters that his recent visits to Iran, Russia and Syria led him to believe that those countries were “supportive to what we are trying to do in terms of a political transition.”

“There was no doubt on that. From Moscow to Tehran, even to Damascus, (they) agreed with the fact that this is the agenda,” he said.

U.S. Secretary of State John Kerry said he spoke to de Mistura about the talks and urged all participants “to adhere to the cessation of hostilities.”

“There is an opportunity in these days ahead to be able to negotiate transition according to Geneva Communique of 2012, which is precisely what they say they want,” Kerry told reporters in Washington. “The Iranians have signed up to it, the Russians have signed up to it. The Turks, the Qataris, the Saudis, the Emiratis, most of the European countries, all of the countries that are part of the International Syrian Support Group.”

Aided by Russian air power, the Syrian army and allied militiamen have reversed the tide of the war in recent months, making rapid advances against its opponents. Syria also has benefited from a U.S.- and Russian-engineered partial cease-fire, which has allowed it to focus on fighting extremists like the Islamic State group and the Nusra Front, which are excluded from the truce agreement.

The new 250-member parliament being chosen Wednesday is expected to serve as a rubber stamp for Assad. Western leaders and members of Syria's opposition have denounced the election as illegitimate and a provocation that undermines the peace talks.

After casting his vote with his wife, Asma, Assad said the election was one way to defy the terrorists – the term he uses to describe Syria's armed opposition.

Parliamentary elections in Syria are held every four years, and Damascus says the vote is constitutional and separate from the Geneva talks. But the opposition says the voting contributes to an unfavorable climate for negotiations.

Britain said Damascus' decision to go ahead with the elections in the war-torn nation, where hundreds of thousands cannot take part, shows "how divorced (the government) is from reality." Germany said it would not accept the results of the vote.

Assad's main ally, Russia, welcomed the vote, calling it necessary to prevent "a power vacuum" in Syria until a new constitution and elections are agreed upon in the peace talks.

In the tightly-controlled Syrian capital, voters said they fully supported holding the elections.

"My vote is like a bullet to our enemies. I am here to continue the ongoing resistance since five years. I am here to support the Syrian Arab Army," said 18-year high school student Yazan Fahes, holding up an ink-stained finger.

Most voters said they were mostly concerned about skyrocketing prices rather than security, which has become less of a concern in the capital since the cease-fire.

Marah Hammoud, a 21-year-old journalism student from the central city of Homs, said it was important at this moment in Syria for people to choose their representatives.

"We want elected officials who care about the people, who can help end this war and control prices," she said. "We live on this hope."

The balloting, in which soldiers are being allowed to vote for the first time, was carried out only in areas under government control. Voting stations were set up in 12 of Syria's 14 provinces. The northern province of Raqqa is controlled by the Islamic State group, and the northwestern province of Idlib is controlled by its rival, the al-Qaida-affiliated Nusra Front, as well as other insurgents. The government has no presence in either province.

While some parts of Damascus had sizable turnout, other less-secure areas on the outskirts of the capital and on the edge of rebel-held suburbs saw fewer people vote. In Tadamon, outside the Palestinian refugee camps of Yarmouk, which is largely under IS control, people were hesitant to vote, and polling centers were nearly empty for most of the morning despite the military presence.

Polls were to close at midnight, after they were extended for five hours because of high turnout, according to state TV. Results were expected Thursday.

As the Geneva talks resumed, de Mistura said the recent fighting in Syria amounted to "incidents, and not a bush fire."

He said the fragile cease-fire was holding despite a recent "deterioration" in some areas, and he vowed to press ahead with his efforts despite the messages coming from the Damascus government.

De Mistura said he hopes to go "deeper and deeper" toward reaching a deal on political transition in Syria – his ultimate goal.

He hosted a delegation from the main opposition group, the High Negotiations Committee. A delegation from Assad's government is expected to arrive Friday.

The two sides do not negotiate directly in the "proximity" talks; instead, de Mistura meets with each side separately and shuttles between them.

In Turkey, a local news agency said shells fired from Syria hit a southern Turkish area Wednesday, the fourth such cross-border incident in less than a week.

The private Dogan news agency said the shells struck two areas of the city center of Kilis, causing panic despite hitting vacant land and causing no casualties. Turkey routinely retaliates after rockets or shells land on its territory.

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Associated Press writers Jamey Keaten in Geneva, Matthew Lee in Washington, Dominique Soguel in Istanbul, Sarah El Deeb in Cairo and Maeva Bambuck in Damascus, Syria, contributed to this report.

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## **Syria's Assad Holds Elections Despite Peace Talks In Geneva**

By Hugh Naylor And Zakaria Zakaria

[Washington Post](#), April 13, 2016

GAZIANTEP, Turkey — Even as Syrian peace efforts resumed Wednesday in Geneva, President Bashar al-Assad took a major jab at the process from Damascus: voting in parliamentary elections denounced as a farce by the opposition.

Syria's state-run media published photographs of the embattled leader and his wife, Asma al-Assad, smiling as they cast ballots in the capital for a new 250-member parliament.

The decision to hold the elections during peace talks in Geneva backed by the United Nations was yet another signal

that the Syrian leader has no plans to step aside — a key demand of the opposition delegation at the negotiations.

Syrian Deputy Foreign Minister Faisal Mekdad underscored Assad's stance in an interview with the Associated Press, saying the opposition — including factions backed by the West and its allies — must abandon the “dream” of a transitional government.

Such a plan “will never be acceptable,” Mekdad said.

Voting took place only in government-held areas of the country. Regime opponents boycotted the elections, which almost certainly will produce a rubber-stamp legislature for Assad.

“The Assad regime will do whatever it can to undermine and derail the political process,” said Salem al-Meslet, a spokesman for the High Negotiations Committee, an umbrella group that represents the opposition in Geneva.

Despite the elections, which Meslet called a “farce,” the group pledged to participate in the talks.

“Free elections must be held in Syria after the political transition,” he said.

The vote may also be viewed as a snub to Russia, an important ally of Assad that has intervened militarily in the Syrian conflict and given a crucial boost to government forces.

Russian Foreign Minister Sergei Lavrov reiterated that a political transition, which includes drafting a new constitution and holding another round of elections, remains key to ending the conflict.

But Lavrov also offered praise, albeit guarded, for Wednesday's elections.

“These elections held today are designed to play this role of not allowing a legal vacuum” during the ongoing political process, he said, according to the Reuters news agency.

Russian air power — combined with thousands of Shiite militiamen from countries such as Iran and Lebanon — has helped Assad's forces make key gains against rebel fighters in recent months. The Syrian leader now looks less vulnerable.

If Russian President Vladimir Putin expected greater flexibility in the Geneva negotiations from Assad, though, it would appear unlikely.

In recent weeks, the Syrian leader has firmly dismissed key parameters of a U.N. Security Council resolution adopted in December — and backed by Russia — that calls for a transitional government and elections within 18 months.

Pro-government forces appear to be intensifying attacks, further undermining a partial cease-fire that has reduced violence since taking hold in February.

Russia and the United States — although long divided over the Syrian war — played important roles in achieving the cease-fire, which both powers see as underpinning the peace negotiations.

Along the border with Turkey, in the northwestern Latakia province, pro-Assad fighters have seized villages from rebel forces.

South of the city of Aleppo, battles raged Tuesday between Shiite militiamen from Lebanon and Iran and militants from al-Qaeda's Syria affiliate, Jabhat al-Nusra. More than a dozen pro-government militiamen were killed in that assault, which occurred near the Tel Eis area, according to statements published on Twitter by opposition figures.

Video images, which could not be independently verified, purported to show bodies of Shiite militiamen scattered in the Tel Eis area and a Jabhat al-Nusra fighter beheading at least one Shiite militiaman.

It is unclear whether Russian airstrikes have come to the aid of pro-government fighters near Tel Eis.

Although Putin announced last month that he would draw down his military forces in Syria, Russian aircraft and soldiers still appear to be participating intensively in battles against the Islamic State militant group, which controls significant territory in Syria.

Last month, pro-government forces captured the ancient city of Palmyra from the Islamic State, which is not party to the cease-fire.

## **Syria Holds Elections Despite Critics' Contention That They Undermine Peace Talks**

By Nabih Bulos

[Los Angeles Times](#), April 13, 2016

On Syrian television, the state news agency shows an anchor roaming a polling place as people shuffle toward ballot boxes, awkwardly avoiding eye contact. Some start dancing in the middle of the crowd, while off to the side a young girl recites a poem extolling the virtues of the homeland.

“It is a duty upon every citizen to vote,” Inas Qaasem, a Damascus resident, told state television at a polling station. “They have the freedom to choose, that is the most important thing.”

When asked how she had chosen her candidate, Qaasem smiled shyly and said “I don't know. I didn't read anything. I just saw that people were voting, and I decided to come and vote as well.”

On Wednesday, 3,500 candidates vied for a place in Syria's 250-seat parliament — though the result is not expected to be any different from that of previous elections, which have produced a quiescent parliament.

The opposition and its backers dismissed the voting as a farce. And critics say the election undercuts the Geneva peace talks, which are supposed to result in a new constitution for the country and in President Bashar Assad transitioning out of power within the next 18 months.

“To hold parliamentary elections now... given the current conditions in the country, we believe is at best premature and not representative of the Syrian people,” U.S. State Department spokesman Mark Toner said in a news briefing on Monday.

But Russia, Assad’s main ally, welcomed the elections, saying they will prevent a “legal vacuum and a vacuum in the sphere of Syria’s executive power branch” until a new constitution could be created, Russian Foreign Minister Sergei Lavrov said in a statement to Russian state news agency TASS.

Fighting in parts of the country forced the government to take extraordinary measures for the voting to go on. Helicopters had delivered ballot boxes to the city of Deir al Zor, a city under siege by Islamic State, approximately 248 miles northeast of the capital, Damascus. Residents of Raqqah province, which remains in the hands of Islamic State, and Idlib, where a hardline coalition of Islamist rebels and opposition hold sway, were told to vote in the nearest government area.

In what was viewed as an act of defiance, Assad made a show of voting, glad-handing his way through cheering crowds alongside his wife, Asma, before casting his ballot at the Assad library in Damascus. “Terrorism... failed in achieving [its] primary aim... to destroy the social structure of the national identity,” Assad told a Syrian state news correspondent shortly after he finished voting, referring to the rebels fighting to wrest control of the country since 2011.

Voting began as peace talks in Geneva limped into a third round. Delegates from the main opposition umbrella group, the Saudi-backed High Negotiations Committee, arrived in Geneva to meet with U.N. Special Envoy Staffan de Mistura. Though De Mistura has insisted that this round of negotiations will produce concrete steps to a “crucially urgent” political transition, both sides remain intransigent.

The government delegation, in another snub to the process in Geneva, is due to arrive on Friday — after the elections are over.

The opposition insists that Assad cannot be a part of any transitional government. But Syrian Deputy Foreign Minister Faisal Mekdad said Wednesday that the opposition should let go of “its dream” of a transitional government, the Associated Press reported. Such an idea would amount to a coup d’etat and would never be acceptable, he said, according to the wire service.

What little chance remains for successful negotiations may be undermined by fighting in Aleppo province, which threatened the six-week “cessation of hostilities” forged by the U.S. and Russia.

Earlier in April, militants with the Al Qaeda-affiliated Nusra Front spearheaded a wide-scale offensive on Al Eis, a strategically important village 16 miles southwest of Aleppo city that overlooks the M5 highway between Aleppo and

Damascus. They were joined by other Islamist groups as well as so-called moderate factions — many of whom are represented in the Geneva talks.

The village had been taken before the cease-fire, which took effect Feb. 27, during a push by pro-government troops backed by Russian warplanes.

Nusra Front is not included in the ceasefire deal or the Geneva talks.

A counter-offensive by pro-government forces, which included Shiite militias from Afghanistan, Lebanon and Iraq as well as Iranian special forces, failed to retake Al Eis and left dozens of militiamen dead, according to the Syrian Observatory for Human Rights, a pro-opposition watchdog group.

Bulos is a special correspondent.

## **Syrians Vote For Parliament Denounced By Assad’s Enemies**

By John Davison And Laila Bassam

[Reuters](#), April 13, 2016

Full-text stories from Reuters currently cannot be included in this document. You may, however, click the link above to access the story.

## **Iraqi Leaders Bicker And Brawl In Parliament As Political Crisis Grows**

By Mustafa Salim

[Washington Post](#), April 13, 2016

BAGHDAD – Schoolyard-style chaos descended on Iraq’s parliament on Wednesday as lawmakers scuffled and threw water bottles at one another amid a political crisis that is destabilizing the country.

In a day of bickering and brawls in Baghdad, more than 100 parliament members signed a petition calling for the resignation of Prime Minister Haider al-Abadi, President Fouad Massoum and the speaker of parliament, Salim al-Jabouri, lawmakers said. About the same number are staging a sit-in in the parliament building.

In reaction, Jabouri said he was looking to dissolve the assembly, raising the prospect of early elections. The move would give a “new generation” of lawmakers the ability to bring about reform, said his spokesman, Emadal-Khafai.

The fighting marked the escalation of a crisis that has been building since last summer, when Iraqis took to the streets to protest graft and government waste, piling pressure on Abadi whose attempts at reform have been abortive, stymied by political rivals. Shiite cleric Moqtada al-Sadr has further stirred the street in recent months, calling for a new cabinet of “technocrats” and drawing out hundreds of thousands to demonstrate.

Abadi is facing a multitude of challenges as the government attempts to win back territory from the Islamic

State. The country is also seeking financial bailouts as it grapples with plunging oil prices.

Demonstrators protested in Baghdad, Basra and other towns in southern Iraq on Wednesday. The unrest in the capital has triggered some units in the battle against the Islamic State to be called back from the front lines to keep the peace.

Abadi's attempts at an overhaul in order to appease Iraqis have so far run into opposition. A session called to vote on his reshuffled cabinet was delayed on Tuesday amid similar scenes of chaos.

The dispute in parliament on Wednesday began after Kurdish members of parliament said they had arrived at the day's emergency session, which was called to vote on the new cabinet, to discover that other lawmakers had broken their name plates.

"We don't accept any insult like this," Alaa Talibani told parliament. Coming on the eve of the day of remembrance for Kurds killed by Saddam Hussein in the Anfal campaign, "you are insulting their blood," she said.

The dispute later boiled over into a brawl involving Shiite and Kurdish members of parliament.

Parliament can be abolished on the request of one third of its members, with the support of the majority. Elections should then be called within 60 days, according to the constitution. It remains unclear how Iraq could carry out fair elections when large parts of the country are under Islamic State control.

## **Iraq Political Crisis Worsens As MPs Scuffle Over Anti-graft Plan**

By Saif Hameed And Maher Chmaytelli

[Reuters](#), April 13, 2016

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## **Kurdistan Government Needs Support To Plug \$100 Million Monthly Deficit**

By Arshad Mohammed

[Reuters](#), April 13, 2016

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## **Lebanon Shocked Over Sex Trafficking Of Young Syrian Women**

By Bassem Mroue

[Associated Press](#), April 13, 2016

BEIRUT (AP) – Back in Syria, the young women were told they would get well-paid jobs at restaurants and hotels in Lebanon. But when they arrived, their belongings and mobile

phones were taken away, and the women were locked up in two hotels north of Beirut and forced into prostitution.

What followed was an ordeal of beatings, torture and abuse – until Lebanese security forces raided the hotels and dismantled the operation in late March.

The discovery of the sex trafficking ring and the rescue of the women deeply shocked tiny Lebanon, a Mediterranean Arab nation already overwhelmed by the influx of more than a million Syrian refugees who have fled the civil war, and prompted calls for investigation.

The case, which involves 75 female victims, is considered the worst sex trafficking scandal in Lebanon in decades and has raised questions about who might have shielded and enabled such a vast network.

When they were found in the Chez Maurice and Silver Hotel in the town of Maamelteine, 20 kilometers (12 miles) north of the Lebanese capital, the women were said to have been in miserable condition. The three-story Chez Maurice looked more like a jail than a hotel when it was recently visited by an Associated Press crew, with bars on balconies and windows.

A whip was seen lying on one of the guard tables. The premises have been sealed off and official documents were stamped on the gates, barring entry.

The Syrian women were brought to Lebanon in stages over the past several months. Those who refused to work as prostitutes were repeatedly raped and tortured until they submitted, according to Lebanese women's rights activists.

"Some reported that they were forced to have sex with 20 clients per day," said Maya al-Ammar, an official with women's rights group Kafa, which is Arabic for "Enough."

After the women were freed, the Health Ministry sealed a clinic belonging to gynecologist Riad al-Alam, who authorities say was involved in performing abortions for trafficked Syrian women who got pregnant.

Lebanese Health Minister Wael Abu Faour said the doctor "should be in prison where he should rot." Al-Alam's license has been revoked by a medical workers' union.

Al-Ammar, the women's rights activist, said some 200 abortions were carried out at the clinic, though she did not provide the source for the data.

The case of the trafficked Syrians went public after police raided the two hotels and freed the women. Lebanese police spokesman Col. Joseph Msalem said several guards, both male and female, were detained but the two ringleaders remain at large.

According to Msalem, police got the first lead on March 25, the Good Friday holiday in Lebanon, when four Syrian women managed to flee from one of the hotels when the guards briefly became lax in monitoring them.

They took a minibus to an area in south Beirut, where one of them told the bus driver that she knew some people. On the way, the driver noticed something odd about the

women and started asking questions after which they told him their story, Msalem said.

The driver called the police and the women were taken to a police station near Beirut.

Police then started monitoring the hotels and on March 27 stormed the two buildings, detaining eight guards and setting the women free. After being questioned by police, some women left on their own while 35 decided to go to women's shelters where they have been getting psychological treatment, according to Msalem and al-Ammar.

Although Lebanon is one of the least conservative countries in the Arab world, prostitution is illegal, and foreigners can be deported for engaging in it. But the implementation of the law has been lax.

"Syrian refugee men, women, and children in Lebanon are at risk of sex trafficking," said a U.S. State Department report issued last year. "Syrian girls are brought to Lebanon for prostitution, sometimes through the guise of early marriage."

The AP was not allowed to interview any of the victims, and was told by non-government organizations helping the women that they are still in treatment and would prefer not to talk for fear of the ringleaders, who are still at large.

Sandy Issa, a Lebanese investigative journalist who was able to interview some of the 75 victims, said their stories were like "something out of a horror movie."

The traffickers exploited personal tragedies back in Syria, such as the death of a parent, promising a victim she would have a "respected job" and a "decent salary," Issa said.

The women recounted how they could not go outside the building, "unless they were getting out for an abortion," Issa added. "The prostitution was obligatory."

Lebanese security officials, who spoke to the AP on condition of anonymity because they were not authorized to discuss the case, estimate the gang was making more than a \$1 million a month from the prostitution ring.

After leading Lebanese politician Walid Jumblatt suggested someone in the police might have been involved in protecting the ring, Interior Minister Nouhad Machnouk ordered an investigation.

Last Saturday, dozens of Lebanese rallied outside the Ministry of Justice in Beirut, demanding that those behind the trafficking be brought to justice and punished.

"We came here to say that we won't allow this to happen," said one of the protesters, who would not give her name, fearing repercussions from the authorities. "Bring all these criminals to justice!"

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Associated Press Writer Maeva Bambuck contributed to this report from Beirut.

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## **U.S. Argues Against More Iranian Sanctions After Missile Tests**

By Kambiz Foroohar

[Bloomberg News](#), April 13, 2016

A top Treasury Department official argued against imposing new sanctions on Iran after its ballistic missile tests last month, even as he said the Islamic Republic would remain blocked from the U.S. financial system.

"New mandatory non-nuclear sanctions legislation would needlessly risk undermining our unity with international partners," Adam Szubin, Treasury's acting undersecretary for terrorism and financial intelligence, said at a conference Wednesday in Washington. "It is important to make sure our sanctions tools remain effective and are not overused."

Republicans in Congress are still simmering over the nuclear accord with Iran that was completed last July and have criticized President Barack Obama for failing to punish the country for repeatedly defying a United Nations ballistic missile test ban. Republican Senators Marco Rubio of Florida and Mark Kirk of Illinois have introduced legislation to bar Iran from access to the U.S. financial system, including offshore U.S. dollar-clearing houses.

Iran has denied the missile tests are violations, in part because the accord with the U.S. and five other world powers guarantees that it doesn't have a nuclear weapons capability.

While U.S. critics of the nuclear agreement said it would provide Iran with a windfall, the country's leaders, including Supreme Leader Ayatollah Ali Khamenei, have complained that the benefits of sanctions relief remain elusive. European banks have been reluctant to establish lines of credit or finance investment in Iran due to concerns about the lack of transparency in the Iranian financial system and a fear of renewed U.S. sanctions.

Szubin said Treasury had seen "indications that some non-U.S. banks lack an understanding about the scope of U.S. sanctions with regard to Iranian funds that were formerly restrained."

As part of the accord reached last year, Iran agreed to curtail its nuclear program in return for removal of nuclear-related sanctions, including unblocking access to as much as \$100 billion in assets frozen in international banks outside Iran.

"We are in no way blocking Iran's access to these funds," Szubin said at the Foundation for Defense of Democracies conference. "We are not encouraging banks or other partners to do so."



However, the U.S. won't provide Iran access to the U.S. financial system, Szubin said, and there will be no restoration of the "U-turn" authorization, -where transactions priced in U.S. dollars are cleared through a U.S. financial institution even though the money doesn't stay in the U.S. bank. Obama and Treasury Secretary Jacob J. Lew have previously denied published reports that the administration would give businesses wanting to operate in Iran such access to U.S. dollars.

In a news conference April 1, Obama said Iran, while keeping to the letter of the nuclear deal, was violating its "spirit" through its recent missile launches and other actions. Iran must send "signals to the world community and businesses that it is not going to be engaging in a range of provocative actions that might scare business off," Obama said.

## **U.S. Defense Chief Visits Philippines Amid Sea Dispute With China**

By Yeganeh Torbati And Manuel Mogato

[Reuters](#), April 13, 2016

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## **Russian Plane Flew "Dangerously Close" To US Ship, White House Says**

By Julie Hirschfeld Davis

[New York Times](#), April 13, 2016

WASHINGTON — The White House said on Wednesday that Russia had violated professional military norms over the Baltic Sea when one of its planes flew "dangerously close" to an American ship and a Polish aircraft.

"Any peacetime military activity must be consistent with international laws and norms," Josh Earnest, the White House press secretary, said. He said there had been "repeated incidents" over the last year in which the Russian military planes have come close to other air and sea traffic in "provocative" actions.

"We continue to be concerned about this behavior," Mr. Earnest said. The episodes, he added, are "a source of some irritation."

He declined to say whether or how the administration planned to raise the issue with Russia.

## **US Says Russian Planes Buzzed Navy Ship In Baltic Sea**

By Robert Burns

[Associated Press](#), April 13, 2016

WASHINGTON (AP) – Russian attack planes buzzed a U.S. Navy destroyer in the Baltic Sea multiple times Monday and Tuesday, coming as close as an estimated 30 feet from

the ship and twice passing below the ship's navigation bridge, U.S. officials said Wednesday.

The Russian Su-24 planes appeared unarmed but on Tuesday flew what the commander of the USS Donald Cook deemed to be a simulated attack profile. The Cook's commander judged the actions unsafe and unprofessional, but the ship took no action beyond trying unsuccessfully to communicate with the aircraft by radio, according to a statement by U.S. European Command.

The U.S. European Command, which oversees U.S. military operations in that area, said the Cook was conducting deck landing drills with an allied military helicopter when two Su-24s made numerous close-range and low-altitude passes Monday afternoon. One pass occurred while the helicopter was refueling on the Cook's deck.

"As a safety precaution, flight operations were suspended until the Su-24s departed the area," it said.

European Command did not identify the ally involved but other officials said the helicopter was Polish.

It was unclear when or if the U.S. government would formally protest the Russian actions, which come at a time of tensions between Washington and Moscow over Russia's annexation of Crimea, its military intervention in eastern Ukraine and fears among former Soviet states in eastern Europe that Russian aggression could threaten their independence.

White House press secretary Josh Earnest said the incident was part of a pattern of unsafe Russian aircraft action.

"This incident ... is entirely inconsistent with the professional norms of militaries operating in proximity to each other in international waters and international airspace," Earnest said.

"There have been repeated incidents over the last year where the Russian military, including Russian military aircraft, have come close enough to each other or have come close enough to other air and sea traffic to raise serious safety concerns. We continue to be concerned about this behavior," he said.

European Command released a Navy photo showing one Su-24 soaring past the Cook at close range.

A Navy video clip shows another low-altitude pass with a U.S. sailor shouting, "Below the bridge wing," meaning the Russian plane was flying below the level of the Cook's navigation bridge.

"We have deep concerns about the unsafe and unprofessional Russian flight maneuvers," European Command said in its written statement. "These actions have the potential to unnecessarily escalate tensions between countries, and could result in a miscalculation or accident that could cause serious injury or death."

It said U.S. officials are using diplomatic channels to address the matter. The incidents also are under review by the Navy.

The incident began Monday with a pair of Russian Su-24 planes making 20 close passes over the Cook, coming as close as 1,000 yards at an altitude of about 100 feet, according to a U.S. defense official. The official was not authorized to discuss some details by name and so spoke on condition of anonymity.

On Tuesday a Russian KA-26 submarine-hunting helicopter circled the Cook at low altitude seven times, taking photographs, the official said. About 40 minutes later, another pair of Su-24 attack planes, apparently unarmed, buzzed the Cook 11 times, the European Command statement said. At one point, at least one of the planes came within 30 feet of the ship, according to a Pentagon spokeswoman, Lt. Col. Michelle L. Baldanza.

The U.S. believes the Russian actions may have violated a 1970s agreement meant to prevent unsafe incidents at sea. The agreement was between the U.S. and the former Soviet Union but remains in force with Russia.

Officials said the Cook was operating in international waters 70 nautical miles off the Russian enclave of Kaliningrad. It had departed the Polish port of Gdynia on Monday. In April 2014 the Cook reported what it considered provocative actions by an apparently unarmed Russian Su-24 jet that made numerous low passes near the ship in the Black Sea near Romania.

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## **Russian Warplanes Buzz U.S. Navy Destroyer, Polish Helicopter**

### **U.S. considering protest to Moscow over incidents**

By Julian E. Barnes And Gordon Lubold

[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

## **Russian Attack Jets Repeatedly Buzz U.S. Navy Warship In Baltic Sea**

By W.J. Hennigan

[Los Angeles Times](#), April 13, 2016

A pair of Russian fighter jets and a Russian military helicopter repeatedly buzzed a U.S. Navy warship at close range earlier this week in the Baltic Sea, ignoring radio

warnings and temporarily disrupting the ship's flight operations.

Josh Earnest, the White House press secretary, said Wednesday that two Russian fighter jets flew "dangerously close" to the U.S. guided missile destroyer Donald Cook as it conducted a routine patrol on Monday and Tuesday.

In footage released by the Pentagon, Russian warplanes zooming by the warship appear close enough to distinguish its weapons. They flew so low that a wake was created in the icy waters below.

U.S. officials estimated the Su-24 fighter jets flew as close as 30 feet from the American ship.

"This incident, as you won't be surprised to hear, is entirely inconsistent with the professional norms of militaries operating in proximity to each other in international waters and international airspace," Earnest said.

"Any peacetime military activity must be consistent with international law and norms and conducted with due regard for the rights of other nations and the safety of other aircraft and other vessels," he added.

U.S. European Command, which oversees military operations on the continent, said in a statement that the Russian jets flew "numerous close-range and low-altitude passes" near the ship.

Russia is one of nine countries in northern Europe with coastline along the Baltic Sea. Tensions have risen steadily in recent years between Moscow and Washington over disputes including Russia's seizure of Crimea and the conflict in Syria.

The U.S. statement said the first flyby occurred around 3 p.m. local time Monday when the Donald Cook was conducting deck landing drills with a Polish military helicopter. It said the jets made numerous passes.

"One of the passes, which occurred while the Allied helicopter was refueling on the deck of Donald Cook, was deemed unsafe by the ship's commanding officer," the statement said. "As a safety precaution, flight operations were suspended until the SU-24s departed the area."

At about 5 p.m. Tuesday, the statement said, a Russian KA-27 Helix helicopter flew low-altitude circles around the ship, looping it seven times.

About 40 minutes later, two Russian SU-24 jets flew 11 close-range and low-altitude passes "in a simulated attack profile."

The pilots did not respond to several radio advisories in both English and Russian, the statement said.

"We have deep concerns about the unsafe and unprofessional Russian flight maneuvers," the European Command statement said. "These actions have the potential to unnecessarily escalate tensions between countries, and could result in a miscalculation or accident that could cause serious injury or death."

Officials said the Navy is reviewing the incidents and that U.S. officials are using diplomatic channels to address the Russians.

## **North Korea Missile Capabilities Increasing: U.S. Defense Officials**

By David Brunnstrom And Idrees Ali

[Reuters](#), April 13, 2016

Full-text stories from Reuters currently cannot be included in this document. You may, however, click the link above to access the story.

## **North Korean Defectors, Armed With USB Drives, Try To Subvert Kim**

**Pyongyang struggles to halt the spread of potentially destabilizing information about life beyond North Korean borders**

By Alastair Gale

[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

## **Trouble In Kim's Kitchen**

**North Korean defectors raise questions about the regime's control.**

[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

## **Tension On The South China Sea Draws Concerns. So Should Submarine Warfare Underneath.**

By Dan Lamothe

[Washington Post](#), April 13, 2016

Defense Secretary Ashton B. Carter is in Asia this week, making stops in India and the Philippines to bolster relationships that the United States could call on in a time of crisis. Discussion has focused at least in part on the South China Sea, where tensions remain high as China has deployed surface-to-air missiles and other equipment and several countries have made conflicting territorial claims.

Security concerns about the South China Sea often focus on the ships that traverse it, including in so-called freedom of navigation operations run by the U.S. Navy and recent efforts by Chinese fishermen and coast guard units to take control of the lucrative fishing business in the region. But another element of maritime security has received less attention: submarines. The Navy's "Silent Service" rarely discloses its operations, but is part of a diverse and growing international fleet of submersibles that is deployed across the Pacific region broadly and in the South China Sea specifically.

Adm. Scott Swift, the top officer of the U.S. Pacific Fleet, said in an interview that submarines are a "critically valuable asset" to him. Surface-to-air missiles and other weapons in the region are deployed as part of a concept known as anti-access area denial (A2AD) to hinder the movement of adversaries, but submarines aren't affected by them like surface ships and aircraft because they're below the surface, he said.

"It gives me much more open access to areas that would be more contested in a conflict for surface units, for instance, or air units, potentially," Swift said.

The United States, China, India, Vietnam, Indonesia, Malaysia and Australia are all among the countries looking for ways to upgrade submarine operations in coming years. Swift said it's in part a "reflection of the angst" in the theater with respect to not just China, but others as well.

"It's certainly centralized in the minds of many in the South China Sea, but we see it more broadly and certainly in the East China Sea and elsewhere," Swift said.

The Pentagon expects to spend about \$97 billion alone in coming years on what it calls the Ohio-class replacement program, phasing out 14 existing nuclear missile submarines with a new generation of vessels that includes 12 more. Additionally, it has been buying a new generation of attack submarine called the Virginia class since 1998, phasing out old attack subs in its Los Angeles and Seawolf classes while also investigating how it can expand operations with unmanned submarines.

"We're investing over \$8 billion just next year to ensure ours is the most lethal and most advanced undersea and anti-submarine force in the world," Carter said last week while previewing his trip to Asia at the Council on Foreign Relations in New York. "That includes new undersea drones in multiple sizes and diverse payloads that can, importantly, operate in shallow water, where manned submarines can't."

Some national security analysts have speculated that part of China's desire to take over all or part of the South China Sea is to create a sanctuary for its submarines. It includes some areas that are more than 1.5 miles beneath the surface, and underwater canyons where a submersible could hide.

In December, China deployed its first nuclear-powered ballistic missile submarine, the JIN-class, adding a vessel capable of carrying sea-based nuclear missiles for the first time. China also deployed attack submarines to the Indian Ocean for the first time in 2014, ostensibly to support counter-piracy operations but more realistically to gain familiarity with the region and to demonstrate an emerging capability, according to the Pentagon's annual report on China military operations released last year.

Marine Lt. Gen. Vincent Stewart, the director of the Defense Intelligence Agency, predicted in testimony before the Senate Armed Services Committee in March that China's

People's Liberation Army (PLA) is likely to continue adding more military equipment in the South China Sea, something that could again increase China's A2AD abilities in the region.

Stewart said China's vocal opposition to freedom of navigation operations by the U.S. Navy in the South China Sea demonstrates "that Beijing recognizes the need to defend these outposts and is prepared to respond to any military operations near them."

Freedom of navigation operations occur when the Navy sends a ship, usually a destroyer, through a region in which a country such as China has made maritime claims that the United States considers excessive. The Navy ran them through the South China Sea with the USS Lassen in October and the USS Curtis Wilbur in January, prompting allegations from Beijing that the United States violated Chinese law by entering what it considers its territorial seas.

The United States considers the operations legal through the right of innocent passage, in which a ship travels through a territorial sea while meeting a series of restrictions outlined by the U.N. Convention on the Law of the Sea. The restrictions include using weapons of any kind, launching or landing aircraft, or interfering in any way with the communications of a coastal state nearby.

## **In West Bank, Israel Carries Out A Crackdown Road By Road**

By Diaa Hadid

[New York Times](#), April 13, 2016

AWARTA, West Bank — The freshly spray-painted signs in this hamlet outside Nablus are a symbol of the new normal in the West Bank, seven months into a scattershot wave of Palestinian attacks on Israelis.

With the Israeli military having shut down the main road, local teenagers put up signs to coax Palestinian drivers along circuitous routes to Ramallah, the seat of Palestinian government, and Huwara, a neighboring village.

Such pop-up checkpoints and closings lasting several days have disrupted the routines of Palestinian residents, whose ability to move through the occupied territory was already precarious. But the pinpointed strategy targeting mainly individual villages sporadically is a stark departure from the widespread closings and curfews Israel imposed on West Bank cities during the second intifada, making its effect harder for the world — and even people next door — to see and feel.

Palestinian officials and their backers denounce the road closings as collective punishment. They have not, however, gained much traction for protest among their own people, because residents of one village sometimes have no inkling what is happening a few miles away, and Ramallah, the center of West Bank political and civic life, has remained largely immune.

The Israeli military says the closings are aimed only at apprehending suspects and preventing further attacks in a wave that is far less severe, sustained or widespread than previous uprisings. Its calibrated approach has helped contain international condemnation of Israel's crackdown.

"You are seeing Israel operating on lessons learned from the second intifada," said Nathan Thrall, a Jerusalem-based analyst for the International Crisis Group. "Don't do generalized closures. Don't restrict work permits. Do the opposite."

He described the current methods as a "desire to keep everything localized and to minimize the negative effect for the population at large."

Since the surge of stabbings, shootings and vehicular attacks began in October, Palestinians have killed 26 Israelis, a Palestinian bystander and two Americans. The Palestinian Health Ministry counts more than 200 Palestinians killed by Israeli security forces during that period, most during attacks or suspected attacks.

In addition to carrying out the closings, Israel has demolished at least 36 homes belonging to the families of Palestinians who perpetrated attacks. It has also delayed the return of some bodies of Palestinian assailants, citing concern about the funerals' fomenting further violence.

At the same time, despite the drumbeat of attacks, Israel has offered carrots as well as sticks, including 30,000 new permits for Palestinians to work in Israel, where day wages of \$50 are double what they typically earn in the West Bank, bringing the total number of such permits to 88,000.

Asked about the road closings, Lt. Col. Peter Lerner, an Israeli military spokesman, denied that they were intended as broad punishment for Palestinians, and noted that certain West Bank locations "have been frequent hot spots" for attacks.

"Security measures have been utilized in order to prevent the daily attacks," Colonel Lerner said in an email, "and at the same time facilitated the daily access of tens of thousands of Palestinians to Israel and movement throughout the region."

But Ihab Hamad, a contractor who lives in the West Bank and has worked for years in Israel overseeing Palestinian construction crews, dismissed the recent increase in work permits as a poor salve against the closings. He said he was unable to obtain a permit this month, and suspects that is because he lives in a village near a road where Palestinian youths had recently thrown rocks at Israeli vehicles — a road lately subjected to closing.

"This scramble just took us 45 minutes," Mr. Hamad, 33, complained after completing a circuitous detour through backwater villages and across orchards. "Every time somebody throws a rock, are you going to close a road?"

The road closings come on top of existing checkpoints that have pushed many Palestinian-registered vehicles off a

wider, well-paved byway that Israel built and maintains between its West Bank settlements and onto the often shabbier paths that crisscross underneath or run parallel to it.

One recent afternoon on the route from Ramallah to Nablus, Palestinian motorists bypassed a traffic jam caused by Israeli soldiers searching vehicles by driving through a nearby orchard. Further ahead, Palestinian cars were blocked from another road, forcing a detour through a steep, dusty quarry.

At the entrance to Nablus, two soldiers informed drivers that the road into the city would be open only until 5 p.m. — and the exit from the city onto the main road would not open until after 10.

The reason for the new restriction was unclear. Some Palestinians surmised that it was related to a larger checkpoint at a nearby junction that was the site of several attacks. Asked about it later, an Israeli military spokeswoman said the partial closing was to avoid backups while an infrastructure project was underway.

Local teenagers like Mahmoud Hussein tried to help by scrawling back-road directions. “We did the signs ourselves,” he said as his buddies excitedly directed traffic through the village of Awarta.

The most continuous closing has been imposed in an always tense area of confrontation in the Old City of Hebron, the scene of multiple attacks targeting Israeli soldiers who guard Jewish settlers living in the area.

Since November, the Israeli military has prevented most Palestinians beyond the few dozen families registered as living in the adjacent area, known as Tel Rumeida, from entering it.

“Not one girl has become engaged, and not one girl has had a wedding,” said Mufid al-Sharabati, whose five children include two single, marriage-age daughters. “Our suffering is great.”

The Israeli military’s efforts to shut down the violence is helped by the West Bank’s topography, where Palestinian villages are dotted through rural hills, often interrupted by Jewish settlements. Only a few roads connect the villages, which Mr. Thrall, the International Crisis Group expert, said made it easier to “contain a fire and stop it from spreading.”

After a Palestinian who shot and injured two soldiers March 11 was suspected to have fled to the village of Beit Urr al-Tahta, Israeli forces shut down a main road nearby. That effectively cut off seven villages, upturning the lives of their 35,000 residents. The usual 15-minute commute to Ramallah was suddenly a convoluted hourlong wiggle through narrow lanes and farm roads.

“The students are late for school, the teachers are late for school, the employees are late for work,” said Ali Al-Shamy, a 60-year-old factory owner.

Mr. Shamy and other residents found the closing especially baffling because the road in question is generally

used only by Palestinians, leaving little risk that would-be attackers would use it to hunt Israelis.

“I swear to God, they are just messing with us,” grumbled Omar Mousa, a 50-year-old bus driver, who steered his vehicle onto the main road the morning after Israeli forces suddenly lifted their closing of the area.

He pointed to the nearby Route 443, the Israeli-built four-lane highway that hurtles through the West Bank, lined by barriers that largely prevent access from Palestinian communities. “We don’t see them,” he said.

Follow Diaa Hadid on Twitter @diaahadid.

## **NATIONAL NEWS**

### **U.S. Lawmakers’ Effort On Zika Too ‘Meager’: White House**

By Susan Heavey And Tim Gardner

[Reuters](#), April 13, 2016

Full-text stories from Reuters currently cannot be included in this document. You may, however, click the link above to access the story.

### **Obama Will Sign ‘Meager’ Zika Bill, White House Says**

By Jordan Fabian

[The Hill](#), April 13, 2016

President Obama will sign a bill offering incentives to companies seeking cures for the Zika virus, the White House said Wednesday, even though it falls far short of what’s needed to fight the disease.

“The passage of that bill is positive, but a rather meager accomplishment,” White House press secretary Josh Earnest told reporters. “In some ways, it’s akin to passing out umbrellas in advance of a hurricane.”

The spokesman said Congress is “two months late and \$1.9 billion short” of what’s needed to stop the spread of the virus, referring to Obama’s emergency funding request, which is stalled in Congress.

The bipartisan legislation, which the House passed Tuesday, adds the Zika virus to a list of diseases that qualifies for a “priority review” voucher from the Food and Drug Administration (FDA).

That would allow drug companies to collect incentives for developing vaccines or treatments for the disease.

The measure passed the Senate last month. But it does not increase federal funding to address the Zika virus, which has been the subject of a fierce partisan debate on Capitol Hill.

“It’s not going to do anything to help local communities across the country,” Earnest said. “It doesn’t include any funding.”

Speaker Paul Ryan (R-Wis.) hailed the legislation as an effort to “protect Americans from the Zika virus” that will “make it easier to develop vaccines and treatments for patients, especially women and children.”

The Obama administration has asked for nearly \$2 billion to develop treatments for the disease and aid state and local public health agencies who are combating the disease on the ground.

GOP leaders remain opposed to authorizing additional federal spending on the virus.

The administration has dipped into money allocated to fight Ebola to boost its response to Zika, but federal health officials have said that’s only a stopgap measure to step up the Zika fight.

Last week, leaders from the Centers for Disease Control and Prevention and the National Institutes of Health warned the threat posed by Zika is worse than expected.

Mosquitos carrying the virus have now been discovered in 30 states, up from the 12 where they have been found previously.

Officials said that funding to fight Zika is running dangerously low and response efforts could be hampered if Congress doesn’t provide more money soon.

Sarah Ferris contributed to this report.

## **GOP Leaders Working On Funding Bill For Zika**

By Sarah Ferris

[The Hill](#), April 13, 2016

House GOP leaders are working on a bill to approve more funding for the fight against the Zika virus by the end of the year as they face mounting pressure from the White House.

Rep. Hal Rogers (R-Ky.), the head of the House Appropriations Committee, said Wednesday he would support immediate action through a supplemental funding request, but is waiting on details from the administration.

“We can’t do it without the numbers,” Rogers said at a markup of a military construction spending bill, after House Democrats forced a vote on Zika funding.

Rogers spent several minutes sparring with House Democrats, including ranking member, Rep. Nita Lowey (D-N.Y.), on the Obama administration’s nearly \$2 billion emergency funding request. He said his staff was working on a supplemental bill in response to Obama’s funding request, though not necessarily at that level, which Rogers said was essentially a “slush fund.”

“I personally will contact the administration today,” Lowey said. “I have seen numbers, I don’t understand why there is some lack of connection here.”

Rogers had made it clear earlier Wednesday that he wanted to know from the White House “precisely what amount they need and for what purpose.”

“We simply can’t get that information,” Rogers said.

The Obama administration has asked for nearly \$2 billion in emergency funding, which would be separate from Congress’s regular appropriations process this fall. Rogers said Wednesday he would be willing to support that option, after arguing for months that health agencies have enough funds for now in the Ebola funding pot.

Another senior House Republican said Wednesday that Congress will need to approve more money to fight Zika beyond the half-billion dollars already transferred from the administration’s Ebola funding pool.

“We do need to do something in the foreseeable future, I would think before the end of the fiscal year,” said Rep. Tom Cole (R-Okla.), who oversees health department funding within the Appropriations Committee.

Cole said he’s been in discussions with GOP leaders and federal health officials about a supplemental funding package, which would take place before the fall appropriations process.

Rep. Fred Upton (R-Mich.), chairman of the House Energy and Commerce Committee, also said Wednesday he believes Congress will be able to find funding sources this year.

“We all know it needs to be addressed,” Upton said, adding that he has met multiple times with Health and Human Services Secretary Sylvia Mathews Burwell on the issue.

The Obama administration said it needs nearly \$2 billion in emergency funding for its response to the mosquito-borne virus, which has rapidly spread across Central and South America. The disease, linked to severe birth defects in newborns, is expected to spread to 30 states this summer.

– This story was updated at 1:21 p.m.

## **CDC Confirms Zika Virus Causes Microcephaly, Other Birth Defects**

By Lena H. Sun

[Washington Post](#), April 13, 2016

Federal health officials confirmed Wednesday that the Zika virus causes a rare birth defect and other severe fetal abnormalities, marking a turning point in an epidemic that has spread to nearly 40 countries and territories in the Americas and elsewhere.

Scientists at the Centers for Disease Control and Prevention conducted a careful review of existing research and agreed that the evidence was conclusive, Director Thomas Frieden said. It is the first time a mosquito-borne virus has been linked to congenital brain defects.

“It is now clear, and CDC has concluded, that the virus causes microcephaly,” Frieden said. CDC is launching more

studies to determine whether children with that rare condition, which is characterized at birth by an abnormally small head, represent the “tip of the iceberg of what we could see in damaging effects on the brain and other developmental problems.”

The outcome validates the growing research of past months that strongly implicated Zika as the culprit behind a broad set of complications in pregnancy. The pathogen is also increasingly linked to neurological problems in adults. The CDC report, published in the *New England Journal of Medicine*, focused only on reviewing the evidence linking Zika and fetal anomalies.

Global health officials had already assumed the virus was to blame for the problems being seen in various countries. Since January, many have advised women who were pregnant or hoping to become so to avoid travel to Zika-affected areas or to take steps to avoid Zika infection. That medical advice expanded over time to include women’s partners, especially as it became clear sexual transmission of the virus was more common than had been known.

The research released Wednesday won’t change that advice, officials said. But they are hoping it will help educate the public about the virus and its potential for harm – particularly in the United States.

“We do know that a lot of people aren’t concerned about Zika infection in the United States, and they don’t know a lot about it,” said Sonia Rasmussen, director of CDC’s division of public health information. “It’s my hope that we can be more convincing that Zika does cause these severe birth defects in babies and hope that people will focus on prevention more carefully.”

The research is likely to help scientists developing a vaccine for Zika, she said.

Researchers said there was no “smoking gun” or single definitive piece of evidence that confirmed the virus as causing microcephaly, calcifications within the brain and severe vision and hearing problems. Rather, the findings of recently published studies and a thorough evaluation by CDC researchers using established scientific criteria led them to the conclusion. Frieden likened the process to putting together pieces of a puzzle.

The World Health Organization had said in recent weeks that there was scientific consensus about the virus and microcephaly as well as Guillain-Barré syndrome, a neurological condition that can lead to paralysis. Researchers in Brazil, the hardest-hit country, said this week that Zika also may be associated with a second serious condition similar to multiple sclerosis. In a few cases with adults, swelling of the brain and spinal cord involving the coating around nerve fibers was seen.

CDC officials said they worked independently of the WHO. The U.S. agency is conducting studies on Guillain-Barré syndrome, and officials said they are also likely to

make a conclusive link between that condition and Zika. “I think we’re on the same page as the WHO,” Rasmussen said.

There are still many outstanding questions about the risk facing pregnant women infected with Zika. A limited number of studies show the risk ranges from about 1 percent chance of having a baby with microcephaly to almost 30 percent of pregnant women having fetal abnormalities. A study in Brazil identified that upper range, with pregnant women having “grave outcomes,” Rasmussen said.

Scientists also don’t know whether miscarriages and stillbirths are the result of an infection. Nor do they know what stage of pregnancy is risk the greatest, or whether another infection that occurred at the same time might affect the risk of birth defects, she said.

CDC’s assessment of the evidence began last October but included Zika studies that were published as recently as last weekend, Rasmussen said. The detailed clinical information shows the most severe forms of microcephaly, also known as fetal brain disruption sequence. In some instances, the babies’ heads are much smaller than what clinicians would normally see in microcephaly cases, she said.

Among the evidence the report cited to support the causal relationship between Zika and these serious birth defects included:

- Zika infection during critical periods of early pregnancy, usually the first trimester or early second trimester;
- specific, rare patterns of birth defects in fetuses or infants with presumed or confirmed congenital Zika infection;
- biological evidence, including the presence of Zika virus in the brain tissue of fetuses and babies with severe microcephaly who had died.
- rare exposure to the virus and a rare birth defect.

The researchers cited the recent case of a Washington, D.C. woman who tested positive for Zika 10 weeks after she likely contracted an infection during a trip to Guatemala – far beyond what scientists have thought is the case. Damage to the fetus did not show up on early ultrasounds. But after her abortion at 21 weeks, virus was found in the fetal brain and there were significant brain abnormalities.

Brazil normally has an average of 163 cases of microcephaly each year. But since October, officials have confirmed at least 944 cases of microcephaly or other neurological problems, according to the WHO.

After a Zika outbreak in French Polynesia, that island also had an increase in microcephaly cases. It normally has no more than two cases a year, but it saw eight cases during a four-month period in 2014. A recently published study using data from the island estimated the risk for the rare birth condition to be 95 cases of microcephaly for each 10,000 pregnant women infected in the first trimester.

## There's No Doubt Now That Zika Virus Causes Rare Birth Defects, CDC Says

[Associated Press](#), April 13, 2016

Confirming the worst fears of many pregnant women in the United States and Latin America, U.S. health officials said Wednesday there is no longer any doubt the Zika virus causes babies to be born with abnormally small heads and other severe brain defects.

Since last year, doctors in Brazil have been linking Zika infections in pregnant women to a rise in newborns with microcephaly, or an unusually small skull. Most experts were cautious about drawing a firm connection. But now, the U.S. Centers for Disease Control and Prevention says enough evidence is in.

"There is no longer any doubt that Zika causes microcephaly," CDC Director Dr. Tom Frieden said.

Among the evidence that clinched the case: Signs of the Zika virus, which is spread primarily through mosquito bites but which also can be transmitted through sex, have been found in the brain tissue, spinal fluid and amniotic fluid of microcephaly babies.

The CDC and other health agencies have been operating for months on the assumption that Zika causes brain defects, and they have been warning pregnant women to use mosquito repellent, avoid travel to Zika-stricken regions and either abstain from sex or rely on condoms. Those guidelines will not change.

But the new finding should help officials make a more convincing case to the public for taking precautions. Some officials hope the Zika report will change public thinking about Zika the way the 1964 surgeon general's report convinced many Americans that smoking causes lung cancer.

"We've been very careful over the last few months to say, 'It's linked to, it's associated with.' We've been careful to say, 'It's not the cause of,'" said the CDC's Dr. Sonja A. Rasmussen. "I think our messages will now be more direct."

The CDC announced its conclusion in a report published online by the *New England Journal of Medicine*.

The World Health Organization has made similar statements recently. A WHO official applauded the CDC's report.

"We feel it's time to move from precautionary language to more forceful language to get people to take action," said Dr. Bruce Aylward, who is leading WHO's Zika response.

Zika has been sweeping through Latin America and the Caribbean in recent months, and the fear is that it will only get worse there and in the U.S. with the onset of mosquito season this spring and summer.

The virus causes only a mild and brief illness, at worst, in most people. But in the last year, infections in pregnant women have been strongly linked to fetal deaths and devastating birth defects, mostly in Brazil, where the Health

Ministry said Tuesday that 1,113 cases of microcephaly have been confirmed since October.

So far, there have been no documented Zika infections in the U.S. caught from mosquitoes. Nearly 350 illnesses in the 50 states were reported as of last week, all linked to travel to Zika outbreak regions.

The report comes at a time when health officials have been begging Congress to approve an emergency request for \$1.9 billion in supplemental funding to fight Zika internationally and prepare in case mosquitoes spread the virus here. Earlier on Wednesday, top House Republicans said they probably will grant a portion of that request, but likely not until September.

As the microcephaly cases rose in Latin America, a number of alternative theories circulated through the public. Some claimed the cause was a vaccine given to pregnant women. Some suspected a mosquito-killing larvicide, and others wondered whether genetically modified mosquitoes were to blame.

Investigators gradually cast these theories aside and found more and more circumstantial evidence implicating Zika.

CDC officials relied on a checklist developed by a retired University of Washington professor, Dr. Thomas Shepard. He listed seven criteria for establishing whether something can be called a cause of birth defects.

They still don't have some of the evidence they hope for. So far, for example, there have been no published studies demonstrating Zika causes such as birth defects in animals. There's also a scarcity of high-quality studies that have systematically examined large numbers of women and babies in a Zika outbreak area.

"The purist will say that all the evidence isn't in yet, and they're right, but this is public health and we need to act," the WHO's Aylward said.

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## Evidence Definitely Shows Zika Causes Birth Defects

By Liz Szabo

[USA Today](#), April 13, 2016

The Centers for Disease Control and Prevention announced Wednesday that it now considers Zika to be the definitive cause of the birth defects seen in Brazil and other countries affected by the outbreak.

The declaration marks a "turning point" in the scientific understanding of the virus and its link to microcephaly, a condition in which babies are born with abnormally small heads and incomplete brain development, said CDC director Thomas Frieden.



"There is no longer any doubt that Zika causes microcephaly," Frieden said. "Never before in history has there been a situation where a bite from a mosquito could result in a devastating malformation" in a fetus.

Scientists around the world have suspected for months the mosquito-borne virus causes birth defects. The World Health Organization announced Thursday that "based on a growing body of preliminary research, there is scientific consensus that Zika virus is a cause of microcephaly and Guillain-Barré syndrome," a rare condition in which the body attacks its own nerve cells, causing paralysis.

Although scientists diagnosed the first case of Zika in a human in 1954, no one suspected it might cause birth defects until 2015, after the virus was detected in Brazil and reports of microcephaly began to climb.

CDC officials said they waited to make the announcement until they could be certain of the science. The new CDC report, published in *The New England Journal of Medicine*, is based on studies published as recently as Sunday.

The agency has taken a cautious stance on Zika since January, when the CDC warned pregnant women not to visit countries or territories with Zika outbreaks. The CDC issued that alert after tests found the Zika virus in the brains of two full-term infants with microcephaly who died just after birth.

That travel advice hasn't changed, CDC officials said.

The type of microcephaly seen in babies affected by Zika is particularly severe, said Sonja Rasmussen, director of the CDC's division of public health information and dissemination.

The babies' small heads are likely to be the "tip of the iceberg," Rasmussen said, noting that babies infected with Zika could face additional health problems that are less visible. Babies affected by Zika appear to have "fetal brain disruption sequence," which occurs when normal growth in a fetus is interrupted by a destructive virus or parasite.

In addition to microcephaly and brain abnormalities, babies with Zika infections also have had eye problems that could cause blindness, extra scalp skin, clubfoot and arthrogryposis, a condition in which newborns' joints are stuck in either a flexed or extended position, according to the CDC report.

Frieden said the lifelong cost of caring for a baby with microcephaly is estimated to be \$10 million.

Scientists have a number of unanswered questions about Zika. They don't know, for example, how often Zika virus causes microcephaly, Rasmussen said.

Doctors also don't know if Zika poses a greater risk during some periods of pregnancy than in others, or if babies are at greater risk if their mothers exhibit symptoms of Zika than if they don't. About 80% of Zika infections cause no symptoms. The other 20% cause symptoms such as a fever, itchy rash, joint pain and pink eye.

Public health experts disagree about the effect the CDC announcement will have on the public.

"The CDC is the scientific gold standard," said Lawrence Gostin, director of the O'Neill Institute for National and Global Health Law at Georgetown University. "It's a wake-up call to the United States."

## **CDC Confirms Link Between Zika Virus And Birth Defects**

By Betsy McKay

[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

## **Zika Virus Causes Birth Defects, Health Officials Confirm**

By Pam Belluck And Donald G. McNeil Jr.

[New York Times](#), April 13, 2016

Officials at the Centers for Disease Control and Prevention said on Wednesday that there was now enough evidence to definitively say that the Zika virus could cause unusually small heads and brain damage in infants born to infected mothers.

The conclusion should settle months of debate about the connection between the infection and these birth defects, called microcephaly, as well as other neurological abnormalities, the officials said.

"There is no longer any doubt that Zika causes microcephaly," said Dr. Thomas R. Frieden, the C.D.C. director. He said the conclusion, reached after evaluating "mounting evidence from many studies," signifies "an unprecedented association" in medicine.

"Never before in history has there been a situation where a bite from a mosquito can result in a devastating malformation," Dr. Frieden said.

He and other agency officials said they hoped that the announcement increased awareness and concern about the potential threat to Americans who travel to affected areas in Latin America and those living in Puerto Rico, American Samoa and Southern states where the virus is expected to arrive this summer.

The announcement may increase pressure on Congress to allocate more than \$1.8 billion in emergency funding that President Obama requested for prevention and treatment of the outbreak. While C.D.C. officials did not address funding, Dr. Sonja A. Rasmussen, the agency's director of public health information and dissemination, said the conclusion "emphasizes the importance of working on ways to prevent Zika infection," including efforts to develop a vaccine.

“Surveys have told us that a lot of people aren’t concerned about Zika virus infection in the United States — they don’t know a lot about it,” Dr. Rasmussen said.

“Now that we can be more convincing that Zika virus does cause microcephaly, we hope that people will focus on our prevention messages more closely.”

The C.D.C. analysis, led by Dr. Rasmussen, was published Wednesday in *The New England Journal of Medicine*, and involved weeks of research into findings that have emerged from Brazil and elsewhere, including studies of fetuses with microcephaly in pregnant women infected with Zika.

The authors said they used established frameworks for assessing whether evidence met scientific criteria proving that one factor causes another. Those criteria included the existence of cases of microcephaly that have been strongly linked to documented exposure to Zika virus. Dr. Rasmussen and her colleagues also reviewed the biologically plausible explanations for how the virus might cause damage to the brain, and the absence of other explanations that make sense.

Infectious disease experts welcomed the announcement.

“The important part is that the C.D.C. can now take action without having to spend time trying to confirm the link,” said Dr. Eric J. Rubin, an infectious disease expert at Harvard and an editor at *The New England Journal of Medicine*.

Michael T. Osterholm, director of the Center for Infectious Disease Research and Policy at the University of Minnesota, said the C.D.C.’s announcement was a “good call,” adding “I give them credit for making clear and unambiguous statements about the neurologic complications.”

About 700 people in the United States have been infected with the Zika virus as of last week, including 69 pregnant women, Dr. Anne Schucart, the deputy director of the C.D.C., said on Monday at a White House briefing. About half of the cases are in Puerto Rico, where the virus is circulating locally. Most of the other American cases have occurred in people who traveled to South America.

But Dr. Schucart said that mosquitoes that can transmit Zika are present in 30 states during the warmer months, a much larger swath of the United States than health officials initially expected.

States considered most at risk include Florida and Texas, especially in urban areas where the mosquito thrives and in neighborhoods where lack of air conditioning means more open windows that give the insects greater access to people.

The C.D.C.’s announcement comes two weeks after the World Health Organization said there was “a strong scientific consensus” that Zika causes microcephaly and other neurological disorders.

In an interview on Wednesday, Dr. Bruce Aylward, head of emergency response for the W.H.O., called the C.D.C.’s announcement “really responsible public health” and “a turning point in the course of this epidemic.” American officials realized “people are not taking precautions,” he said. “They are still questioning whether Zika is the cause.”

“If you are going to prevent disease, you have got to change behavior today,” he added.

C.D.C. researchers relied on an innovative approach in their analysis, because available scientific evidence did not lend itself to the scientific frameworks that are commonly used to determine causal connections: Koch’s postulates, which requires that scientists infect people or animals with the suspected pathogen, and the Bradford Hill criteria, a model for studying infectious diseases.

The scientists instead used a framework called Shepard’s criteria, normally used to determine whether an agent causes birth defects. For that threshold, the evidence is sufficient, Dr. Aylward said: “They can say it’s definitive that it’s the cause.”

C.D.C. officials said they were not ready to confirm that Zika can cause neurological conditions in adults, including Guillain-Barre syndrome, cases of which have increased in some countries in the Zika outbreak.

The W.H.O. said last month that evidence substantiated the connection between the infection and Guillain-Barre syndrome. On Wednesday, C.D.C officials said that because the syndrome can be triggered by other infections, they were waiting for the results of studies being conducted in Brazil and elsewhere.

But the C.D.C. was unequivocal about microcephaly. Not only can Zika cause the condition, Dr. Rasmussen said, but it appears to cause more severe forms of it. Microcephaly caused by the Zika virus resembles a particularly destructive type called “fetal brain disruption sequence,” which includes serious problems with swallowing and bending joints. “Even just the measurements of the babies’ heads are much smaller” than in other types of microcephaly, she said.

Beyond microcephaly, Dr. Rasmussen said, the authors concluded that Zika causes some other fetal brain problems, such as calcifications inside the skull. But much remains unknown, including whether Zika harms other organs, how likely it is that women infected with Zika will have brain-damaged babies, and to what extent the risk varies according to when in pregnancy the infection occurs.

Dr. Rasmussen said other brain defects may also be linked to Zika infection. “We do expect that this is likely to be the tip of the iceberg,” she said, “that there will be babies who won’t have the small head per se, but will have other types of brain defects.”

## Task Force Releases Scathing, Exhaustive Report On CPD

By Andy Grimm And Fran Spielman  
[Chicago Sun-Times](#), April 13, 2016

A “culture of accountability” is sorely lacking in the Chicago Police Department, the chair of the city’s Police Board said Wednesday in releasing a new scathing, exhaustive report that blasts the CPD’s culture and management.

The Chicago Police Accountability Task Force also found many residents who “felt like the police do not respect their humanity,” board chair Lori Lightfoot said in presenting the findings in a news conference at the Harold Washington Library.

Further, she noted CPD has no effective management tool for dealing with problem officers because its disciplinary systems are ineffective and opaque. In the end, that benefits only the few bad cops who harm the department’s credibility in the community.

Among the recommendations by the task force is to disband the Independent Police Review Authority and replace it with a civilian police investigative agency.

“IPRA is badly broken,” the report says. “Almost since its inception, there have been questions about whether the agency performed its work fairly, competently, with rigor and independence. The answer is no.”

The harsh language and substantial statistics in the report were no accident.

“We made it very hard for people to ignore what we were saying,” Lightfoot said. “This is a historic time.”

The report identifies four factors as to how the CPD has gotten to where it is today: “in part because of racism” as well as because of a CPD mentality that the ends justify the means and a failure to make accountability a core value within the CPD.

The report also pointed to what it called “a significant underinvestment in human capital.”

The executive summary reeled off several startling statistics on police enforcement:

Of the 404 police officer shootings between 2008 and 2015, 74 percent of those shot were African-American.

Of 1886 taser discharges by police between 2012 and 2015, 76 percent of those targeted were African-American.

Black and Hispanic drivers are four times more likely to be searched by the CPD, but by the department’s own data, white drivers are twice as likely to have contraband.

Police stopped more than 250,000 people in the summer of 2014 in encounters that did not lead to arrests. That comes out to about 93.6 people stopped per 10,000. By comparison, in New York City, that same number ranged from 1.6 to 22.9 people per 10,000 between 2011 to 2014.

In all, the report is 190 pages — including a four-page list of those interviewed, which includes Brandon Smith. He’s the journalist who filed the Freedom of Information Act request that led to the release of the Laquan McDonald video.

The McDonald case and other troubles in the department already have sparked a U.S. Department of Justice investigation, which is ongoing. But Lightfoot wants the task force recommendations acted on as soon as possible.

Justice Department fact-finding reports can take a year to 18 months, she said, and there “no reason to wait that long — no need to wait on the DOJ.”

In fact, Lightfoot said, she hopes the Justice Department will read the task force report, and that the federal consent decree “will align with things we were looking at.”

Mayor Rahm Emanuel was due to be briefed on the report later Wednesday, and ultimately, Lightfoot said, “we are very clear” on who is responsible for each recommendation.

Ultimately, she said, responsibility for follow-up lies with the mayor and Chicago City Council.

And though the task force has provided a blueprint for reform, “there is much more work to be done.”

Emanuel appointed the Task Force on Police Accountability on Dec. 1, the same day he fired his only Police Superintendent Garry McCarthy for becoming a “distraction” in the furor that followed release of the Laquan McDonald shooting video.

On Wednesday, shortly before being briefed on the scathing report, Emanuel said he was “open to look at everything they say.”

But the mayor refused to say whether he would follow the recommendation to disband the IPRA whose director he replaced days after firing McCarthy.

“There’s more to that report than IPRA. I can understand why it might be the most glaring. But I’ve got to get briefed first. I’ve got to look at it. And I want the City Council to obviously work on all of the things that are necessary to make the changes because people have to have confidence,” the mayor said.

“That is an essential component to restoring the trust. It’s not the only, but it’s an essential ingredient. And whether it’s IPRA or not, the function needs to be there. And that’s what we’re going to strive to have and get right in that effort.”

The mayor said there is “no doubt we have a lot of work to do” to restore shattered public trust and build a system where Chicagoans of all races “understand with certainty what the discipline is, what the oversight is” to prevent police abuse and punish officers who use excessive force.

“IPRA is going to play an important role in that. And if it’s not IPRA, some entity. And we’ll work through those issues,” he said.

The mayor was equally non-committal about pressuring the Fraternal Order of Police to alter a police contract he signed off on that, the task force claims, protects wayward officers and turns the code of silence into official policy.

In December, Emanuel apologized for the “systematic breakdown” that culminated in the “totally avoidable” police-shooting death of McDonald and acknowledged the “code of silence” in the Chicago Police Department he once tried to keep out of a court record.

The task force now wants Johnson to begin his tenure by owning up to and apologizing for the Chicago Police Department’s racist past that, the panel claims, has “justified” the community’s “lack of trust” in the Chicago Police Department.

The draft report notes that “racism and maltreatment at the hands of the police” have been “consistent complaints in communities of color for decades. The “linkage between racism and CPD did not just bubble up” after the Laquan McDonald shooting video was released, the report states.

“Reform is possible if there is a will and a commitment. But reform must begin with an acknowledgement of the sad history and present conditions which have left the people totally alienated from the police and afraid for their personal safety,” the reports states.

“There is substantial evidence that people of color — particularly African-Americans—have had disproportionately negative experiences with the police over an extended period of time. False arrests, coerced confessions and wrongful convictions are also a part of this history. Lives lost and countless more damaged. These events and others mark a long, sad history of death, false imprisonment, physical and verbal abuse and general discontents about police actions in neighborhoods of color.”

On Wednesday, Emanuel responded to that harsh language by acknowledging the obvious. He doesn’t need a task force to tell him that there is racism in America, racism in Chicago and racism in the Chicago Police Department.

“Do we have racism? We do. The question is, what do we intend to do about it?” he said.

“I know that we can’t go back and we have only one opportunity to make it right, which is to stay with this all the way through. And it will take many, many years. It’s not one change. It’s not one thing. It’s a comprehensive approach to making those changes.”

## **Chicago Police Dept. Plagued By Systemic Racism, Task Force Finds**

By Monica Davey And Mitch Smith

[New York Times](#), April 14, 2016

CHICAGO — Racism has contributed to a long, systemic pattern of institutional failures by this city’s police department in which police officers have mistreated people,

operated without sufficient oversight, and lost the trust of residents, a task force assigned by Mayor Rahm Emanuel has found.

The report, issued on Wednesday, was blistering, blunt and backed up by devastating statistics. Coincidentally, it was released as city leaders were installing a new, permanent superintendent for the Chicago Police Department.

“The community’s lack of trust in CPD is justified,” the task force wrote. “There is substantial evidence that people of color — particularly African-Americans — have had disproportionately negative experiences with the police over an extended period of time.”

The report gives validation to complaints made for years by African-American residents here who have said they were unfairly targeted by officers without justification on a regular basis. It raises the pressure on Mr. Emanuel and other Chicago leaders to make significant changes at a pivotal time for the nation’s second largest municipal police force, which has been under intense fire from residents and under scrutiny from the federal authorities. It includes more than 100 recommendations for change.

The task force amassed data that shows the extent to which African-Americans appear to have been targeted. In a city where whites, blacks and Hispanics each make up about one-third of the population, 74 percent of the 404 people shot by the Chicago police between 2008 and 2015 were black, the report said. Black people were targeted in 72 percent of thousands of investigative street stops that did not lead to arrests during a recent summer.

Three out of four — 76 percent — of people on whom Chicago police officers used Taser guns between 2012 and 2015 were black. And black people made up 46 percent of police traffic stops in 2013.

“CPD’s own data gives validity to the widely held belief the police have no regard for the sanctity of life when it comes to people of color,” according to the report, a draft summary of which was first reported in The Chicago Tribune on Tuesday afternoon. “Stopped without justification, verbally and physically abused, and in some instances arrested, and then detained without counsel — that is what we heard about over and over again,” the task force wrote.

The stinging findings come at a particularly troublesome time here, as violent crimes have increased this year and as police morale is reported to have sunk.

The task force was given its assignment late last year, after the release of a graphic dashcam video showing a white Chicago police officer, Jason Van Dyke, fatally shooting a black teenager, Laquan McDonald, along a Chicago street. Widespread protests followed, and Mr. Emanuel fired the city’s police superintendent, who was officially replaced on Wednesday by his choice, Eddie Johnson, a longtime officer who is black. The Justice Department has since announced

an investigation into the department's patterns and practices, which is still underway.

The task force members — chosen by Mr. Emanuel — were racially diverse, with professional backgrounds in social work, law and government. Lori Lightfoot, the president of the Chicago Police Board, was chairwoman of the group, and the panel was advised by Deval Patrick, the former Massachusetts governor who spent part of his childhood in Chicago.

The other members were Randolph Stone, a clinical professor of law at the University of Chicago; Sergio E. Acosta, a former federal prosecutor; Victor Dickson, who leads an organization that helps former inmates; Joseph Ferguson, Chicago's inspector general; Maurice Classen, a former prosecutor; Alexa James, a licensed clinical social worker; and Sybil Madison-Boyd, a psychologist who works with urban youth.

On Wednesday, before the report was released, Mr. Emanuel said he had not yet seen it, but that his "general attitude" was to be "open to look at everything they say."

Mr. Emanuel said he was not surprised by the suggestion of racism, and that he wanted to work through those issues.

"I don't really think you need a task force to know that we have racism in America, we have racism in Illinois or that there's racism that exists in the city of Chicago and obviously could be in our department," Mr. Emanuel said.

He added: "The question is: 'what are we going to do to confront it and make the changes in not only personnel but in policies to reflect, I think, the values that make up the diversity of our city.'"

## Chicago Police 'have No Regard' For Lives Of Minorities, Report Says

By Mark Berman

[Washington Post](#), April 13, 2016

The Chicago Police Department is failing to hold officers accountable and not doing enough to combat a "justified" lack of trust from the community, according to a sweeping report released Wednesday by a task force assembled by Mayor Rahm Emanuel.

The task force's report was unsparing when it came to the department's problems with race, saying that its members "heard over and over again from a range of voices" who feel that the Chicago police are racist.

In the 22-page report, the task force pointed to data from the Chicago police that it said "gives validity to the widely held belief the police have no regard for the sanctity of life when it comes to people of color."

The task force looked at more than 400 shootings in Chicago between 2008 and 2015 and found that about three-quarters of the people wounded or killed in police shootings

were black. Hispanic people accounted for 14 percent of those shot, while white people made up 8 percent of them.

Similar proportions were found among people hit with Tasers in recent years. Census data show that black, Hispanic and white people make up nearly equal slices of the city's population.

"Residents of Chicago spoke of random police stops in which they are treated with disdain, and fearful that any interaction with police could lead to violence against them," Victor Dickson, member of the task force and head of a non-profit that helps people with criminal records, said in a statement. "Unfortunately, our research supports those perceptions."

The task force's report said that some people in the community "do not feel safe in any encounter with the police."

The report said that evidence showed that "people of color— particularly African-Americans—have had disproportionately negative experiences with the police over an extended period of time," something that the task force's members said continues today "the use of force, foot and traffic stops and bias in the police oversight system itself."

Before the report was released, Emanuel (D) said he would be open to any recommendations from the group about how to help the country's second-largest local law enforcement agency.

"I don't really think you need a task force to know that we have racism in America, we have racism in Illinois or that there is racism that exists in the city of Chicago and obviously can be in our departments," Emanuel said Wednesday, before he received a copy of the report.

Emanuel said he felt the city was taking positive steps forward, including pushing to diversify the ranks of its police force and the department's leadership.

"The question isn't, 'Do we have racism?' We do," Emanuel said. "The question is, 'what are you going to do about it?'"

Last December, Emanuel announced that he was creating the task force amid protests prompted by video footage of a white Chicago police officer firing 16 shots at Laquan McDonald, a black teenager.

Since the McDonald video was released — over the objections of city officials — Emanuel and the Chicago police force have been under a national microscope, even as the city faces a surge in violence.

Emanuel dismissed Garry F. McCarthy, his police superintendent, on the same day the mayor said he was forming the task force to improve independent oversight of the department. Not long after, the Justice Department said it would investigate the Chicago police. While Emanuel has publicly apologized for police misconduct, protests and calls for his resignation have continued.

In its report, the task force examined street stops conducted over one period — the summer of 2014 — and

found that more than 70 percent of the people stopped were black. A look at traffic stops over the previous year showed that stops were almost twice as likely to involve black people as Hispanics or white drivers.

The task force also said that black and Hispanic drivers were searched about four times as often as white drivers, even though police data showed that officers found contraband about twice as often on white drivers.

The report also described a “broken” system of accountability for the police force, one where oversight is “plagued by serious structural and procedural flaws that make real accountability nearly impossible.”

According to this report, 40 percent of complaints submitted over the last five years to the independent police review board or the department’s internal affairs bureau were not investigated. And when discipline was handed down, the report said, it was reduced or eliminated three-quarters of the time.

“Overall, we found that good police are not supported or rewarded, while too many bad police are given a pass,” Lori E. Lightfoot, president of the Chicago Police Board and chair of the task force, said in a statement. “Red flags about officers heading down the wrong path are not quickly and aggressively addressed, as they should be.”

A spokesman for the department did not immediately respond to a request for comment about the report.

The task force’s members recommend giving the community a role in police oversight, expanding community policing, providing more body cameras and improving transparency with the public. The group also called for a dedicated inspector general to audit and monitor the department as well as a new civilian group to deal with complaints about police misconduct.

“Reform is possible if there is a will and a commitment,” the report’s conclusion states. “But where reform must begin is with an acknowledgement of the sad history and present conditions that have left the people totally alienated from the police, and afraid for their physical and emotional safety.”

Not long before the report was released Wednesday, Eddie Johnson — the Chicago department’s former chief of patrol — was approved as the city’s new police superintendent, the third person to hold that position since the McDonald video was made public in November.

After Emanuel named Johnson as interim superintendent last month, the department said in a statement that it was “re-energized” to focus on fighting violence, improving morale inside the department and restoring residents’ trust in the police force.

Police in Chicago are facing bloodshed and violence at levels unseen for years. In the first quarter of this year, killings and shootings both spiked from the same time last year. Chicago is on track to have more than 500 killings in 2016,

which would make it just the third year since 2004 to top that threshold.

The task force’s report also comes less than two days after a Chicago police officer shot and killed a black teenager who authorities said pointed a gun at the officer after a brief chase.

Local media reports identified the teenager as 16-year-old Pierre Lory. The Cook County Medical Examiner’s office said Wednesday that Lory died from a gunshot wound to the chest and that his death was ruled a homicide.

Lory’s death has prompted protests in the city. Police said they arrested two people — a 33-year-old man and a 17-year-old woman — during a protest on Tuesday night.

Officials said that demonstrators began climbing atop police cars at a station and that the 17-year-old was jumping on one of the vehicles. According to police, as they tried to move her off of the squad car, Shimron Robinson of Blue Island, Ill., came up behind an officer and knocked an officer to the ground. Both were taken into custody.

Further reading:

Voters decisively oust prosecutor in the McDonald case

No criminal charges against the officer who shot Ronald Johnson

This is a developing story and will be updated.

## **Task Force Finds Chicago Police Department Plagued By Racism**

By Amer Madhani

[USA Today](#), April 13, 2016

CHICAGO — The city’s police department is beset by racism and needs sweeping reforms to help it win back trust in the community, according to a report released Wednesday by a panel tasked by Mayor Rahm Emanuel.

The Chicago Police Accountability Task Force called on the department to “acknowledge its racist history and overhaul its handling of excessive force allegations.”

The report contains over 100 recommendations for reform and is replete with statistics that suggest African-Americans in the city are disproportionately targeted by Chicago officers.

The task force found 74% of people killed or injured by Chicago police officers over the last eight years were African-American. In 2014, 72% of people stopped by Chicago police were black and 17% were Hispanic, according to the report. About 76% of the time that a taser was deployed between 2012 and 2015, it was used on a black suspect, the task force found. About 33% of the city’s population is black.

The data, the task force asserts, “gives validity to the widely held belief the police have no regard for the sanctity of life when it comes to people of color.”

“Some people do not feel safe in any encounter with the police,” the report said. “Some do not feel like they have the

ability to walk in their neighborhoods or drive in their cars without being aggressively confronted by the police. The consistent theme of these deeply held beliefs came from a significant cross-section of people: men and women, young, middle-aged and older, doctors, lawyers, teachers and other professionals, students, and everyday workers.”

The report was released on the same day the city council voted to make Eddie Johnson, an African-American and 27-year veteran of the department, Chicago’s top cop.

Johnson was installed by Emanuel as interim superintendent last month after the mayor rejected recommendations for the position by the Chicago Police Board, which considered 39 applicants. Johnson was not among those who initially applied for the position, but now holds the position on a more permanent basis.

Emanuel created the task force in the aftermath of the court-ordered release of police video in November that showed a white police officer pumping 16 shots into 17-year-old Laquan McDonald, who was black, on a city street.

The McDonald video triggered the firing of police superintendent Garry McCarthy, contributed to last month’s primary defeat of Cook County State’s Attorney Anita Alvarez, and diminished the mayor’s standing with the city’s voters.

In addition, the Justice Department in December launched a civil rights investigation of the police department. The officer involved in the shooting, Jason Van Dyke, was charged with first-degree murder on the same day of the video’s release and awaits trial.

“Overall, we found that good police are not supported or rewarded, while too many bad police are given a pass. Red flags about officers heading down the wrong path are not quickly and aggressively addressed, as they should be. And officers can go from the training academy to retirement with virtually no mandatory training in between,” said Task Force chairwoman Lori Lightfoot. “The department needs to invest in its human capital and professionalize the way it manages its people.”

The recommendations made by the panel are numerous.

The task force said the city should require all disciplinary information be provided online so citizens can track complaints and discipline histories of police officers, work to dismantle the institutionalization of the police “code of silence” and replace the agency that is currently tasked with investigating major police misconduct with a new organization that holds more power.

The city’s Independent Police Review Authority (IPRA) has come under an avalanche of criticism from activists and some African-American politicians for being toothless. The agency has reviewed more than 400 police-involved shootings since 2008, but has found wrongdoing by cops in only two cases.

The task force says IPRA should be replaced with a Civilian Police Investigative Agency, “which will enhance structural protections, powers and resources for investigating serious cases of police misconduct, even in the absence of sworn complaints.”

The panel concluded the city has reached a “painful but necessary reckoning” and that a “culture of accountability” was lacking on the police force.

“The City and in particular CPD would do well to embrace the necessary changes to address the systemic problems in CPD and not simply hope that this storm will pass,” the report says. “It will not, and ignoring this opportunity will exacerbate an already volatile set of circumstances.”

Emanuel told reporters he was not surprised the task force homed in on the problem of racism in the department.

“The question is, what are we doing to do to confront it and make the changes in not only personnel, but in polices to reflect ... the values that make up the diversity of our city,” he said.

Follow USA TODAY Chicago correspondent Aamer Madhani on Twitter: @AamerISmad

## **Chicago Task Force Calls For Police Overhaul, Cites History Of Racism**

**Report comes days after another police shooting sparks more protests**

By Mark Peters And Joe Barrett

[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

## **Report: Chicago Police Have ‘No Regard’ For Minority Lives**

By Don Babwin And Jason Keyser

[Associated Press](#), April 13, 2016

CHICAGO (AP) – Police in Chicago have “no regard for the sanctity of life when it comes to people of color” and have alienated blacks and Hispanics for decades by using excessive force and honoring a code of silence, a task force declared Wednesday in a report that seeks sweeping changes to the nation’s third-largest police force.

The panel, established by Mayor Rahm Emanuel late last year in response to an outcry over police shootings, found that the department does little to weed out problem officers and routine encounters unnecessarily turn deadly.

The group concluded that minorities’ lack of trust and fear are justified, citing data that show 74 percent of the hundreds of people shot by officers in recent years were African-Americans, even though blacks account for 33 percent of the city’s population.

The task force pointed to a painful history spanning generations, including the 1969 killing of Black Panther Fred Hampton, allegations of torture from the 1970s to the 1990s under former commander Jon Burge and stop-and-frisk in the 2000s.

The report “raises consciousness,” activist Greg Livingston said. “It shines a light into the darkness.”

The city’s new police chief said the department welcomed “a fresh set of eyes” but was not waiting for recommendations from the task force or from a civil rights investigation by the U.S. Justice Department before making changes. Eddie Johnson, an African-American with 27 years on the force, was Emanuel’s hand-picked choice to take the top police job. The City Council confirmed the appointment Wednesday in a 50-0 vote.

“We have racism in America. We have racism in Chicago. So it stands to reason we would have some racism within our agency. My goal is to root that out,” Johnson told reporters after he was sworn in.

The task force report was released just two days after the fatal shooting of a black 16-year-old. Police say he was armed, though his mother says he did not have a gun. Around 100 people gathered for a vigil on Tuesday and some marched through streets, blocking traffic.

In a draft executive summary of the report first obtained by the Chicago Tribune, the Task Force on Police Accountability recommended replacing the “badly broken” independent review authority that currently investigates misconduct with a “new and fully transparent and accountable Civilian Police Investigative Agency.” It also suggested creating the post of deputy chief of diversity and inclusion.

The task force also called out the city and the police unions, saying that the collective bargaining agreements between the city and the unions have “essentially turned the code of silence into official policy.”

The “code” refers to the reflex of some officers not to report colleagues for misconduct.

Officers, for example, can wait 24 hours before providing a statement after a shooting, given them enough time to get their stories straight with fellow officers. And not only are anonymous complaints prohibited, the task force found that accused officers must be given the names of people who filed complaints.

Among other problems: Some of those in charge of training are teaching while they themselves are under investigation for a range of alleged offenses, and there is a disturbing lack of legal counsel for those in custody. Last year, for example, only 6 out of every 1,000 people arrested had an attorney at any point while in police custody.

“Stopped without justification, verbally and physically abused, and in some instances arrested, and then detained without counsel – that is what we heard about over and over again,” the report said.

Emanuel announced the creation of the task force at the same time he fired police Superintendent Garry McCarthy in the wake of public protests over the 2014 shooting by a white police officer of 17-year-old Laquan McDonald. A video of the shooting, released last year, contradicted police accounts that McDonald was threatening officers before he was shot.

“Reform is possible if there is a will and a commitment,” according to the draft summary. That change, it said, must start with an acknowledgement of Chicago policing’s “sad history.”

On Wednesday, the City Council approved a change in municipal code allowing Emanuel to name Johnson the next superintendent instead of picking from a list of finalists given to him by the city’s police board.

Some council members urged for Johnson to be appointed as quickly as possible because of the city’s violent crime problem. They dismissed the suggestion by one alderman that changing, even temporarily, a process that has been in place for more than a half century would be a troubling and perhaps dangerous precedent.

“We don’t have time to play,” Alderman Walter Burnett Jr. said during Tuesday’s debate. “People are dying in our wards.”

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Associated Press writers Herbert G. McCann and Sophia Tareen contributed to this report.

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## **Emanuel Acknowledges Racism In Chicago Police Department**

By Bill Ruthhart

[Chicago Tribune](#), April 13, 2016

Mayor Rahm Emanuel left open the possibility Wednesday of dismantling the city’s police oversight agency and acknowledged that racism is a problem within the police force and other City Hall departments.

Emanuel’s remarks came shortly before his appointed Police Accountability Task Force released its recommendations for reforming the Chicago Police Department. The mayor was asked about portions of a draft executive summary of the task force’s report the Tribune first reported on Tuesday, including a recommendation to put in place a citywide reconciliation process beginning with the “superintendent publicly acknowledging CPD’s history of racial disparity and discrimination.”



"I don't really think you need a task force to know we have racism in America, we have racism in Illinois or that there is racism that exists in the city of Chicago and obviously can be in our departments," Emanuel said. "The question isn't, 'Do we have racism?' We do. The question is, 'What are you going to do about it?'"

PDF: Police Accountability Task Force final reportRead the story

Emanuel then noted that shortly after taking office, he settled a lawsuit from African-American firefighters who argued they had been discriminated against on department entrance exams. The mayor also referenced the City Council's unanimous 50-0 approval of Eddie Johnson as the city's new police superintendent, an African-American who Emanuel noted grew up in the Cabrini-Green public housing project.

During the post-City Council meeting news conference, Emanuel walked the line of arguing progress had been made in some areas while acknowledging much more work had to be done in others.

He repeatedly said that he had yet to be briefed by the task force on its report and had not read its findings, but said he would remain open to any recommendations the panel makes. That would include its call for dismantling the Independent Police Review Authority, the civilian-run agency that investigates allegations of officer misconduct.

"People have to have confidence, whether it's IPRA or whatever the entity is that has oversight as it relates to police disciplinary action. That is an essential component to restoring the trust. It's not the only, but it's an essential ingredient," Emanuel said. "Whether it's IPRA or not, the function needs to be there and that's what we're going to strive and get right in that effort."

Emanuel's acknowledgment of racism inside his Police Department follows a December speech to aldermen in which he acknowledged some Chicago cops use a "code of silence" to cover up the wrongdoing of their colleagues. Last fall, Emanuel stood by his contention that Chicago police officers had become "fetal" out of concern they would get in trouble for actions during arrests, blaming officers second-guessing themselves in the wake of high-profile incidents for rising crime rates in Chicago and elsewhere.

Chicago police must face 'hard truths' about racist past, task force draft report says

Jeff Coen and Stacy St. Clair

The Chicago Police Department must acknowledge its racist history and overhaul its handling of excessive force allegations before true reforms can take place, according to a scathing draft report from the task force established by Mayor Rahm Emanuel following public unrest over the Laquan McDonald...

The Chicago Police Department must acknowledge its racist history and overhaul its handling of excessive force

allegations before true reforms can take place, according to a scathing draft report from the task force established by Mayor Rahm Emanuel following public unrest over the Laquan McDonald... (Jeff Coen and Stacy St. Clair)

Emanuel made the "fetal" comment during a Washington, D.C., meeting with Attorney General Loretta Lynch and mayors and police officials nationwide to discuss a spike in homicides and other crime.

"We have allowed our Police Department to get fetal, and it is having a direct consequence. They have pulled back from the ability to interdict ... they don't want to be a news story themselves, they don't want their career ended early, and it's having an impact," Emanuel said, according to the Washington Post.

Emanuel's concerns were aired weeks before the Laquan McDonald police shooting video controversy, which only raised concerns about morale in the department. The Tribune reported officers made 6,818 arrests in January, a drop of more than 3,000 compared with the same month last year. The number of street stops also plummeted, with 9,044 investigative stop reports issued in January, down from 61,330 "contact cards" that police issued during the same month of the previous year.

The mayor established the task force in December after video of McDonald's fatal shooting roiled the city and raised the specter of a federal civil rights investigation, which is ongoing. The mayor announced the task force on the same day he fired then-police Superintendent Garry McCarthy.

"The linkage between racism and CPD did not just bubble up in the aftermath of the release of the McDonald video. Racism and maltreatment at the hands of the police have been consistent complaints from communities of color for decades," the task force's draft report stated. "False arrests, coerced confessions and wrongful convictions are also a part of this history. Lives lost and countless more damaged. These events and others mark a long, sad history of death, false imprisonment, physical and verbal abuse and general discontent about police actions in neighborhoods of color."

Both IPRA and the department's internal affairs bureau don't have adequate resources, lack true independence and are not held accountable for their work, according to the task force. Since 2011, for example, IPRA failed to fully investigate 40 percent of its complaints.

Dashcam video: The shooting of Laquan McDonald

This excerpt from video released to the public shows the most complete version of the shooting of 17-year-old Laquan McDonald. It is edited for length by the Chicago Tribune. Warning: This video contains graphic images.

This excerpt from video released to the public shows the most complete version of the shooting of 17-year-old Laquan McDonald. It is edited for length by the Chicago Tribune. Warning: This video contains graphic images.

See more videos

"IPRA is badly broken," the draft report stated. "Almost since its inception, there have been questions about whether the agency performed its work fairly, competently, with rigor and independence. The answer is no. Cases go uninvestigated, the agency lacks resources and IPRA's findings raise troubling concerns about whether it is biased in favor of police officers. Up until recently, the agency has been run by former law enforcement, who allowed leadership to reverse findings without creating any record of the changes. IPRA has lost the trust of the community, which it cannot function without."

Emanuel already has embraced one task force recommendation, announcing in February that he supports releasing videos of police-involved shootings within 60 days of the incidents.

Among the other recommendations in the task force report:

- "Reinvigorate community policing as a core philosophy," while replacing CAPS with a plan for commanders to interact with community stakeholders at the district level.

- Create the post of deputy chief of diversity and inclusion in CPD.

- Create a "smart 911 system" that would allow city residents to pre-enter information on mental-health issues that could assist first-responders who arrive at a particular address or interact with a particular person.

The task force also called for much greater transparency in the Police Department, urging the public release of "incident-level" information on everything from investigatory stops to disciplinary cases. And a new inspector general for public safety could be named to monitor the department and its system for accountability, it said, "including for patterns of racial bias."

It also recommends increased training, as most post-academy instruction is limited to videos played at roll call — a program one officer likened to "day care" because officers spent their time sleeping or looking at their smartphones. The report also states that officers need to be trained to recognize both conscious and unconscious bias during their daily duties, including traffic stops and use of force.

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## Chicago Mayor Gets His Man: Council Backs Choice To Lead Police

By Justin Madden

[Reuters](#), April 13, 2016

Full-text stories from Reuters currently cannot be included in this document. You may, however, click the link above to access the story.

## Obama Touts Robots, US Ingenuity At White House Science Fair

By Kevin Freking

[Associated Press](#), April 13, 2016

WASHINGTON (AP) — They came with eco-glue and Lego launchers. Their tag board displays were filled with charts, graphs and research on pollution. There were no little kids with plaster volcanoes in this crowd. But there was a trash-eating robot.

This was the White House Science Fair, an annual opportunity to show off the nation's budding inventors, engineers, astronauts and researchers — and to impress the nation's science fan-in-chief.

"You remind us that together through science we can tackle some of the biggest challenges we face," President Barack Obama told the more than 130 students gathered at the White House on Wednesday. "You are sharing in this essential spirit of discovery that America is built on."

The fair is a favorite within the White House, in part because of the president's clear delight in the often impressive displays of young brains and creativity. As he has since he began the fair in 2010, Obama toured the sampling of exhibits, asking questions, pressing start buttons, smiling with approval and, at times, ribbing the earnest presenters.

"My only concern is that, you know, you may have trouble getting into college," Obama joked with 18-year-old Sanjana Rane from Prospect, KY, after listening to her detailed explanation of how she helped figure out a particular protein could be used to detect and treat renal fibrosis.

Olivia Hallisey, 17, of Greenwich, Connecticut, created a diagnostic test for the detection of the Ebola virus. Augusta Uwamanzu-Nna, 17, of Elmont, New York, found a way to improve undersea cement seals to keep offshore oil wells from leaking. And Hannah Herbst, 15, of Boca Raton, Florida, created a device to tap energy from ocean currents.

As he toured the exhibits, Obama admired the sticky "GIOo" (patent pending) a St. Louis Girl Scout Troop made out from Styrofoam, and a group of New York City teens' robot vacuum designed to pick up trash on the subway. He marveled at the "Loki Lego Launcher," a homemade spacecraft that shot up 78,000 feet in the air before it landed in a field next to a cow pie, according to its inventors, sisters Kimberly and Rebecca Yeung, 9 and 11.

"But cow poop didn't get on this?" the president said as he looked at the launcher. "You're sure?"

Obama, who is something of a frustrated science geek, noted this was not his path as a student.

"First of all, I didn't have a 'field,'" he said. "I don't know exactly what my field of study was at that time but it wasn't that."

The administration is also using the event to cite progress on improving education in science and math, noting

\$1 billion in private investment as part of a White House campaign and that the nation is more than halfway toward reaching Obama's goal of preparing 100,000 new math and science teachers by 2021.

Obama personally sent out a Twitter invitation to Cedrick Argueta after reading how the Los Angeles teen got a perfect score on his Advanced Placement Calculus exam.

"I couldn't believe it. But of course, I said yes," Argueta wrote on the White House blog. "I can't wait to meet other students who are also passionate about science and math — students who I'm sure will change the face of technology and help solve some of society's biggest problems, like fighting climate change and treating cancer."

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## **Kids Solve World's Problems At Biggest White House Science Fair Yet**

By Eric Mack

[CNET News](#), April 13, 2016

More than 140 young scientists from 30 US states got to tout their research Wednesday into everything from cancer to building the city of the future. And what a platform they had: President Obama's final science fair, an annual White House celebration of young people pursuing science that began in 2010.

Check out a full list of the projects. Just a few of the highlights include a 15-year-old developing a source of reliable ocean-based energy for her pen-pal in Ethiopia; New York teens building a robot to clean up the city's subways; and a new method of unlocking a cell phone depending on how it's lifted off a table. Another definite highlight: this dapper kid's bow tie.

You can watch President Obama's tour of the projects here — it's cool to see how much both the president and the students seem to be having such a great time. But if you really want to be able to hear from the students about their projects, the above video shot earlier in the day on the White House lawn is super inspiring.

After watching it, you might find yourself wanting to follow in the footsteps of two young sisters from Seattle who launched their Lego figurine into the stratosphere using a helium balloon and a homemade "spacecraft." Just make sure not to try replicating that particular experiment with any living creatures.

## **Balloon 'Spacecraft,' Prosthetic Limbs And Subway Vacuums Thrill White House Science Fair**

By Moriah Balingit

[Washington Post](#), April 13, 2016

With all the thoroughness of a science fair judge, President Barack Obama made his way through a maze of posterboard and robotic contraptions, pausing to quiz the young scientists and inventors. He learned about a process to turn foam cups into glue, a special vacuum cleaner for a subway and a balloon "spacecraft" that two little girls used to launch a photo of their late cat, Loki, to the edge of space.

"That's unbelievable!" Obama told Rebecca and Kimberly Yeung, who are 11 and 9 years old. "You guys are amazing!"

Obama hosted his final White House Science Fair on Wednesday, hob-nobbing with young brainiacs and speaking of how their fearlessness and courage in attacking problems — from subway trash to Ebola — buoyed his own optimism for the future. He said the science fair, which his administration started six years ago, provided him "with some of the best moments I have had as president."

"There's nothing that makes me more hopeful about the future than seeing young people like the ones who are here," Obama said. "All of you are showing us grown-ups that it's never too early in life to make a difference."

The White House Science Fair aims to showcase the nation's brightest young scientists and inventors, and more than 130 students exhibited their creations and projects this year.

The science fair is one of the more visible parts of the administration's broader effort to elevate science, technology, engineering and math (STEM) education in the nation's schools. The U.S. Department of Education released guidance Wednesday to local school districts on how they should direct federal dollars towards increasing STEM education.

The administration in 2012 set a goal of producing 1 million more college graduates from STEM fields by 2022, and it also has pushed computer coding in the classroom.

In his final State of the Union address, Obama said that he hopes the nation's students have the opportunity to take "the hands-on computer science and math classes that make them job-ready on day one."

Jo Handelsman, Associate Director for Science at the White House Office of Science and Technology Policy, said the administration has worked to increase the recruiting of women and minorities into STEM fields where they have been historically underrepresented.

The push is not just because the Obama administration believes diversity drives creativity; Handelsman said that if the nation fails to develop skilled experts from traditionally underrepresented groups, there will be a critical shortage of STEM-trained workers.

"Diversity is important," Handelsman said. "We need more STEM workers and we need to recruit the best talent of the world, and some of the talent will come from people who have not been traditionally involved in STEM."

Addressing the science fair participants, Obama underscored that point, saying it is critical to encourage women into STEM fields: “We’re not going to succeed when we’ve got half the team on the bench. Especially when it’s the smarter half.”

Obama highlighted the work of several students, including Jacob Leggette, a 9-year-old from Baltimore who wrote to 3-D printer companies and offered to write them reviews if they allowed him to sample their devices. The young engineer, wearing a bow-tie, showed off a model of the White House he made with a 3-D printer and then said: “I have a question, Mr. President. Do you have a child science adviser?”

This year’s crop of young scientists who participated in the fair included girls as young as nine, first-generation college students and young immigrants. Many of the projects they created started as attempts to address problems in their own communities.

A team from Baruch College Campus High, a public school in New York City, drew inspiration from their daily subway commutes, when piled-up trash on the tracks caused delays. Students from the high school have worked on a special vacuum cleaner for the tracks, engineering a way for it to be controlled with a smart phone app; they built their own set of subway tracks to test out the prototype. Obama was intrigued by their contraption, and they told him he could give it a try.

“You sure? I don’t want to break it,” he told a trio of New York City teens before he switched on the roaring vacuum cleaner, which sat beneath the Lincoln portrait in the State Dining Room. “Whoa!”

Another team from Horizon Community Middle School in Aurora, Colo., located near Buckley Air Force Base, created a prosthetic limb that would enable an amputee to continue an active lifestyle. They designed the limb and built it with the help of disabled veterans.

Others reached far beyond their own worlds. Olivia Hallisey, a high school junior from Connecticut, invented a quick test for Ebola that requires no refrigeration and takes 30 minutes to produce a result. She said seeing the Ebola crisis in the headlines — and the fear it generated — drove home how interconnected the world is and important it is to address global health crises beyond the nation’s borders.

The Yeung sisters built a lightweight balloon craft that floated 70,000 feet above the Earth. The Seattle girls captured the craft’s journey on a GoPro camera and sent along two passengers: a picture of their late cat Loki and a Lego figurine of the Star Wars character R2-D2.

Kimberly, an aspiring engineer, said she hopes their experience will inspire other girls to dig into science and engineering.

“Space and science and technology and things like that aren’t just things that boys are good at. It’s also girls, too,” Kimberly said. “Girls can be even better than boys.”

## President Obama Hosts His Final White House Science Fair

By Margaret Chadbourn And Serena Marshall  
[ABC News](#), April 13, 2016

Some of America’s brightest students visited the White House today as President Obama hosted his sixth and final science fair, an event created to recognize the work of the next generation of scientists, engineers and mathematicians.

“Some of the best moments that I have had as president have involved science and our annual science fair,” Obama said after viewing the exhibits at White House. He discussed the multiple robots he has seen at previous events and recalled how each year brings new findings, including the time he “shot marshmallows out of a cannon.”

Obama heralded the projects prepared by the more than 130 participants – who came from elementary, middle and high schools – and said he saw ingenuity, curiosity and teamwork involved in what each of the students prepared. Participants also were acknowledged for leadership in education, business and the nonprofit world.

“The only problem with the science fair is it makes me feel inadequate,” Obama quipped.

He said he wants to be given partial acknowledgment for any major discoveries that might be produced by the talent gathered in the room, including a possible “cancer cure” or finding a source of “cheap, clean energy.”

“I’ll take some of the credit. I’ll say, ‘if it hadn’t been for the White House science fair, who knows what might have been,’” Obama said as the room filled with laughter.

One of the most intriguing projects this year came from 9-year-old Jacob Leggette of Baltimore, Maryland. After being introduced to 3-D printing, he wrote letters to different companies and asked if they would donate a 3-D printer to him in return for feedback. His pitch to the printing companies worked, and he has been creating various toys and games ever since.

While Obama toured the dozens of projects on display at the White House, he talked to students, asked questions about their projects, experimented with the interactive displays – and at each stop offered praise for the hard work.

When Obama met with Jacob, who was donning a bow tie and suit for his White House visit, the Baltimore native made sure to answer all the president’s questions with a sharp “yes, sir.”

Jacob showed off his 3-D printer and all the products he had helped to design, including soapy water and a tube of bubbles.

“Okay, let’s test it out,” Obama said, adding a cautionary note, “It’s been a while since I’ve done this.”

Blowing out bubbles and saying “there you go! That’s kind of fun!” the president seemed to enjoy his playful visit and admire Jacob’s line of products.

Jacob then told the commander-in-chief he had a question for him.

“Do you have a child scientist adviser?” Jacob asked.

Obama said he did not but commended him for the idea and offered a counter proposal: “Let’s put together a child adviser committee.” The president said it could be filled with kids of different ages and that the schedule would be light enough that they would still will have time to do their homework.

Another student, Olivia Hallisey, 17, of Greenwich, Connecticut, created a diagnostic test for the detection of the Ebola virus. And a team of middle-school students from Colorado were recognized for their design of a functional prosthetic for a local veteran.

Obama established the tradition of the White House Science Fair in 2010 to celebrate the nation’s top young innovators. He has emphasized science education is key to “what makes America the greatest country on Earth” and often talks about his wonder of science and technology, making his final fair a bit of a bittersweet moment.

The president also announced today a \$200 million investment from Oracle, a technology company, for computer science education that will help 125,000 students.

“We could not be prouder of all the students,” Obama said. “We are counting on all of you to help us build a brighter future.”

## **A ‘Big Science Guy’ Named Obama Hosts Young Innovators One Last Time**

By Julie Hirschfeld Davis

[New York Times](#), April 13, 2016

President Obama vowed early in his tenure to make science “cool” and decorated the Oval Office with patent models of groundbreaking American inventions.

But one of the most vivid indications of the passion Mr. Obama harbors for all things scientific and technological is the White House Science Fair, a tradition he began in 2010 and will host for the final time on Wednesday.

This year it is bittersweet for Mr. Obama, who will welcome alumni of science fairs past and announce programs that will carry his administration’s emphasis on science education into the future.

The White House announced Wednesday that Oracle, the computer technology company, would invest \$200 million for computer science education for young Americans over the next 18 months, as part of Mr. Obama’s “C.S. for All” initiative. And the Department of Education will issue new

guidelines to states and school districts on how they can use federal money to enhance science, technology, engineering and math — or STEM — education.

“I’m a big science guy,” Mr. Obama told the Science Channel in a brief video that aired on Monday, part of a week of roughly minute-long appearances he taped for the network to, as he put it, talk about “cool topics that are really important.”

For a day each year since Mr. Obama began the tradition, the ornate state floor of the White House is transformed into a veritable paradise of projects that resembles countless school and regional science fairs in far less glamorous locales, complete with poster-board displays of findings with graphics and diagrams, colorful models and young people eager to show off their creations.

Mr. Obama has gawked at a giant marshmallow cannon invented by a 14-year-old and has been charmed by 6-year-old Oklahoma Girl Scouts dressed in Superman capes who showed off their prototype for a mechanical page-turner constructed with Legos.

Last year, he invited Ahmed Mohamed, a Muslim high schooler from Texas who had been arrested after teachers mistook a clock he invented for a bomb. “Cool clock, Ahmed,” Mr. Obama said at the time from his newly minted Twitter account, @POTUS. “Want to bring it to the White House?”

Mr. Obama on Wednesday is bringing back Joey Hudy of marshmallow cannon fame and the Oklahoma Girl Scouts.

White House officials say the fairs have drawn some 450 students in kindergarten through 12th grade; this year’s is the largest, with 130 attendees.

It gives Mr. Obama a chance to showcase his commitment to STEM education, a push his advisers say has paid off during his term. There are 25,000 more students graduating in those fields than there were in 2009, when Mr. Obama took office, the White House said.

Through Mr. Obama’s Educate to Innovate program, he has spurred more than \$1 billion in private investment for improving STEM education, officials said. The administration is more than halfway to the goal he set of training 100,000 STEM educators by 2020.

Mr. Obama has also incorporated innovation into his policy-making process and the way the White House communicates his message, building an Office of Digital Strategy to manage a suite of social media platforms and naming the first chief technology officer.

He started an initiative in precision medicine to find ways of using Big Data and genomics to cure diseases and he has had money poured into clean energy research to combat climate change.

The president said recently that his favorite movie last year was “The Martian,” the feature film starring Matt Damon as an astronaut stranded on Mars who vows to, in the

president's words "science the heck out of this" until he figured out a way to return home.

"He didn't say heck," Mr. Obama noted in January, "but you get the point: that's the American spirit."

## Obama's Last Science Fair Features Robots, Bubbles

By Gregory Korte

[USA Today](#), April 13, 2016

WASHINGTON — The state floor of the White House looked more like a middle school Wednesday, overrun with young scientists and their poster-board presentations, a live chicken and what President Obama said was "an alarming number of robots."

Obama hosted a science fair at the White House on Wednesday, an annual occurrence he called one of the most fun events of his presidency — but with important policy implications. Obama touted the importance of science, technology, engineering and mathematics education, and also addressed what he said were "structural biases that exist in science."

"A lot of them are unconscious. But the fact is, is that we've got to get more of our young women and minorities into science and technology, engineering and math, and computer science," he said, noting an increasing number of girls at the White House science fair. "We're not going to succeed if we've got half the team on the bench, especially when it's the smarter half of the team."

Obama toured science projects for nearly an hour, questioning scientists aged 9 to 18 on their projects and their aspirations.

Among them: Jacob Leggette, a 9-year-old from Baltimore, who showed Obama a miniature White House he made with a 3D printer. The president also tried, mostly unsuccessfully, to blow bubbles through an oddly shaped wand Jacob designed. "Clearly, I'm out of practice," Obama said.

Later, Obama recounted the story of how Jacob got his printer, writing letters to printer companies to ask if they would donate a 3D printer in return for feedback on how child-friendly their devices were. "So clearly he's a good negotiator and business person," Obama said.

"I have a question, Mr. President," Jacob asked, putting those skills to use. "Do you have a child science adviser?"

That gave Obama an idea: a kid's science advisory committee — a junior version of the President's Council of Advisers on Science and Technology — to give input on science and technology education. "We're going to follow up on that," Obama said.

## Garland's Hill Tour Not Denting GOP Resistance

By Seung Min Kim

[Politico](#), April 13, 2016

Merrick Garland's Republican charm offensive is hitting a brick wall.

First, the Supreme Court nominee met Tuesday with Sen. Pat Toomey (R-Pa.), who sharply criticized the federal judge over the issue of executive overreach. Next, Garland sat down with New Hampshire Sen. Kelly Ayotte — who like Toomey is a Republican running for reelection this year in a purple state — but she emerged from that meeting firm in her stance that the nominee shouldn't get confirmation hearings this year.

Ayotte, who met privately with Garland for about 50 minutes on Wednesday, said her sit-down with Garland was "cordial." During the meeting, Ayotte said she talked about the role of the Supreme Court as the "ultimate arbiter of our Constitution" as well as the background and judicial philosophy of Garland, who is currently the chief judge of the D.C. Circuit Court of Appeals.

"I also explained my view that, given we are in the midst of a vigorous presidential election, I believe the people should have a voice on this important nomination," Ayotte, who did not do a media availability with reporters, said in a statement following the meeting. "I continue to believe the confirmation process should wait until the people have spoken in November."

Garland is meeting with a slate of GOP senators, as well as Democrats, this week. The nominee had breakfast on Tuesday with Judiciary Committee Chairman Chuck Grassley (R-Iowa), who showed no sign that he would change his anti-hearing stance for Garland. On Thursday, Garland has meetings scheduled with Republican Sens. Rob Portman of Ohio and Jeff Flake of Arizona.

White House press secretary Josh Earnest telegraphed the next phase of the messaging fight when he said at the briefing Wednesday: "Now that [Republicans have] been able to hear from him in private, why wouldn't you hear from him in public?"

"I don't really understand what the answer to that question would be, unless the answer to that question is, 'I'm just gonna follow Mitch McConnell's orders and not do my job,'" Earnest continued. "I don't know that their constituents are going to have a lot of sympathy for that answer, but they can try it. But that's why I continue to be confident that we've got a strong case to make, and we're gonna continue to make it, and the pressure on Republicans is gonna continue to increase."

Nolan McCaskill contributed to this report.

## GOP Senator Unswayed After Meeting Supreme Court Nominee

By Jordain Carney

[The Hill](#), April 13, 2016

Sen. Kelly Ayotte (R-N.H.) is standing firm against confirming a new Supreme Court justice this year, even after meeting nominee Merrick Garland.

"I also explained my view that, given we are in the midst of a vigorous presidential election, I believe the people should have a voice on this important nomination," she said in a statement. "I continue to believe the confirmation process should wait until the people have spoken in November."

The New Hampshire senator met with Garland in her office Wednesday. She said the meeting was "cordial," and the two talked about Garland's background, philosophy and "the important rule of the Supreme Court, as the ultimate arbiter of our Constitution."

The New Hampshire senator is the seventh GOP senator to sit-down with Garland since President Obama nominated him last month to succeed the late Justice Antonin Scalia. Garland will meet with GOP Sens. Rob Portman (Ohio) and Jeff Flake (Ariz.) Thursday.

Garland has been visiting with senators on Capitol Hill for weeks as he tries to win over potential supporters.

Republicans say the next president should pick the next Supreme Court justice. But Democrats remain adamant that GOP leadership will eventually cave and confirm Garland. They point to the slow uptick in meetings with GOP senators, as well as polling.

Sen. Chuck Grassley (R-Iowa), the chairman of the Judiciary Committee, and vulnerable Republican incumbents, including Ayotte, are top targets in their strategy to eventually get Garland confirmed.

Sen. Pat Toomey (R-Pa.), who also faces a tough campaign, said Tuesday evening that he was "more convinced" after his meeting with Garland that the seat should remain empty.

Gov. Maggie Hassan, Ayotte's likely Democratic opponent, quickly pounced on Ayotte's "courtesy" meeting, saying it was "disrespectful" to refuse to consider Garland's nomination.

"Senator Ayotte has once again chosen to side with her far-right party leadership and special interest backers in obstructing the Supreme Court confirmation process," she added.

Senate Minority Leader Harry Reid (D-Nev.) also took a swing at Grassley Wednesday. He said the Judiciary Committee chairman's "commitment to transparency is as shallow as the shallowest puddle you can find" because of Grassley's refusal to give Garland a public hearing.

Despite the near daily hits on Grassley, he and other top Republicans have given no sign that they are willing to backtrack on their position that the Supreme Court seat should be kept vacant until next year.

Of the roughly 17 GOP senators who have said they are open to meeting with Garland, only two—Republican

Sens. Mark Kirk (Ill.) and Susan Collins (Maine)—support giving him a hearing.

## Public Wants Senate Action On Court, But Interest Is Modest

By Alan Fram And Emily Swanson

[Associated Press](#), April 13, 2016

WASHINGTON (AP) – Nearly 2 in 3 Americans back Democrats' demands that the Republican-run Senate hold hearings and a vote on President Barack Obama's pick for the Supreme Court. But an Associated Press-GfK poll also suggests that GOP defiance against considering the nominee may not hurt the party much because to many people, the election-year fight is simply not a big deal.

Just 1 in 5 in the survey released Wednesday said they've been following the battle over Obama's nomination of federal judge Merrick Garland extremely or very closely.

That included just 26 percent of Democrats and 22 percent of Republicans expressing intense interest, along with a scant 8 percent of independents. That aligns with the political reading of the issue by many Republicans that while it motivates each side's most committed partisans, people in the middle consider it a yawner – making the fight essentially a wash.

Another clue that voters not dedicated to either party find the court fight tiresome: While just over half of Democrats and Republicans said the issue is extremely or very important, only around a third of independents said so.

Among people overall, half said the nomination battle is of top-tier importance. But 8 in 10 said that about the economy, and 7 in 10 said so about health care and the threat posed by the Islamic State group. Immigration and the U.S. role in world affairs both attracted slightly more intensity of interest than the court battle.

"It gets me irritated, the bickering and all that kind of stuff," Julie Christopher, 49, a Republican and flight attendant from Fort Worth, Texas, said in a follow-up interview, describing her modest attention to the issue.

Christopher said that while she agrees with the GOP's refusal to hold hearings on Garland, when it comes to backing candidates in November, "That's not going to be my only thing, like boom, I'm not going to vote for them."

Sen. Kelly Ayotte, R-N.H., was among several senators who met privately Wednesday with Garland as he continues courtesy calls on lawmakers.

Ayotte, who faces a competitive re-election this fall, said in a statement that she told him with a "vigorous" presidential campaign underway, "the confirmation process should wait until the people have spoken in November" and a new president is chosen.

Hours after Justice Antonin Scalia's death in February, Senate Majority Leader Mitch McConnell, R-Ky., said his

chamber would not consider an Obama nominee and would instead wait until the president elected this November makes a pick. With the remaining justices split 4-4 between those leaning conservative or liberal, most GOP senators have lined up behind McConnell.

Democrats have been spewing outrage ever since. Along with liberal groups, they've been using television ads, news conferences, public demonstrations and Senate speeches to ratchet up pressure on GOP senators, especially those facing re-election this fall in swing and Democratic-leaning states like Illinois, New Hampshire, Wisconsin, Pennsylvania and Ohio.

Democrats' theory is that the public wants Republicans to end their obstruction and let the Senate do its job, forcing GOP senators to relent on Garland or risk defeat in November. The AP-GfK poll has some data backing that up.

The 64 percent who favor hearings and a vote this year on Garland include an overwhelming proportion of Democrats and a sizable minority of Republicans, 40 percent. Independents, who can be pivotal in closely divided states, back action this year, 52 percent to 36 percent.

"I'd rather see at least deliberations, and see Congress do its job," said Marc Frigon, 33, a high-tech worker from Beverly, Massachusetts, who leans Republican and wants the Senate to reject Garland's confirmation. "I feel like that's why we elected them in the first place."

Just over half of moderate and liberal Republicans want the Senate to hold hearings this year, while fewer than 3 in 10 GOP conservatives say that.

Overall, people say by 59 percent to 36 percent that they want the Senate to approve Garland should a vote be held. Nearly 9 in 10 Democrats favor confirmation and independents tilt slightly that way, while 69 percent of Republicans favor rejecting him.

The AP-GfK Poll of 1,076 adults was conducted online March 31-April 4, using a sample drawn from GfK's probability-based KnowledgePanel, which is designed to be representative of the U.S. population. The margin of sampling error for all respondents is plus or minus 3.3 percentage points.

Respondents were first selected randomly using telephone or mail survey methods and later interviewed online. People selected for KnowledgePanel who didn't have access to the Internet were provided access for free.

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Online:

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## 'Affluenza' Teen Is Given Nearly 2 Years Behind Bars

[Reuters](#), April 13, 2016

Full-text stories from Reuters currently cannot be included in this document. You may, however, click the link above to access the story.

## Senate Panel Subpoenas EPA's McCarthy To Force Her To Testify At Gold King Mine Hearing

By Valerie Richardson

[Washington Times](#), April 13, 2016

The Senate Indian Affairs Committee acted Wednesday to subpoena EPA Administrator Gina McCarthy after the agency refused to provide witnesses to a field hearing on the EPA-caused Gold King Mine spill.

Chairman John Barrasso, Wyoming Republican, and vice chairman Jon Tester, Montana Democrat, said they agreed to issue the subpoena ordering Ms. McCarthy or Assistant Administrator Mathy Stanislaus to testify at the April 22 hearing in Phoenix.

Mr. Barrasso said the subpoena would be served on the EPA later Wednesday.

Committee members blasted the EPA for its lack of cooperation in aiding the panel in its oversight role on the Aug. 5 spill, in which an EPA-led crew uncorked 3 million gallons of orange contaminated wastewater during a mine cleanup project.

The contamination washed from Cement Creek into the Animas River near Silverton, Colorado, and poured into the San Juan River in New Mexico, which runs through the Navajo Nation.

"[I]t troubles me that this committee had to take the extraordinary step of issuing a subpoena to a confirmed federal official," Mr. Barrasso said.

"I am troubled further that the EPA would disregard such failures and attempt to avoid the responsibility by refusing to appear before the committee and answer questions," he said. "This sort of behavior is unbecoming of any federal official and won't be tolerated."

Sen. John McCain, Arizona Republican, said "the arrogance of bureaucracy continues to surprise me."

"When there's a disaster caused by another agency of government, and then we get this kind of response and we're forced to subpoena, then there's something really out of whack here," Mr. McCain said.

Mr. Tester said, "I do think we need to figure out a way that we can actually empower the EPA to get these things



cleaned up so we don't have the kind of disasters we had in the southwestern part of this country."

By issuing the subpoena, he said, "we were able to get the outcome that I think that we wanted. Did the agency make a mistake? Absolutely. They could have done better, we maybe could have done better."

Mr. McCain and Sen. Tom Udall, New Mexico Democrat, called the spill a disaster.

"We need the EPA to be working with us to make this right," Mr. Udall said.

Ms. McCarthy visited the site shortly after the spill occurred, but members of Congress have since accused the EPA of being unresponsive to their requests for information. Her office has said the agency continues to cooperate with the committees.

In February, Republicans on the House Natural Resources Committee issued subpoenas for Interior Department and Army Corps of Engineers documents related to the spill, including a critical peer review, saying they had been withheld.

## The Most Important Mystery About U.S. Climate Change Policy

By Chris Mooney

[Washington Post](#), April 13, 2016

On the surface, it looks like extraordinarily good news. The United States is burning less coal — less of the fuel that contributes the most carbon dioxide to the atmosphere when burned. Instead, we're swapping in cleaner burning natural gas, which could serve as a "bridge" to an era in which wind and solar provide the bulk of the nation's power. And carbon dioxide emissions are already lower as a result.

Yet there's a nagging problem here that just won't go away. Environmentalists have charged for some time that the fracking boom — the rise in unconventional natural gas that is the key driver of all of this — has a dark underbelly. Natural gas's principal component is methane, which is also a greenhouse gas. And if it gets to the atmosphere unburned, it has a much larger warming effect than carbon dioxide does, over a period of about 10 years.

So if there are enough leaks from the new wave of unconventional oil and gas drilling operations, it is possible to substantially undermine the climate benefits that accrue from less burning of coal — and moreover, to do so over the crucial next few decades, when all the key changes have to be made if there's any hope of averting the worst climate damage.

Recent events and recent science alike are now forcing this issue. The Aliso Canyon natural gas leak near Los Angeles was simply enormous, pouring nearly 100,000 metric tons of methane into the atmosphere. It was the "largest methane leak in U.S. history," according to a recent report by

the scientific advisory panel of the Climate & Clean Air Coalition, a group of countries and partners trying to reduce emissions of short-lived climate change pollutants, such as methane. Similarly, a recently released infrared camera survey, conducted by helicopter, of some 8,000 U.S. oil and gas well pads in a number of high producing regions found leaks at 327 pads, or 4 percent overall. It concluded that the EPA "may be underestimating" emissions caused by oil and gas tanks on these sites in particular.

Meanwhile, still more recent satellite research is suggesting that U.S. methane emissions are on a big upswing — even as the EPA is expected to soon report new totals for methane emissions from oil and gas, as part of its broader annual inventory of U.S. greenhouse gas emissions submitted to the United Nations. And if it sticks with preliminary figures, it will revise 2013 emissions upward by more than 25 percent, according to an analysis by the Environmental Defense Fund. (What happens with other years remains to be seen).

In the meantime, the numbers have already been disputed. "The release of these partially revised numbers is misleading," said the American Petroleum Institute's vice president for regulatory and economic policy, Kyle Isakower, in March. "We have every reason to believe that the final data, when issued, will still indicate a significant downward trend in emissions even as oil and natural gas production has risen." So the question is both urgent, and also difficult: Is the U.S. undermining its climate progress with invisible leaks of a second, even more potent greenhouse gas?

"A little bit of a mystery right now"

Let's start with the basics: Globally, concentrations of methane in the atmosphere, just like concentrations of carbon dioxide, are rising. The rise hasn't been as steady, though — it actually appeared to stall in the 2000s. However, it is now on a major upswing again, which is certainly very bad news for the climate, and bad news that couldn't come at a worse time.

But the question is, why?

That's where things get complicated. Methane could definitely rise in the atmosphere because of more leaks from oil and natural gas operations. But it could also rise because there are more cows belching it into the air, or the world has changed how it feeds cows, or manages their manure — or, how it manages rice agriculture. Methane has many sources.

Scientific literature is somewhat contradictory about all this.

For instance, a blockbuster and much cited study in *Geophysical Research Letters* earlier this year used satellite observations to pick up an apparently huge boom (30 percent) in U.S. methane emissions from 2002 to 2014, one large enough to explain 30 to 60 percent of the recent trend. Seeking to trace the source of the emissions, the research targeted a broad region "in the central part of the country."

While the study pointedly noted that the time period in question is one that includes the fracking and natural gas boom, it also added that “the spatial pattern of the methane increase ... does not clearly point to these sources.”

“It would be very tempting to say it’s the rise in oil and gas production, the fracking, and so on,” says Daniel Jacob, a Harvard researcher who is one of the study’s authors. “But the pattern is not necessarily that. It could also be an underestimate of livestock emissions, those tend to be regionally overlapping.”

“It’s a little bit of a mystery right now,” Jacob continues. However, he adds, “why would livestock emissions have increased a lot? I don’t really know why that would be.”

Yet also earlier this year, a much noted study in Science came to a different conclusion — neither pointing the finger at oil and gas, nor at the United States. The research used an examination of the ratios between different isotopes of carbon in methane, and at least tentatively attributed increasing global emissions to agriculture. The findings “rule out fossil fuel production as the major cause in the rise of methane levels in the atmosphere since 2007,” according to New Zealand’s National Institute of Water and Atmospheric Research, whose atmospheric scientist Hinrich Schaefer led the research.

#### Weighing the evidence

Faced with contradictory studies like this, it helps to turn to expert assessments of the weight of the evidence. One example comes in the form of a recent annual report by the scientific advisory panel of the Climate & Clean Air Coalition. That board is comprised of a star-studded, international group of 14 scientists and experts, led by Drew Shindell of Duke University.

And this group is unprepared to let U.S. oil and gas off the hook. Its report asserts that atmospheric methane levels are rising “rapidly” and that the cause “is likely due to a number of factors, including increased emissions from agriculture activities, large increases in natural gas extraction and associate leaks.”

Duke’s Drew Shindell, chair of the panel, further alluded to oil and gas in an interview. “I think what all these results are suggesting is that, to first order, their efforts to reduce emissions from the oil and gas industry are a good thing, and they should keep going with that,” he said. “But the next level is that they need to make more progress and prevent overall methane emissions from going up as we exploit natural gas resources more, which is what appears to have been happening in the US.”

“The US story is, CO2 is decreasing, and we’re making more progress than most countries in the world,” Shindell continued. “But methane is going up, and it appears to be going up enough to offset the bulk of the benefit from reducing the CO2.”

However, the issue remains hotly debated and the industry, at least for now, has a different point of view. The American Petroleum Institute’s Isakower last month not only questioned the new, preliminary EPA figures, but argued that “even as oil and natural gas production has risen dramatically, methane emissions have fallen, thanks to industry leadership and investment in new technologies.”

#### The EPA’s upward revisions?

If U.S. oil and gas operations — including unconventional gas operations tied to the fracking boom — are emitting more, then that should be recorded by the U.S. government. In particular, the EPA keeps an annual inventory (with a time lag) of all of the nation’s greenhouse gas emissions.

In previous inventories, the EPA has found “no significant trend in U.S. anthropogenic methane emissions from 2002 to present,” notes Jacob’s recent study — which challenges that conclusion.

It’s not the only one. “Comparison of recent estimates of methane emissions with existing inventories such as that of the USEPA shows that current inventories underestimate methane emissions due to inaccurate measurements in some emissions sectors,” such as oil and gas, concludes the recent document from the science advisory panel to the Climate & Clean Air Coalition.

“I do think that the evidence is strong that EPA has underestimated methane emissions,” adds Rob Jackson, a researcher at Stanford who contributed to the recent helicopter based infrared camera study that found leaks at 4 percent of over 8,000 well pads in key U.S. drilling regions.

In a sign that the agency is taking note, a draft version of the annual report’s latest installment bumped up 2013 emissions by 27 percent, from 7.3 million to 9.3 million metric tons, according to an analysis by the Environmental Defense Fund. A final EPA inventory up through 2014 is expected soon, and the numbers will be watched very closely.

“Their revision is going to bring their emissions up, I don’t know how much. I don’t think it’s going to bridge the gap, but it’s going to go in the right direction,” says Harvard’s Daniel Jacob.

#### If it’s oil and gas, it ought to be fixable

The good news, suggests Jackson, is that while it’s very hard to do anything about a global trend in agricultural emissions, it’s not so hard to clamp down on U.S. oil and gas leaks, which his latest study suggests are worse in some key areas — which means they can be targeted.

“We’re democratizing leak detection,” says Jackson. “New technologies, cheaper sensors, we’re entering an era where citizens will have cameras they can use to film wellpads. We’re close to having satellites that we’ll be able to image single wellpads or clusters of wellpads. We’ll crack this nut.” If so, that would mean that the long term emissions problem remains carbon dioxide, and that while U.S.

methane may have seen a temporary increase, it's controllable, despite any near term setbacks.

Mark Brownstein, who heads the oil and gas program at the Environmental Defense Fund, argues that ultimately, the question of precisely how much methane is getting to the atmosphere due to oil and gas in the U.S. is somewhat of a "red herring" — the fact is, there are substantial emissions from the sector, and they're fixable, he argues. You simply have to regulate the industry, rather than let it police itself voluntarily — something President Obama pledged to do along with Canadian prime minister Justin Trudeau in March.

And if you fix methane, then unlike what happens with carbon dioxide, the stuff doesn't remain too long in the atmosphere, so the problem substantially cleans itself up over time (assuming, that is, that there isn't a spike from some other source, such as agriculture).

Until that happens, though, more studies will likely continue to probe the methane problem — and more activists will continue challenging fracking operations, and questioning whether we've undermined our gains from cutting back on coal.

"The methane issue is front and center on the debate around the legitimacy of natural gas, as an energy source, at least in the near term," says Brownstein.

## **EPA: No Changes To Federal Lead Water Rule Until Next Year**

By Matthew Daly

[Associated Press](#), April 13, 2016

WASHINGTON (AP) — The Environmental Protection Agency's top water regulator said Wednesday that officials are working urgently to strengthen a federal rule limiting lead and copper in drinking water — a key focus in the ongoing lead-contamination crisis in Flint, Michigan.

But Joel Beauvais, acting chief of the EPA's water office, said proposed changes will not be released until next year, with a final rule expected months after that.

Beauvais told Congress that he and others at the EPA "certainly have a sense of urgency" about making changes to the lead and copper rule, but added: "We also want to get them right."

Flint's drinking water became tainted when the city switched from the Detroit water system and began drawing from the Flint River in April 2014 to save money. The impoverished city was under state control at the time. The crisis has affected some 100,000 residents of the predominantly African-American city.

Regulators failed to ensure the water was treated properly and lead from aging pipes leached into the water supply.

Elevated lead levels have been found in at least 325 people, including 221 children. Lead contamination has been linked to learning disabilities and other problems.

The lead and copper rule, part of the federal Safe Water Drinking Act, requires water systems across the country to monitor drinking water to ensure that lead, copper and other substances do not exceed federal recommendations.

The rule is widely considered flawed. Michigan Gov. Rick Snyder called it "dumb and dangerous" at a hearing last month. Unless the federal rule is changed, "this tragedy will befall other American cities," Snyder said.

EPA chief Gina McCarthy, speaking at the same March 17 hearing, said the federal rules "definitely need clarification, they need to be strengthened, and we're taking a look at that."

Beauvais repeated that message at a hearing Wednesday, telling the House Energy and Commerce Committee that the EPA has been "actively working on revisions" to the lead and copper rule for more than two years — well before the Flint crisis was declared a public health emergency in October 2015. An advisory council that has been studying the issue recommended extensive changes in December, Beauvais said.

"We're working hard on it. We hope to get it right," he said.

Rep. Fred Upton, R-Mich., the energy panel's chairman, urged the agency to speed up its work, saying 2017 is "a long ways off."

A bipartisan bill to provide federal funds to help Flint is idling in the Senate, stalled by the objections of Republican Sen. Mike Lee of Utah who argues against adding to the nation's deficit.

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## **In Flint, Rashes Stir Fears Of Showering As Scientists Hunt For Culprit**

By Abby Goodnough

[New York Times](#), April 14, 2016

The scientists' investigation involves extensively interviewing people with rashes, testing the water in their homes and referring them to local dermatologists, who are seeing them at no charge. Dr. McFadden said the investigation was looking for potential irritants in the water, including more than 20 heavy metals, a range of organic compounds, and byproducts of chlorine and other disinfectants.

So far the investigation has not turned up an obvious culprit, he said, though he added, "We are still very early in the process of pulling together data."

As of Tuesday, investigators had talked to 538 people who complained of rashes or other skin problems. Of those, 388 qualified for the study because they had an active rash that appeared after the city switched back to Detroit water.

Strikingly, more than 80 percent reported changing their bathing habits substantially because of the water crisis, Dr. McFadden said.

"We may not have identified a cause yet," he said, "but we certainly know this is a real challenge for the people of Flint, and we want to do everything we possibly can to try to get to the bottom of it."

Marc Edwards, a Virginia Tech professor who helped identify and expose Flint's lead problem, said there might never be a eureka moment connecting the rashes to something in the water. That is because scientific studies proving such a link are practically nonexistent, Dr. Edwards said during a news conference on Tuesday.

"That doesn't mean the water is not causing the rashes somehow," he said. "But we don't have the scientific understanding to prove cause and effect."

Dr. Walter Barkey, who is among four local dermatologists evaluating rashes as part of the investigation, said that about 70 percent of the people they had examined appeared to have eczematous dermatitis, a broad category of rash that may be caused by irritants or allergens.

Some people are genetically predisposed to the condition, Dr. Barkey said, and it is often exacerbated by cold, dry weather and stress, both of which have been in abundance in Flint since the lead contamination was revealed last fall. In general, he said, the spectrum of rashes seen by the volunteer team of dermatologists was similar to what they had seen in patients not exposed to Flint water.

"Add to that people changing their personal bathing habits, and it's a perfect storm for the situation we are in, basically," Dr. Barkey said. "But a lot of these people have a history that correlates with the water. They are definitely mistrustful of everything, and I don't blame them."

Dr. McFadden said the investigators hoped to have some preliminary findings on the rashes by the end of this month.

Dr. Edwards said that while he believed that Flint residents "should have no more concerns about taking a bath or shower at present than anyone in any other city," he would not blame anyone for refusing to believe it.

"Some of those people are probably never going to take a bath or shower again without some level of fear," he said, "given their experience."

Marla Garland said she started to worry about the safety of the water this year when she felt an unpleasant tingling sensation during her weekly showers and itched

ferociously afterward. She stopped bathing at home last month and joined a Y.M.C.A. in Flushing, a town bordering Flint, so she could shower in peace.

"It was like fire ants biting me," Ms. Garland, 42, said, describing how she felt after bathing at home. "I scratched so hard I had bruises on my arms and legs."

"Some people still say, 'Are you sure it's not psychosomatic?'" Ms. Garland added, tears welling in her eyes. "When you can't shower and you've got to find somewhere to go and your car's not working and you're thinking, 'I can't sell this house,' it all adds up, and it's very frustrating."

Tracey McCloud-Atkins, a dental assistant, lined up at a local church last month to get a coveted handout: a portable shower called a Pump-N-Spray. Members of Servants Without Borders, a charitable group based in Washington, traveled to Flint last month to give out more than 200 of the contraptions, which consist of a foot pedal and a nozzle that attach to a five-gallon jug of water. A spokeswoman for the group said it had received requests for 450 more and would return next month if it could raise enough money to buy them.

"My daughter is 17, and she uses it every day," said Ms. McCloud-Atkins, 54, who said they kept the water jug half full and added a gallon or two of boiled bottled water when they were ready to use it. "She's upset about not being able to take her hot baths. But who knows exactly what's in the water?"

Once a month, Darline Long and her husband, Charles, splurge on a hotel room outside Flint, where they and their daughter, Wendy, 36, who has cerebral palsy, soak in long baths and showers. At home, Ms. Long has been warming huge pots of water on the stove and pouring them over Wendy as she sits in a chair in their bathtub. The family members have all had rough, itchy skin for over a year, she said, which they are treating with hydrocortisone cream. Ms. Long said she was also losing her hair, a problem she is convinced is due to the water.

When they can bathe at a hotel, Ms. Long said, "I feel clean — I feel really, totally free from being afraid of lead water."

For Wendy, who has always loved baths, Ms. Long said, the hotel visits — including one at a Super 8 in neighboring Burton on Saturday — are particularly therapeutic.

"She was laughing and clapping her hands when she got in the water," Ms. Long said. "She slept a whole lot better that night." Continue reading the main story

## **Not Just Reading And Math: Education Secretary To Call For Return To A 'Well-Rounded Education'**

By Emma Brown

[Washington Post](#), April 14, 2016

The nation's schools have focused so intently on improving students' math and reading skills that, in many cases, they have squeezed out other important subjects, such as social studies, science and the arts.

That's the message that U.S. Education Secretary John King Jr. plans to deliver during a speech Thursday at an arts-focused school in Las Vegas, according to excerpts of his prepared remarks.

King plans to say that No Child Left Behind – the main federal education law that was signed in 2002 and required schools to show progress in math and reading test scores – had the unintentional consequence of narrowing the curriculum for too many children.

"For so many students, a wide range of possible subjects in school, powerfully and creatively taught, can be exactly what it takes to make the difference between disengagement and a lifelong passion for learning. But today, that's not happening enough," King plans to say.

But now, No Child Left Behind's successor — the Every Student Succeeds Act, passed in December — offers an opportunity for states and districts to create for themselves a more comprehensive definition for an excellent education, he plans to say.

Instead of measuring progress solely by math and reading test scores, for example, states will be able to include other indicators — such as students' performance in other subjects, and whether students have access to advanced coursework.

"It's a great chance to right the balance in places where the learning focus has become too narrow — and to do so in ways that expand, not dilute, civil rights," King plans to say.

Many teachers and parents have been complaining for years about the narrowing of the curriculum in the No Child Left Behind era. Some have blamed the Obama administration for intensifying, not alleviating, the focus on math and reading test scores — especially by pushing for teacher evaluations tied to those test scores.

In a meeting with reporters on Wednesday, King objected to that criticism, saying that the administration's efforts always emphasized a more holistic approach to teacher evaluations than the political rhetoric suggested.

Below are excerpts from King's prepared remarks, provided by the Education Department:

When I was a high school social studies teacher in Boston, I had a student named Ricardo. I guarantee you every teacher has had a student like him — brilliant, fascinating, but disengaged and just barely skating by. In my 11th-grade class, he was passing by the thinnest margin possible. But when we did a unit on the Great Migration and the Harlem Renaissance, he got excited about the topic. He came to care deeply about a paper he was writing about Marcus Garvey because he had his own ideas to share. He

must have written six or seven drafts of the paper, but he was not going to stop until it captured his thoughts exactly. He said that paper changed his perspective about academics, and made him wish he had known as a 9th-grader what he now understood about what it took to succeed in school. That's a huge insight, and finding his passion changed his whole approach to being a student.

For other students, it was a meaningful service and research project that put them at the center of their own learning and deepened their relationships with school. My seniors did extended projects tied to actual challenges our city was facing. One group of kids got involved with an organization called the Dudley Street Neighborhood Initiative, supporting their work to stop garbage dumping in their neighborhood, developing an urban agriculture project, and building affordable housing. Those experiences did so much to show them what their knowledge and skills could accomplish in the real world.

The power of a wide variety of offerings and engaging curricula changed my life too. ...

For me, for so many students, a wide range of possible subjects in school, powerfully and creatively taught, can be exactly what it takes to make the difference between disengagement and a lifelong passion for learning. But today, that's not happening enough.

I hear frequently and passionately from educators and families who feel that key elements of what makes up a well-rounded education have been neglected in favor of too tight a focus on math and reading.

Sometimes, that's because of constraints on resources, time, and money. Often, teachers and administrators have told me, it's because math and English Language Arts were focused on so intensely by some districts and schools under No Child Left Behind that other subjects were under-attended to or even ignored. The consequence for teachers in some places became daily choices between the well-rounded education their students needed and deserved, and too narrow a definition of accountability.

I've been clear, as have the president and my predecessor Arne Duncan, that in many places in this country, testing became excessive, redundant, and overemphasized, and our Department is serious about helping states and districts to change that. That's why I'm headed to Tulsa, Oklahoma, tomorrow, to see the good work folks there are doing to clear away unneeded assessments and focus on the most useful ones.

Done well and thoughtfully, assessments provide vital information to educators and families, and identify the gaps that must be addressed to ensure equity. But, in some places, an exclusive emphasis on the tested subjects drove a narrowing of what was taught and learned — and, worse, test prep and narrowly defined "time on task" sometimes came to replace a diversity of classes.

I want to be really clear that I do not believe the situation that created such painful choices was intended by the architects of No Child Left Behind. There's pretty wide agreement that too many kids in this country are left out of the kind of success we all want for our kids – and for many of them, struggles with fundamental literacy and numeracy create challenges everywhere in their education. Ideals of justice and civil rights underlie the expectation that every kid in this country will have those crucial skills, and that we as adults will hold ourselves accountable for that expectation. I believe in that.

The evidence doesn't show a vast, nationwide abandonment of subjects outside of math and English Language Arts, but there is a lot of reason to believe that students are not getting the instruction in science, social studies, the arts, and world languages that they need. For example, one survey found that in the elementary school years, students are spending 21 minutes a day or less on social studies and not much more on science. I count myself among those who worry that the balance has shifted too much away from subjects outside of math and English that can be the spark to a child's interest and excitement, are actually essential to success in reading, and are critical to a child's future.

Strong literacy and math skills are surely necessary for success in college, careers, and life – but they just as surely are not sufficient. Being a well-educated person and passionate about learning isn't just about reading and computing well. It's about being skilled and knowledgeable about a wide range of subjects, expert and passionate about a few, and confident in the quest for more knowledge.

The good news here is that, with the passage of the Every Student Succeeds Act – the welcome replacement for the No Child Left Behind law – the opportunity to widen how we understand educational excellence is suddenly ripe. It's a great chance to right the balance in places where the learning focus has become too narrow – and to do so in ways that expand, not dilute, civil rights.

Because the simple fact is, every kid in this country needs and deserves access to the subjects that go into being a well-educated person. Music and art; world languages; physics, chemistry, and biology; social studies, civics, geography, and government; physical education and health; coding and computer science – these aren't luxuries that are nice to have. They're what it means to be ready for today's world. ...

And the research is clear that a well-rounded education matters.

You understand a reading or a lesson better when it touches on knowledge or experiences you've encountered before – which is why students with wider knowledge read and learn more easily. It's the same idea as the "30-million word gap" – the difference in the number of words kids from

affluent and poor families have encountered by the time they enter preschool, and how differently that sets them up for success. Decades of research from folks like Daniel Willingham at the University of Virginia illustrate that students with broad knowledge are actually stronger readers.

We see the same principle playing out in the STEM subjects. Science achievement gaps show up as early as kindergarten, and if they aren't addressed, they stick around, at least to the end of eighth grade. Kindergartners who have been exposed to concepts and vocabulary about the natural world in their early years have an inherent advantage.

And there's evidence that kids get better at math when they've taken classes that make the connection between STEM and the arts – and that when they've had certain courses in the arts, kids can grow in self-confidence, and in linguistic skills, as well as in creativity. And the benefits of bilingualism for brain development show up as early as seven months old!

The implications for educational justice are profound. Because too often, it's kids from low-income families, and kids of color, who start out on the wrong side of those word gaps. Frequently, they are the ones who may miss out on a wide range of experiences, from museum visits to travel. And too often, they are the ones who lack access to a wide range of challenging courses once they get to school.

The same is true for gender gaps – which, in math, show up in the early grades, and get wider later.

The bottom line is clear: a rich range of course offerings isn't a nicety. It's a vital part of a thorough education and a crucial element of social justice. ...

The good news here is that the passage of the Every Student Succeeds Act makes the work to provide a well-rounded education to all students easier. Under the new law, states now have the opportunity to broaden their definition of educational excellence, to include providing students strong learning experiences in science, social studies, world languages, and the arts, as well as AP and International Baccalaureate classes – and even supporting students' socio-emotional development. That's a huge and welcome change.

And, when students in some schools are falling behind, states now have wider options for the kind of interventions they can put in place – including options like the Turnaround Arts Initiative funded by the Department. I've had the opportunity to see struggling schools make real change by infusing the arts into their school models, or launching new high-quality career and technical education programs, or taking a dual language approach.

I take our part of this commitment to change seriously, and we're putting in place new supports for efforts ranging from social and emotional skill development, to American history programs, to educational technology. We've made STEM learning a priority across several of our competitive

grant programs, including Investing in Innovation, or i3, which supports great new ideas from educators – with more than 4,000 applications for 157 grants so far.

The president has supported this direction with priorities in his 2017 budget, which would significantly increase the funding available for the arts, STEM, education technology, and safe and supportive school climates – which are such an important part of promoting students' socio-emotional development.

Among the president's proposals is a huge boost for STEM education: \$4 billion over three years for his Computer Science for All initiative, which focuses particularly on student groups historically underrepresented in STEM fields. And the budget proposes new efforts that would help prepare educators to teach a wider range of offerings, including a new STEM Master Teacher Corps.

I became a teacher and a principal because I wanted to try to do for other kids what my teachers at P.S. 276 and Mark Twain Junior High School in Brooklyn had done for me. I remain focused on that goal as we at the Department seek to advance equity and excellence for the nation's children.

I also have the opportunity now to see schools through the lens my daughters' experience, in public schools in Maryland. I feel truly blessed that my daughters attend the kind of schools that should be the norm for every child in America – schools with good resources, schools that pull together kids whose families differ in race and income, and who enjoy an education that's stronger, not despite that diversity but because of it.

Through their eyes, I see the importance each day of a well-rounded education and the excitement it brings.

My younger daughter's fourth-grade science class recently explored various ecosystems. They created a terrarium and aquarium, and tracked data to see how they changed over time – their temperature, plant growth, the pH of the water. And thanks to that hands-on study, she came home with a new interest in how the world works and an enduring curiosity about nature. ...

The same is true for my older daughter. She's pretty excited about her 7th-grade social studies class, which of course makes me happy. They have been studying the Middle Ages by conducting simulations where they experience events from the perspective of a person who lived in that time. My wife, a former elementary school teacher and developmental psychologist, talks about that kind of perspective-taking as one of the most sophisticated things you can do in a classroom – helping students see the world through someone else's eyes. It not only develops an understanding of social studies, it also helps to develop empathy and an appreciation for diversity.

Their education will shape the people they will become, not just what they will achieve academically. Both of them have studied music, dance, and theater. I don't know if either

of them will become a concert pianist or a famous guitarist or a professional ballerina. But I do know that they are developing a kind of aesthetic appreciation that will bring them joy and widen their world for the rest of their lives.

And really, that's what this is about: that inextricable intersection between what our kids learn and who they become. I am who I am because a teacher and a school believed it was worth the time and effort to widen my horizons.

That's what every student in this country deserves. Let's work together to make it possible.

## **Didn't Take Long: New Education Secretary Starts Butting Heads In Nation's Capital**

By Valerie Strauss

[Washington Post](#), April 13, 2016

This didn't take long: The new U.S. education secretary, John King, is already butting heads with people in Washington, D.C.

Just a month after being approved by the U.S. Senate as education secretary (he had been acting secretary for a few months), King has sparked the ire of none other than Republican Sen. Lamar Alexander of Tennessee, chairman of the Senate education committee, who had pushed President Obama to nominate him.

What's more, it isn't just Alexander who isn't thrilled with King, the former commissioner of education in New York state. King led a series of reforms in New York for 3½ years that were so badly administered that he abruptly left his position in late 2014 amid a tornado of criticism and moved to Washington to become No. 2 to then-education secretary Arne Duncan, who didn't seem to mind King's controversial N.Y. tenure.

A group of organizations — including the the National Governors Association, the National Conference of State Legislatures, the National Association of States Boards of Education and the two largest teachers unions in the country — just sent King a letter warning his department “to refrain from defining terms and aspects of the new law that Congress gave communities the flexibility to determine.” (See the letter below.)

At a hearing Tuesday, Alexander accused King of trying to subvert the Every Student Succeeds Act, the new K-12 U.S. education law, especially with proposed rules for how school districts can spend billions of Title 1 dollars. Alexander was behind the passage of the law, a rewrite of No Child Left Behind, which strips the U.S. Education Department of a lot of its policy-making power and sends it back to the states. Congressional motivation to finally replace No Child Left Behind, which was supposed to be rewritten in 2007, came in large part from concerns about what both Democratic and

Republican legislators said was micromanaging of federal education policy-making by the Obama administration.

And now, it is King's implementation of the new law that has him suddenly souring on King.

Title 1 is a federal program designed to provide funding for school districts to use to provide comparable educational services to children from families who live in poverty as compared to children from more well-off families. The new education law bars districts from including teacher compensation in the "comparability" equation, which, as my colleague Emma Brown explains in this story, allows a loophole that perpetuates a system in which high-poverty schools more often than low-poverty schools hire low-paying teachers with less experience.

King's Education Department issued proposed rules that Alexander said would force districts to include teacher salaries in their equitable spending calculations, and that, he said, subverts the law.

King argued with Alexander, and so did some Democratic senators, including Sen. Elizabeth Warren of Massachusetts, who came to King's defense. Brown reported that in a breakfast meeting with reporters Wednesday, King was asked whether he will reconsider the proposed rules, and he said that negotiators will continue to discuss the matter and he is hopeful they can come to a consensus.

"The principle that supplement-not-supplant should ensure that Title I dollars are supplemental is fundamental to the law and fundamental to its civil rights legacy," King said.

The education secretary also said that there are districts with "huge gaps" in spending on poor children in Title I schools versus more affluent students in non-Title I schools. That's clearly inconsistent with the intent of the law, King said.

But Alexander disagreed with King's argument and said he appeared to be deliberately trying to subvert the new law. He also warned King of what he was up against if he persisted.

"I'm not the only one who can read the law. You're going to come against a coalition of groups, as broad as anything we have ever had in education, of governors, teacher's organizations, chief state school officers, who are tired of your department telling them so much about what to do about the 50 million children in the 100,000 public schools," Alexander said. "They've already sent you a letter about that."

That letter was sent April 4 by a group of organizations: the National Governors Association, the National Conference of State Legislatures, the National Association of States Boards of Education, the Council of Chief State School Officers, the National School Boards Association, the School Superintendents Association, the National Association of Elementary School Principals, the American Federation of Teachers and the National Education Association.

Here's the letter (and below that is part of the transcript from the hearing in which Alexander tangles with King):

And here's part of the hearing transcript, as provided by the Senate education committee, which includes Alexander's opening statement and then the Alexander-King question and answer sessions:

Mr. Secretary, as you know, I urged the president to nominate an Education Secretary because I thought it was important to have a confirmed Secretary accountable to the United States Senate when the Department was implementing the new law fixing No Child Left Behind.

You have sworn to discharge your duties faithfully, that is your oath of office, and you have said in hearings here that you would "abide by the letter of the law."

So this hearing is about whether your employees are doing that or not doing that.

I don't think that I need to rehearse the fact that this bill passed by a huge margin, 359 – 64 in the House. And 85-12 in the Senate. The president signed it and called it a "Christmas miracle."

The reason we were able to achieve such unusual unanimity and consensus is, to put it bluntly, that local school boards, classroom teachers in states, had gotten tired of the U.S. Department of Education telling them so much about what to do.

It wasn't just Republicans complaining or governors complaining – you often hear that kind of thing when it comes to giving responsibility to those closest to the children – this came from the school superintendents, from the National Education Association, the American Federation of Teachers, chief state school officers – almost everyone involved in education.

There hasn't been a broader coalition in a long time.

Their objective was the fact that the Department of Education had become a national school board, telling Kansas what their standards must be, telling Tennessee how to fix failing schools, telling Washington state how to evaluate teachers.

So the legislation we passed not only got rid of those things, we went further in a remarkable way and have explicit prohibitions on what a future secretary might do.

This was all a dramatic change; it's called the "largest devolution of responsibility for education from the federal government to the states in 25 years."

But it isn't worth the paper it's printed on if not implemented properly.

This is the second hearing in what will be at least six oversight hearings of implementation of the new law. Already we are seeing disturbing evidence of an Education Department that is ignoring the law that the 22 members of this committee worked so hard to craft.

It wasn't easy to pass a law – there were crocodiles at every corner of the pond.



One of those, and I see Senator Bennet here, and we had vigorous discussions over this, was the issue of “comparability.” That’s a provision that was put into the law first in 1970. It says school districts have to provide at least comparable services with state and local funding to Title I schools and non-Title I schools.

But the law also says that school districts shall not include teacher pay when they measure spending for purposes of comparability.

This committee has debated several times whether or not teacher pay should be excluded. Senator Bennet for example, he not only felt very strongly about this, he had a proposal to change it. It wasn’t adopted. I felt strongly about it, I offered an amendment to change it, it was defeated.

Ultimately, the United States Congress made two decisions about this issue, as reflected in the law we passed last year.

First, we chose not to change the comparability language in the law, so the law still says teacher pay may not be included in that computation.

And second, we added a reporting requirement. That school districts report the amount they are spend on each student, including teacher salaries, so that parents and teachers could know what’s being spent and could make their own decisions about what is fair and what is equitable, rather than the federal government mandating it.

One thing that the law that the president signed in December did not do was change the requirement that says teacher salaries may not be included when you’re computing comparability.

But here’s what your department did on April 1.

You tried to do what Congress did not do last year. And you tried to do it by regulating another separate provision in the law.

In a proposed rule-making session, here’s what you proposed: forcing districts to include teacher salaries in how they measure their state and local spending. And to require that state and local spending in Title I schools be at least equal to the average spent in non-Title schools.

If that were adopted, your proposal would require a complete, costly overhaul of almost all the state and local finance systems in the country, something we did not pass in the law.

It would force teachers to transfer to new schools, something we did not pass in the law.

It would require states and school districts to move back to the burdensome practice of detailing every individual cost to comply with “supplement not supplant,” when the law as expressively written was to relieve some of that burden.

According to the Council of Great City Schools, your proposed rule would cost \$3.9 billion dollars just for their 69 urban school districts, to eliminate the differences in spending between the schools.

Now I’m not interested today in debating whether it’s a good idea or a bad idea to include teacher salaries when computing comparability – the plain fact of the matter is that the law specifically says the department on its own cannot do it.

Mr. Secretary, not only is what you’re doing against the law, the way you’re trying to do it is against another provision in the law.

To accomplish your goals on comparability, you are using the so-called “supplement not supplant” provision that is supposed to keep local school districts from using federal Title I dollars as a replacement for state and local dollars in low-income schools.

Now according to a Politico story published on December 18, the former Secretary of Education said: “Candidly, our lawyers are much smarter than many of the folks who were working on this bill.”

I don’t know whether that means the 22 senators on the committee, or all of the staff sitting behind us.

I am not sure how smart we are, but we’re smart enough to write a law in plain English, and we’re also smart enough to anticipate that your lawyers would attempt to ignore what we wrote and try to move around it.

So we included specific prohibitions in the so-called “supplement not supplant” provision that would prohibit you from doing the very things you are proposing to do.

Section 1118(b)(4), says “Nothing in this section shall be construed to authorize or permit the Secretary to prescribe the specific methodology a local educational agency uses to allocate State and local funds.” and

Section 1605, said “Nothing in this title shall be construed to mandate equalized spending per pupil for a State, local educational agency, or school.”

Mr. Secretary, I’ll have more to say about this in my question time, and I am going to ask you about this. But I want you to know, and particularly those lawyers who think none of us are very smart up here, I want them to know that I’m smart enough, and I believe there are others too, to use every power we have to make sure the law is implemented the way we wrote it – including our ability to overturn such rules when they become final, and including using the appropriations process.

And if you try to force states to follow these regulations that ignore the law, I’ll encourage them to request a hearing, which they have a right to do with the department. And if they lose, I’ll encourage them to take you to court.

I’m not the only one who can read the law. You’re going to come against a coalition of groups, as broad as anything we have ever had in education, of governors, teacher’s organizations, chief state school officers, who are tired of your department telling them so much about what to do about the 50 million children in the 100,000 public schools.

They’ve already sent you a letter about that.

Wisconsin Superintendent Tony Evers, a well-respected chief state school officer and a member of the rule-making committee, said last week that “Congressional intent isn’t necessarily being followed here.”

The school superintendents association, says that the prohibitions in the law, “in tandem with Congress’ deliberate act of leaving comparability unchanged, makes a seemingly tight case against expanding supplement not supplant.”

You’ve testified here that you will “abide by the letter of the law.”

It’s not abiding by the letter of the law to require local school districts to use teacher salaries and equalize spending between Title I and non-Title I schools.

It’s not abiding by the letter of the law to use the “supplement not supplant” provision to achieve your goals for comparability when Congress debated this issue and chose not to make any changes in the law.

I’m making such a point of this today, because we’re at the beginning of the implementation of a law that affects, as I said, 3.4 million teachers and 50 million students in 100,000 public schools.

The states are busy working on their plans for Title I money. They have a clear law that changes the direction of what federal policy is.

I’m determined to see the law is implemented in the way that we wrote it.

I think it’s important at the beginning of this implementation to make sure that you as well as those who work for you at the department understand that.

They are not elected to anything. And you are confirmed by the U.S. Senate to faithfully execute the laws, and you said you would abide by the letter of the law in your confirmation proceeding, and I expect that to be the case.

###

Senator Alexander First Round of Questions

Senator Alexander: Preliminarily Dr. King, we’re talking about Title I plans for federal dollars. States may apply for those dollars, submitting a plan, and they constitutes about four percent of all the money that state and local governments spend on 100,000 public schools. Now there’s more federal money than that, but it’s not covered by Title I. So we’re talking about for that amount of money, what instructions you can give. And second I would ask you this: you mentioned guidances coming out. Do you agree that guidances are merely illustrative, and are not intended to be legally binding on local school districts?

Dr. King: That’s right, as we’ve discussed. Guidance is intended to provide clarity and to provide examples of best practices. We do not believe guidance has the force of law. It often includes our interpretation of the law, again, to provide clarity.

Senator Alexander: Thank you Dr. King. Let’s talk about comparability. There’s a provision in the act, as I mentioned

in the my opening comments, first put there in 1970, that says school districts have to provide at least comparable services with state and local funding to Title I schools and non-Title I schools.

Now the law also says on comparability in Section 1118 (c)(2)(B), for purposes of this subsection, in determining that computation, “Staff salaries differentials for years of employment shall not be included in some determination.”

Now do you agree, yes or no, the law prohibits requiring local school districts to use teacher salaries when demonstrating they’re providing Title I schools with at least comparable services as non-Title I schools.

Dr. King: You are referencing the comparability section as opposed to the supplement not supplant section.

Senator Alexander: that’s correct.

Dr. King: Yes, I believe that’s an accurate interpretation comparability section of the law.

Senator Alexander: You’ve had a chance to study the law. In your opinion did congress make any changes in the comparability section when we reauthorized the law last year?

Dr. King: I don’t believe there were changes to the comparability section but there were changes to supplement not supplant.

Senator Alexander: Did we change section 1118(c)(2)(B), the comparability section?

Dr. King: To the best of my recollection, no.

Senator Alexander: No we didn’t change it. Now your proposal in April to the negotiated rule making committee, on a different section, supplement not supplant, says a local school district may determine the methodology it will use to allocate state and local funds, provided that methodology results in spending of local funds in a way that’s equal to or greater than the average spending per pupil In non-title I schools.”

And you also say that methodology must provide a basic educational program as defined under state and local law is used in each title I school. Would you agree that, that language defines the method that local school districts must use?

Dr. King: No, I appreciate you making the distinction between comparability and supplement not supplant.

Senator Alexander: Wait a second, in the supplement not supplant, it says provided that that methodology that the local school uses, one, provides at least the average spending per pupil in Title I schools as is provided in non-Title I schools I talked about and two, provides the basic educational program. How could that not be the defining of a methodology that a local school district must use?

Dr. King: The proposed regulation is careful to maintain district’s flexibility with determining...

Senator Alexander: Now wait a minute Mr. Secretary – the words are provided that methodology must one and two.

The question is, are you not defining a methodology, when you use the words providing that methodology is x and y.

Dr. King: We are not. We are laying out what criteria are necessary...

Senator Alexander: But you use the words "provided that methodology." "Provided that methodology" are the words you used.

Dr. King: ...Followed by a set of words that describe the criteria by which that methodology would meet the principal of supplement not supplant.

Senator Alexander: So you define the methodology?

Dr. King: We do not.

Senator Alexander: You do! How can you sit here and say that? Now we may not be very smart up here, or I may not be, let me speak for myself, I can read, provided that methodology does x, does, y, You are defining a methodology when in the law, when what we put in the law, was that nothing in that section of the law supplement not supplant, which has nothing to do with the comparability section, nothing in this section shall be construed to authorize or permit the secretary to prescribe the specific methodology a local education agency uses, or to equalize local spending.

Or in other words, we anticipated that you were going to try to not follow the law, and we anticipated and we wrote in the law you couldn't prescribe a specific methodology.

Dr. King: As I indicated, we do not prescribe the specific methodology; we leave the methodology to districts.

Senator Alexander: Provided that methodology results in X, provided that methodology results in Y. How is that not providing a methodology?

Dr. King: And those are criteria in how to evaluate a methodology that would be determined by a district that would ensure that the Title I dollars are in fact supplemental.

Senator Alexander: Mr. King do you how ridiculous the statement is you just made? If I read you plain English, if I say A, B, C and you say it's D,E,F how can that be?

Dr. King: Again, I would characterize it differently. The question here is, a methodology that is district determined must achieve A & B. And A & B ultimately define "supplement not supplant", which is to ensure that the Title I dollars are used in a way that is not supplemental.

Senator Alexander: Well the law intended that states would have more flexibility in local school districts. I'm already over my time. I've already violated my own rule. So I'll conclude, and stay for a second round of questions.

###

Senator Alexander Second Round of Questions

Senator Alexander: Senator Murphy has said in his exchange with you that you weren't prescribing a methodology in the supplement not supplant section we were discussing. You were merely saying that states and local school districts could use their own methodology as long as they got the result that was desired. Is that right?

Dr. King: They can use their own methodology in order to ensure that they fulfill the principle of supplement not supplant.

Senator Alexander: And in defining what we mean by, in your proposed rule and I was listening to what you said when you described what that role was. Would it be accurate to say that the local education agency, the school district, has to demonstrate that the combined state and local per pupil expenditures, including personnel expenditures, at each Title I school is not less than the average combined state and local per pupil expenditures and non-Title I schools. Is that about right?

Dr. King: It's that the allocation of state and local funds to Title I schools has to be at least equal to the average non-Title I school. An approach might include looking at staffing and program provision, but another approach might be a student funding formula approach.

Senator Alexander: But in any event, it would have to include teachers and personnel, right?

Dr. King: It would include the total allocation of state and local dollars.

Senator Alexander: Did you realize that that's precisely the definition in Senator Bennet's amendment on comparability when he sought to amend Section 1120, which didn't succeed, and which he acknowledged this morning didn't succeed? So the effect of your proposed rule is to change the comparability law, which Congress did not change.

Dr. King: Again, we're not addressing comparability here, we're addressing supplement not supplant.

Senator Alexander: No, but the effect of it would be. You'd have the same effect if you were to change the comparability law, which has been in law since 1970 and to which we did not make changes.

Dr. King: That would depend on the circumstances in a given district. But the key in the district is that the Title I dollars would be genuinely supplemental.

Senator Alexander: Well, you're saying that in order to do that you've got to have the spending the Title I schools, including the teachers' salaries, not less than the average combined state and local expenditures than the non-Title I schools. That's comparability, that's what we didn't change.

Dr. King: Now again, here, because the focus is on supplement not supplant, the question is whether or not the total local and state effort is at least equal to the non-Title I school. And a school can address a gap in effort through a variety of mechanisms. They can add advanced coursework, they can add a preschool program, they can take a number of strategies. It's not saying the services need to be the same, it's saying that the allocation of Title I dollars has to be supplemental.

Senator Alexander: Well but you're saying the total state and local effort for the non-Title I schools has to be the same for the Title I schools, right?

Dr. King: Has to be at least equal to the average non-Title I school, which again, could result in variety within a district.

Senator Alexander: Which, again, is comparability. I mean, that's what comparability is. I sought to change it by introducing an amendment to do as Senator Burr suggested, allowing federal dollars to follow children from low-income families to the schools they attend. That was rejected. Senator Bennet had his amendment. The changes in the supplement not supplant law are to some extent, maybe a large extent, due to recommendations directly from the Center for American Progress, the Federal Education Law Group, and the American Enterprise Institute.

I'm going to read you a paragraph, which they said, and I ask you to comment on it. They say:

"It's important that the proposed change, the one that was made, that we made in supplement not supplant, would not look at whether the amount of state and local money a Title I school receives is equitable. Given the problems caused by the supplement not supplant test, this issue should be addressed on its own separate from other Title I fiscal issues. Concerns over equity can be addressed through Title I's comparability requirement."

What would you say to that?

Dr. King: Here, I think part of what they're referencing is the number of problems that we saw with the supplement not supplant approach under No Child Left Behind that indeed, it was a burdensome process that did not achieve the desired goal of ensuring that Title I dollars are supplemental. We are not making a change to comparability we are making a change to supplement not supplant to reflect a change in law. Supplement not supplant is different under ESSA as you know then under NCLB and we were asked by a variety of stakeholders to provide clarity on implementation of supplement not supplant under ESSA and that's what we proposed to the negotiated rule makers.

Senator Alexander: What you proposed then must have the effect of equal spending by state and local dollars in Title I schools as well as non-Title I schools before you get the Title I money? Is that not correct?

Dr. King: It does not require equal spending. It requires that the state and local funds in Title I schools are at least what is being spent in the average non-Title I school. So in a given district you would still see variety in spending.

Senator Alexander: Yeah, well that equalizes spending. Well if you say you have to spend at least as much here as the average of here, that's what we call equal spending, isn't it?

Dr. King: No, the decision to use the average of non-Title I spending would mean that there is a variety of spending levels in the non-title I schools.

Senator Alexander: Section 1605 of the law says nothing in this title should be construed to mandate equalized funding per pupil for a state and local educational agency or school. What would you say to that?

Dr. King: Again, this wouldn't equalize spending, what it would say is that in the Title I school, you have to spend at least as much of state and local resources that is spent in the average non-Title I school. There would be a range of spending within non-Title I schools so you would not be requiring states to spend the same in all schools. But you would be insuring importantly that the Title I dollars are in fact supplemental and are not being used to backfill.

Senator Alexander: Well there are plenty of ways to figure that out without equalizing spending. This sounds to me exactly like the kind of thing the department got into with academic standards in Common Core. You basically said that states didn't have to adopt Common Core, but then you came up with requirements on standards that, in effect, required them all to do it. It produced an enormous backlash, which was a big part of passing this law.

So I would urge you to look carefully at this supplement not supplant negotiated rule making proposal, which is in the early stage, because in my view, it violates the unambiguous prohibitions that were in the law that the president signed in December, related to prescribing state and local funding methodologies, mandating equalizing spending – you aren't supposed to do that – interfering with state and local funding, you're prohibited from doing that, or controlling the allocation of state and local resources.

It ignores Congresses intent, which was to not change the law on comparability. It regulates outside the scope of the supplement not supplant requirement, it would impose unprecedented burdens on state and local school districts requiring an overhaul of almost all the state and local financial systems, giving districts few options other than to force the transfer of teachers to new schools, perhaps in direct conflict with collective bargaining contacts of teachers' organizations. And it would require states to go back to the burdensome practice that we had before. As I mentioned earlier, according to the Great State City School Council, it would cost schools 3.9 billion just for the 69 urban school districts to address state and local funding disparities; 9 million dollars from the department alone.

I have only one other question, flexibility for 8th grade students taking advanced math. One thing we heard more about than anything else in this reauthorization was about over testing and the need for more flexibility in testing. We thought we provided that. Well the new law permits a state to permit 8th grade students to take an end of the year test for passing the advanced math test in place of the 8th grade

math test. In other words, if you're an 8th grader and you can take algebra II; you can take the Algebra II test instead of the basic 8th grade test. That just makes common sense and in fact the department's waivers allowed that. Now you are proposing to add a new requirement, one that you apparently just made up, which says a state can be granted this flexibility only if it demonstrates that it offers all students in the state the opportunity to be prepared for and to take advanced mathematics course work in middle school. I mean where did that come from? That's not in the law.

Dr. King: Well this is being discussed by the negotiators. I think the key question here is, to the extent that opportunities are to be equitably provided to access advanced course work. We know for example, that there are high schools around the country serving large numbers of low-income students of color that don't even offer algebra II or chemistry. We know that there are middle schools serving high numbers of low-income students of color that don't even offer access to the algebra course.

So if you're going to have an assessment system that provides comparable information about equitable access to opportunity in schools, you need to ensure that students have that opportunity. For a school to not offer students access to that advanced course, means that you are using the assessment system, To in a sense, reify inequitable access.

Senator Alexander: Dr. King, if you would excuse me, if you were a United States Senator on the floor of the Senate that would be a very good and persuasive argument. But you're not. And we could have written that into the law but we didn't.

We basically said that a state may allow an eighth grade student who's taking an advanced math course to take the test for that advanced course it, and not have to take the state's basic 8th grade math test at the same time. Now you've come on and said well that's an interesting idea. We also think it'd be a good to make all the states and 100,000 public schools to change the way they offer advanced math courses to include a lot more students.

That may be a noble aspiration but it's not in the law. And for adding this requirement to money that constitutes about four percent of all the money that state and local governments spend on 100,000 public schools. Those decisions ought to be left to the elected officials, not to the people in your department.

Dr. King: You can't get comparable, valid, reliable information about student performance if the assessment is only available to some students and not to others. So the goal here is to ensure that the assessment system provides comparable information.

Senator Alexander: But you're not in charge of the accountability system. In fact what the law requires is that the result of those tests be a part of the state's accountability system. But what we're trying to get rid of is you here, telling

states what to do with the results of tests. It must have made common sense to say if you're an eighth grade student taking an advanced math course that you can take the test for that course, and that you don't have to also take the basic eighth grade test – period. I mean the department allowed states to do that in the waiver, why are you making this up now?

Dr. King: In the design of the accountability system yes, there is state flexibility around accountability system, but the states are to generate comparable information about the performance of students within any given grade.

Senator Alexander: Who's going to decide that, are you going to decide that?

Dr. King: States would decide how that would work in their districts

Senator Alexander: Well why not let them decide that?

Dr. King: we are.

Senator Alexander: No, you've said, in your proposed rule and I won't belabor it any further, I hope you'll go back and take a look at this. I mean you've basically put in a new requirement, that you can only take the flexibility congress gave if you do what the department now wants to legislate, demonstrate that you offer the opportunity for all students in the state to be prepared for and take advanced mathematics coursework in the middle school. It's kind of hard to know what that would mean anyway.

You were asked by one of the senators, do you have anything else to tell us. You sent proposed regulations to the Office of Management and Budget last week on accountability systems, state plans, innovative assessment pilot. When are you going to make details of those proposals public, what's your intended timeline for final regulations, and what can you tell us about other areas of the law that you intend to issue guidance on or offer technical assistance?

Dr. King: So the accountability regulations are now with OMB for review. We expect later this spring, early summer those comments will be posted for comment. We will later develop regulations, based on the input we've received from stakeholders on state plans, on the innovative assessment pilot. We expect those regulations to be out for public comment in the fall.

The goal is to have all the regulations in place by the end of the year so states are in a position to develop plans in spring and summer of next year, submit those plans in spring and summer of next year, so that they are ready for full implementation in September 2017.

We've also committed to develop guidance on services for homeless students, foster care students, and English learners. But we're continuing to gather feedback and input from stakeholders and will potentially develop additional guidance documents based on what states, districts, educators, parents, civil rights organizations are telling us they need in order to ensure clarity and have examples of best practices.

Senator Alexander: Thank you Dr. King. I hope you'll reflect on this hearing today. We have many different opinions on this committee and we were able to come to a law. And each of us can speak for ourselves, but for me, I think it is very clear that we did not intend that you come up with some clever way to use one provision, the "supplement not supplant" provision, to change another provision, the comparability provision, that we deliberately did not change because we couldn't agree on how to change it. We left the law exactly how it was.

I hope you'll take another look at that. Your responsibility is to faithfully execute the law and abide by the letter of the law and I don't think that the beginning of those rule proposals suggest that's what your employees are doing. So we'll look forward to following the implementation for the law carefully during the rest of the year.

## **Regulators: 5 Big Banks Get Failing Grades For Crisis Plans**

By Marcy Gordon And Ken Sweet, AP Business Writers [Associated Press](#), April 13, 2016

WASHINGTON (AP) – Federal regulators say five of the biggest banks in the U.S. failed to develop adequate plans for how they might reshape themselves in case of bankruptcy, which could leave them unable to survive without another taxpayer bailout.

JPMorgan Chase, Bank of America, Wells Fargo, Bank of New York Mellon and State Street Bank were cited Wednesday by the Federal Reserve and the Federal Deposit Insurance Corp. for gaps in their bankruptcy plans known as "living wills" that they were required to submit. The five banks – with a total of about \$5.6 trillion in assets – were among eight Wall Street behemoths whose plans were evaluated.

The two agencies found the five banks' plans are "not credible" or insufficient for an orderly restructuring in the event of bankruptcy. The regulators gave the banks an Oct. 1 deadline to fix the problems or face possible "more stringent" requirements. That could include ordering the banks to beef up their capital cushions against unforeseen losses. If the regulators still weren't satisfied, banks eventually could be forced to sell off assets.

Wall Street appeared unruffled by the news, and stocks of major banks rose in early U.S. trading. Investors view the banks' shortcomings in their "living wills" mainly as a housekeeping problem rather than an indication of fundamental financial weakness.

The financial component of the Standard & Poor's 500 index was up 1.6 percent, more than double the broader market.

The regulators' announcement came in a week when several major banks are expected to report weak earnings for the first quarter.

The big banks are in strong financial shape and are facing no threat of collapse. They sit on sturdy bases of capital that the regulators ordered them to shore up in recent years. The banking industry as a whole has recovered steadily since the financial crisis, racking up climbing quarterly profits.

At the same time, it's been a tough slog for big banks in recent months. Profits and share prices have fallen as their loans to energy companies have soured and the Fed signaled it will slow the pace of interest rate increases, which hurts bank profits. The financial industry is the worst performing sector of the S&P 500 this year.

The "living will" assessments are part of the regulators' effort to avoid another taxpayer bailout of Wall Street banks in a crisis and to end the marketplace perception that the government would step in and rescue them. Under the 2010 overhaul law, the FDIC has the authority to seize and dismantle big financial firms that could collapse and threaten the broader system. The banks' "living wills" could serve as guidelines for possible breakups by the government.

"We are going to do everything we can to fix this issue," JPMorgan CEO Jamie Dimon said in a conference call with reporters.

The biggest U.S. bank, with some \$2 trillion in assets, reported Wednesday that its first-quarter profit fell more than 8 percent from a year earlier, hurt by weak performance in its investment business. Still, the earnings came in better than analysts had expected, and JPMorgan's stock advanced.

Any potential breakup of JPMorgan would be at least two years away, if regulators continued to find the bank's plan to be deficient. And any capital that JPMorgan, or the other banks, would have to raise to meet the regulators' demands would also be at least six months away. In a conference call with investors, JPMorgan's finance chief Marianne Lake said any costs tied to meeting regulators' requirements would likely be modest.

Complex legal structures are a big factor in the problems the regulators had with the banks' plans. JPMorgan's plan, for example, relies on moving cash and holdings away from its overseas subsidiaries, a feat that could be difficult in a global financial crisis.

In their 18-month review, the Fed and the FDIC also found weaknesses that must be addressed in the plans of Goldman Sachs and Morgan Stanley. The agencies' assessments differed. Only the FDIC deemed Goldman's plan "not credible," the more serious label, while only the Fed accorded the "not credible" finding to Morgan Stanley.

The agencies also found shortcomings to be fixed in Citigroup's plan, but they didn't rise to the "not credible" level.

All eight banks must file the next round of plans by July 1 of next year.

The exercise was mandated under the financial overhaul law enacted in the wake of the crisis that struck in

2008 and set off the Great Recession. It is designed to check that big banks – which received hundreds of billions in bailouts – are prepared in case of financial disaster and aren't "too big to fail."

Wells Fargo said it was "disappointed" by the regulators' assessment of its plan. Still, the bank noted that the regulators acknowledged that it had taken steps to correct the problems.

"We view the feedback as constructive and valuable," San Francisco-based Wells Fargo said in a statement.

Bank of New York Mellon said it "is committed to addressing the issues raised within the required timeframe" and has taken important steps to improve its ability to be restructured if necessary.

The Fed and the FDIC already had put the big banks on notice in mid-2014 that they had to correct serious deficiencies in their "living wills" – such as a lack of details and relying on unrealistic assumptions. The banks were told to go back to the drawing board. Only the FDIC, not the Fed, used the "not credible" wording at that time.

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Sweet reported from Phoenix.

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This story has been corrected to show that major banks were reporting earnings for the first quarter, not fourth, this week.

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## **U.S. Regulators Fail 'Living Wills' At Five Of Eight Big Banks**

By Lisa Lambert, Reuters

[Reuters](#), April 13, 2016

Full-text stories from Reuters currently cannot be included in this document. You may, however, click the link above to access the story.

## **Five Big Banks' Living Wills Are Rejected By U.S. Regulators**

By Jesse Hamilton

[Bloomberg News](#), April 13, 2016

JPMorgan Chase & Co., Bank of America Corp. and three other major U.S. banks failed to persuade regulators they could go bankrupt without disrupting the broader financial system and could now face a tighter leash from Washington after government agencies used one of the most

significant post-crisis powers bestowed under the Dodd-Frank Act.

The banks – also including Wells Fargo & Co., Bank of New York Mellon Corp. and State Street Corp. – must scrap their resolution plans, or living wills, after the Federal Reserve and the Federal Deposit Insurance Corp. said versions submitted last year failed to satisfy their requirements. The lenders will have until Oct. 1 to rewrite the plans – but under the pressure that another failure would give regulators power to subject them to more capital, liquidity or constraints on their businesses.

"The FDIC and Federal Reserve are committed to carrying out the statutory mandate that systemically important financial institutions demonstrate a clear path to an orderly failure under bankruptcy at no cost to taxpayers," FDIC Chairman Martin Gruenberg said in a statement Wednesday.

Investors shrugged off the news as shares of all the banks whose living wills were rejected rose and the KBW Bank Index increased 2.27 percent to \$65.36 at 10:02 a.m. in New York. JPMorgan posted first-quarter profit earlier Wednesday that beat Wall Street estimates as the company slashed bankers' pay and trading revenue declined less than most analysts predicted.

While the rejected banks face the arduous process to overhaul strategies that in some cases run into thousands of pages, Citigroup Inc. can breathe a sigh of relief, having won provisional approval from both regulators. Goldman Sachs Group Inc. and Morgan Stanley also escaped having their plans termed "not credible," but only because they didn't get failing grades from both agencies. Goldman Sachs's plan was faulted by the FDIC and Morgan Stanley's by the Fed.

The living-wills exercise was a key check on the biggest banks written into Dodd-Frank, the regulatory overhaul prompted by the 2008 financial crisis. The fall of Lehman Brothers Holdings Inc. in September 2008 demonstrated what could happen when huge, complex financial firms land in bankruptcy court, so the resolution plan process was designed to ensure big banks in the U.S. can be wound down quickly without taking others with them.

Almost two years ago, 11 of the largest banks were told their plans fell far short of what regulators deemed acceptable, though the agencies didn't formally reject them. Since then, the industry has rehashed how derivatives contracts are written, and the agencies have imposed tough capital and liquidity demands on each lender. Even so, bankers were anxious to hear whether their efforts had gone far enough.

The worst-case scenario for a bank that continually fails to present credible plans is that regulators eventually could get authority to break them up, according to the law. Those are uncharted waters, because this marks the first time regulators have taken the initial step to find fault.

“We’re going to do everything possible to fix this issue,” JPMorgan Chairman and Chief Executive Officer Jamie Dimon said Wednesday in a conference call after the bank reported first-quarter results. Marianne Lake, JPMorgan’s chief financial officer, added that the bank is disappointed, but it should only face a modest expense to fix the plan.

Each bank received a letter detailing regulators’ expectations. JPMorgan was credited with having made some improvements since its last submission but was told that it lacked “appropriate models and processes for estimating and maintaining liquidity” during a resolution period. The bank was also told that its internal structure fails to promote an easy resolution.

Feedback to other banks often faulted the complexity of their legal structures and the inadequacy of their liquidity preparations – or how easily their assets can be converted to cash. In the letter to Bank of America, for instance, the Charlotte, North Carolina-based lender was instructed to fix its process for estimating how much liquidity would be needed to make sure subsidiaries could keep going after a failure, and Larry DiRita, a spokesman, said the firm will “expeditiously address the shortcomings and deficiencies.”

Andrew Williams, a Goldman Sachs spokesman, noted that “significant progress has been made” – a point the regulators acknowledged for all the banks even as they were finding fault. Both Goldman Sachs and Morgan Stanley said they’d keep working with regulators to improve their plans, according to their spokesmen.

Wells Fargo, which was the only top bank to get a passing grade in regulators’ first review, was faulted for “material errors” that undermine confidence the San Francisco-based lender is prepared in the event of a wind-down. The company said in a statement Wednesday that it understood the importance of the response and would fix its strategy by October.

The regulators said State Street and Bank of New York Mellon need to clarify their business lines and legal entities to improve their ability to be resolved. Bank of New York Mellon said it will address the issues by October. State Street, which also said in a statement that it’s committed to addressing its deficiencies by the deadline, was additionally told to revise its estimate for how much capital it would need in a resolution.

“It is in the best interest of the industry that all large institutions have credible resolution plans and, with that in mind, institutions will continue to work to address the technical shortcomings identified in this round of regulatory feedback,” said John Dearie, acting head of the Financial Services Forum, in a statement that highlighted “enormous progress” he said the industry has made.

The living-wills failure by several of the largest U.S. financial firms will further fuel Wall Street criticism in Washington and on the political campaign trail. Calls to break up banks has been a prominent feature of this year’s

presidential race – especially from Senator Bernie Sanders as he pursues the Democratic nomination. The industry and regulators have taken a beating from candidates and members of Congress over the perception that they haven’t fixed problems that led to the 2008 crisis.

The industry’s bad news comes a day after banks learned they may get a break on future living-will efforts. The Fed and FDIC agreed to a few concessions after the Government Accountability Office found flaws in the process. In response to GAO criticism, the two agencies said they would figure out a way to give banks more time to write the plans and also disclose more about how they decide whether a bank’s plan is credible.

Though the annual filing deadline for the 12 largest banks is July 1, the eight U.S. institutions the regulators responded to will be given until that date in 2017 for their next round, assuming the five that failed get their October plans approved. The agencies said they are still considering the living wills for four non-U.S. firms, including Barclays Plc, Credit Suisse Group AG, Deutsche Bank AG, and UBS Group AG.

“No firm yet shows itself capable of being resolved in an orderly fashion through bankruptcy,” FDIC Vice Chairman Thomas Hoenig, who has been critical of the process, said in a statement. “Thus, the goal to end too big to fail and protect the American taxpayer by ending bailouts remains just that: only a goal.”

## ‘Living Wills’ Of 5 Banks Fail To Pass Muster

By Nathaniel Popper And Peter Eavis , New York (NY) Times

[New York Times](#), April 14, 2016

Five giant banks — including JPMorgan Chase and Bank of America — failed to fulfill a crucial regulatory requirement that Congress introduced after the 2008 financial crisis to help make large financial institutions less a threat to the wider economy, federal banking regulators said on Wednesday.

Congress demanded that big banks regularly provide regulators with careful plans, also known as living wills, for how they would enter bankruptcy in an orderly fashion.

But the Federal Reserve and the Federal Deposit Insurance Corporation found that the plans of five banks were “not credible” or “would not facilitate an orderly resolution” under the United States bankruptcy code.

The failure of the banks to file satisfactory plans is likely to add fuel to the debate over whether some banks are “too big to fail,” meaning that their collapse would pose such a threat to the wider economy that taxpayers would have to step in to bail them out.

The too-big-to-fail issue has been a topic in the presidential race, and proponents of breaking up the banks will most likely seize on the deficient living wills as evidence



that the banks are still too big and complicated. Sign Up for the DealBook Newsletter

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The other banks that submitted plans that did not pass muster with both the Fed and the F.D.I.C. were Wells Fargo, Bank of New York Mellon and State Street.

The five banks have until Oct. 1 to fix their plans.

If, after any such adjustments, the Fed and the F.D.I.C. are still dissatisfied with the living wills, they can impose restrictions on the banks' activities or make them raise their capital levels, which in practice means using less borrowed money to finance their business. If after two years the regulators think the plans are still deficient, they can require the banks to sell off assets and businesses, with the aim of making them less complex and simpler to unwind in a bankruptcy.

"Obviously we were disappointed," Marianne Lake, JPMorgan's chief financial officer, said of the decision on Wednesday. "The most important thing is that we work with our regulators to understand their feedback in more detail."

The regulators' announcement came on the same day that JPMorgan announced a decline in both profit and revenue for the first quarter. Other large banks will report their quarterly results this week.

In a statement, Wells Fargo also said it was disappointed and added, "We understand the importance of these findings and we will address them as we update our plan by the Oct. 1, 2016, deadline identified by the agencies."

State Street said that the regulators had noted improvements in its resolution plan from previous ones and that it too hoped to address the deficiencies by Oct. 1. 'Living Wills' at a Glance

The Fed and the F.D.I.C. found that the plans of five banks were "not credible."

Bank of America said it would "expeditiously address the shortcomings and deficiencies identified." It added, "Today's announcement does not affect our ability to serve our customers and clients and return capital to our shareholders."

Still, the rejection of the living wills is a blow to the senior managers of the five banks. One of their jobs since the crisis has been to maintain good relations with regulators. The banks' boards may decide to press management on why the living wills fell short, especially after the banks had months to get the plans in order — and were told in 2014 that earlier living wills were lacking.

Other banks fared better.

Citigroup, despite having sprawling global operations, submitted a plan that mostly satisfied both regulators, a significant achievement for the bank.

The F.D.I.C. determined that the plan of Goldman Sachs was not credible, but the Fed did not reach that

conclusion. Conversely, the Fed found that Morgan Stanley's living will was not credible, while the F.D.I.C. did not make that determination.

Both Goldman and Morgan Stanley have to address the perceived weaknesses, but because only one of the regulators judged the plans not to be credible, the two companies are not subject to the strict remedial requirements that the five banks that fell short must now follow.

During the financial crisis, the chaos of Lehman Brothers' bankruptcy helped stoke panic in the global financial system. Congress, in passing the Dodd Frank Act of 2010, wanted to make it possible for banks to fail, but in an orderly way. While that goal would be hard to achieve, given the panic that is always likely to exist when a large bank is collapsing, the living wills seek to make it easier for bank regulators to oversee a bankruptcy. Graphic: Wall Street Earnings

The banking industry has complained that the process of submitting living wills is complex and hard to complete and has suggested changes.

"A useful process reform might be to do living wills every two or three years, instead of annually," said Tony Fratto, a partner at Hamilton Place Strategies, a public relations firm. "The time required for banks to produce them and regulators to react to them is clearly too tight."

The regulators on Wednesday gave some details on why banks fell short. JPMorgan, according to the regulators, did not have sufficient models for estimating how it would keep money flowing to its significant operations during a bankruptcy resolution. Bank of America, the regulators said, had a shortcoming in its plan to wind down its portfolio of derivatives, the financial instruments that banks and investors use to make wagers and hedge risks.

"The F.D.I.C. and Federal Reserve are committed to carrying out the statutory mandate that systemically important financial institutions demonstrate a clear path to an orderly failure under bankruptcy at no cost to taxpayers," the chairman of the F.D.I.C., Martin J. Gruenberg, said in a statement. "Today's action is a significant step toward achieving that goal."

The vice chairman of the agency, Thomas M. Hoenig, was more critical, saying "No firm yet shows itself capable of being resolved in an orderly fashion through bankruptcy."

"Thus, the goal to end too big to fail and protect the American taxpayer by ending bailouts remains just that: only a goal," he said in a separate statement.

The two agencies are still assessing the resolution plans filed by four big foreign banks that do substantial business in the United States: Barclays, Credit Suisse, Deutsche Bank and UBS. Continue reading the main story

## Regulators Reject Plans Of 5 Big U.S. Banks For Preventing Another Taxpayer Bailout

By Renae Merle, Washington (DC) Post  
[Washington Post](#), April 13, 2016

Federal regulators said Wednesday that five of the country's largest banks, including JPMorgan Chase and Bank of America, still don't have credible plans for winding down their operations without taxpayer help if they start to fail.

These so-called "living wills" are a critical requirement of the 2010 financial reform package, Dodd-Frank, aimed at preventing a repeat of the taxpayer bailouts that took place during the 2007-2008 financial crisis. The regulators found various problems with the plans submitted by Bank of America, Bank of New York Mellon, JPMorgan Chase, State Street and Wells Fargo.

The rejection appears likely to fuel populist concerns that U.S. banks are still "too big to fail." It comes as many in the banking sector are preparing to report weaker financial results for the first quarter of the year. Volatility in the stock market, China's slowing economy and the fall in oil prices have battered their bottom lines. JPMorgan on Wednesday reported a 7 percent drop in profits for the three-month period.

The banking industry sought to soften the findings, arguing that Wall Street today is still stronger than it was before the financial crisis.

"No financial company should be considered too big to fail," said John Dearie, acting chief executive of the Financial Services Forum, a banking industry group. "It is in the best interest of the industry that all large institutions have credible resolutions plans and, with that in mind, institutions will continue to work to address the technical shortcomings identified in this round of regulatory feedback."

Congress has demanded that big banks regularly submit detailed bankruptcy plans showing how they would unwind their operations without requiring taxpayer help.

But the regulators found shortcomings with Bank of America's plan, for example, to dismantle its portfolio of derivatives, financial instruments investors can use to make bets. JPMorgan, the country's largest bank, doesn't have a credible plan for keeping money flowing through its businesses during a bankruptcy, the regulators said.

"Obviously we were disappointed," Marianne Lake, the chief financial officer of JPMorgan, said during a conference call with investors Wednesday morning. "The most important thing is that we work with our regulators to understand their feedback in more detail. And we are fully committed to meeting their expectations."

JPMorgan's chairman and chief executive Jamie Dimon added that the bank has consistently worked to meet federal regulators' demands in the years since the Dodd-Frank financial reform law was adopted.

"We're trying to meet all the regulations, all the rules and all the requirements," Dimon said. "They have their job to do and we have to conform to it."

The five banks have until October to address the problems found by the Federal Reserve and the Federal Deposit Insurance Corp. If the deficiencies aren't addressed and their plans are still not deemed sufficient, the banks could face higher capital requirements or other regulatory sanctions.

"The FDIC and Federal Reserve are committed to carrying out the statutory mandate that systemically important financial institutions demonstrate a clear path to an orderly failure under bankruptcy at no cost to taxpayers," Martin J. Gruenberg, chairman of the FDIC, said in a statement.

Beyond the so-called living wills, regulators are facing fresh threats to other measures put in place to respond to the financial crisis. For instance, regulators have attempted to identify financial firms, apart from banks, that could pose a threat to the economy. These firms have traditionally received little government scrutiny, but after the massive insurance company AIG nearly collapsed in 2008 and required a \$182 billion taxpayer bailout, lawmakers called for stricter oversight of this portion of the financial industry.

So a government panel labeled four firms — AIG, Prudential, General Electric's financing arm and MetLife — as "systemically important financial institutions," subjecting them to tougher government rules.

But General Electric is now arguing that it no longer qualifies for the designation because it has sold off units and shrunk its balance sheet. And MetLife, which was founded in 1868 and has a global footprint of 100 million customers and a market capitalization of \$48 billion, has filed a lawsuit that now threatens the entire process.

Earlier this month, U.S. District Judge Rosemary M. Collyer overturned the company's "too big to fail" label and challenged the process the government used. The Treasury Department is appealing the ruling, which experts have said could hobble this portion of the financial reform law.

## Feds Reject Living Wills For 5 Big Banks

By Sylvan Lane  
[The Hill](#), April 13, 2016

Federal regulators on Wednesday rejected the dismantlement plans from five major domestic banks, saying they either wouldn't work or could plunge the economy into crisis.

The Federal Reserve Board and Federal Deposit Insurance Commission (FDIC) said that Bank of America, Bank of New York Mellon, JP Morgan Chase, State Street and Wells Fargo all lacked resolution plans, often called "living wills," that met federal standards.

Living wills are plans developed by major banks to outline how they could be dismantled in an orderly way to prevent an industry meltdown or bailout.

The Fed and FDIC said those banks' plans were "not credible or would not facilitate an orderly resolution under the U.S. Bankruptcy Code, the statutory standard established in the Dodd-Frank Wall Street Reform and Consumer Protection Act." The decisions were unanimous among the Fed and FDIC boards.

The FDIC also independently disapproved Goldman Sachs's resolution plan, while the Fed also disapproved Morgan Stanley's. Citigroup's resolution plan won both agencies' approval, though the FDIC and Fed identified shortcomings the firm was asked to fix.

Each institution has until October 1 to incorporate specific feedback into their plans or will face stricter standards from the agencies.

Industry officials stressed patience after the announcement and highlighted progress banks have made.

"By design, the living will process is iterative and will be ongoing, and the industry remains committed to continuing to work with regulators to ensure effective resolution and recovery planning," said John Dearie, acting CEO of the Financial Services Forum, a nonpartisan policy group headed by industry chiefs.

"Large U.S. banking companies are stronger, more streamlined and more sound than before the 2008 crisis," said Dearie. "This additional strength puts large institutions in an even better position."

Former Assistant Treasury Secretary Tony Fratto said large banks were making "meaningful progress."

The announcement "doesn't change the fact that they have made radical transformations in safety and soundness over the last seven years and are better prepared than ever to weather an economic shock," said Fratto, now a partner at Hamilton Place Strategies.

Updated at 11:45 a.m. for clarity

## **Hillary Clinton-Bernie Sanders Schism Grows On 'Too Big To Fail' Banks**

By Trip Gabriel

[New York Times](#), April 13, 2016

Banks, very big ones, undergird the New York City economy.

Whether they are so big that they pose a threat to the financial system and the nation's economy as a whole has been a point of contention in the Democratic race between Hillary Clinton and Bernie Sanders, and it is heating up ahead of the New York primary on Tuesday.

Mrs. Clinton's and Mr. Sanders's reactions on Wednesday to the failure of five large banks to pass a test

under the Dodd-Frank Wall Street reform law characterized their sharp differences on the issue.

Mrs. Clinton called on regulators to increase pressure on the banks, including JPMorgan Chase, Bank of America and Wells Fargo, to clean up their act — or else.

Mr. Sanders jumped straight to the "or else." He said the Wall Street giants were already too big and should be broken up now.

The process-oriented approach of Mrs. Clinton vs. Mr. Sanders's grand gesture typifies their sparring over "too big to fail" banks in speeches, debates and TV ads. The issue seems likely to come up again on Thursday when they meet for a debate in Brooklyn five days before the primary.

In an ad running in New York, Mr. Sanders portrays Mrs. Clinton as too cozy with Wall Street, and promises that unlike his opponent, he would break up financial behemoths and raise their taxes.

"Will they like me? No," he says in the ad. "Will they begin to play by the rules if I'm president? You better believe it."

The three Republican candidates, Donald J. Trump, Senator Ted Cruz and Gov. John Kasich have all called for the repeal of the Dodd-Frank law, which they accuse of smothering banks in regulations and holding back economic growth.

Under the law, meant to prevent a reprise of the 2008 financial crisis, large banks must file plans on how they would undergo an orderly bankruptcy in the event of a severe crisis. The five banks' plans, known as living wills, were found inadequate. The banks have until Oct. 1 to fix them or face restrictions, which after two years could include selling off assets.

Mr. Sanders, in no mood to wait, said the banks were bigger today than when taxpayers bailed them out in the financial crisis. "If we are serious about preventing another major financial crisis and ending the enormous concentration of ownership within the financial sector, we have got to stand up to Wall Street and break these banks up," he said in a statement.

Mrs. Clinton, by contrast, urged that the regulatory process play itself out under existing law, starting with banks submitting new living wills. Next regulators should impose higher capital requirements.

"And if these banks don't fix their problems over time, then regulators need to break them apart," she said in a statement.

In the past, Mr. Sanders has called Mrs. Clinton too compromised to take on Wall Street because she has taken large donations from bankers as a candidate and was paid \$675,000 for a series of speeches to Goldman Sachs. He regularly needles her to release the transcripts of the speeches.

Mr. Sanders pledged in January to break up banks that are too big to fail — that is, so important to the economy they would need a taxpayer bailout — within one year of taking office. He wants to reinstate the Glass-Steagall law of the 1930s that created a wall between investment banking and retail banks. It was partly repealed under President Bill Clinton, which Mr. Sanders maintains helped bring on the Great Recession a decade later.

Mrs. Clinton has called Mr. Sanders's proposals inadequate because the financial crisis was caused not just by banks collapsing, but by the failure of "shadow" financial institutions like AIG, an insurance company, and subprime mortgage companies like Countrywide, which went on lending sprees.

"If all you do is look at the banks, you are missing shadow banking," she told The Daily News in an interview with its editorial board recently. Mr. Sanders also spoke with the New York paper's editors, and in endorsing Mrs. Clinton this week they cited the Vermont senator's lack of specifics on how he would execute his "shock-and-awe bank-busting campaign."

The Republican candidates, in calling for the repeal of Dodd-Frank, which was passed by President Obama and a Democratic-controlled Congress, have blamed it as inadequate to prevent future bank bailouts, and for crippling small community banks.

Mr. Kasich, a former executive with Lehman Brothers, which collapsed in the crisis, said on Monday that he approved of requiring big banks to hold more assets and less debt, one of Dodd-Frank's rules.

At the same time, he said, overregulation of small banks forced them to sell out to bigger banks, "so the big banks get bigger and the small banks are eliminated."

"That's just nuts," he added. "So you have to be able to thread the needle on that."

Thomas Kaplan contributed reporting.

## **Big Banks Have Risks—and Benefits**

**Before breaking up big banks, regulators should consider the costs to customers and the economy**

By Greg Ip

[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

## **Fed Survey Finds US Economy Still Expanding**

By Martin Crutsinger, AP Economics Writer

[Associated Press](#), April 13, 2016

WASHINGTON (AP) — The Federal Reserve said Wednesday that the economy kept expanding in late February and March, despite weakness in the energy sector and a slowdown in exports of some factory and farm products because of global weakness and the strong dollar.

The Fed's latest survey of business conditions in its 12 districts found that consumer spending was rising modestly and wages were increasing in all districts except Atlanta. Fed officials are hoping to see a pickup in wages after a prolonged period of weak wage growth following the Great Recession.

The survey, known as the Beige Book, will be considered at the Fed's next meeting on April 26-27.

Economists expect the Fed to keep its benchmark policy rate unchanged in a range of 0.25 percent to 0.5 percent. The Fed boosted the rate by a quarter-point in December after keeping it at a record low near zero for seven years.

It kept rates unchanged in January and March, preferring to see what the fallout of a spreading global slowdown and turbulent financial markets would be on the U.S. economy.

Fed Chair Janet Yellen has emphasized in recent comments that the Fed still expects raise rates gradually, especially since inflation remains well below its target of price increases of 2 percent per year.

The latest Fed survey, based on responses gathered before April 7, found that retail prices were climbing modestly, held back by falling energy prices. Low energy costs were helping to boost airline profit margins, the report said, and trimmed the cost of petroleum-based materials such as roofing shingles.

The survey found wage gains in all districts but Atlanta. New York, St. Louis, Minneapolis and San Francisco reported "moderate" wage growth, while the Chicago district characterized wage gains as "mild." Most districts reported job growth, with only the Cleveland district reporting a decline in overall employment.

The strongest wage gains were in occupations experiencing labor shortages. Boston, Cleveland and St. Louis cited "sizeable" wage growth for workers in such fields as information technology, skilled construction jobs and some manufacturing trades.

By contrast, districts with heavy concentrations of energy industries reported layoffs due to cutbacks in exploration and production. The report said that oil and gas production continued to fall in the Atlanta, Kansas City and Dallas districts. Districts reporting layoffs in the energy sector included Cleveland, Atlanta, St. Louis, Minneapolis and Dallas.

Most districts reported gains in manufacturing, with the exception of Cleveland and Kansas City.

Housing construction expanded in most districts, with several districts crediting a mild winter for boosting home sales. The San Francisco district reported backlogs of more than six months for new single-family homes.

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## **Economy In U.S. Delivers Modest Gains In Prices, Wages, Fed Says**

By Christopher Condon

[Bloomberg News](#), April 13, 2016

The U.S. economy continued to expand from late-February to early April, boosting employment and delivering some long-awaited upward pressure on wages and prices, a Federal Reserve report showed.

“Most districts said that economic growth was in the modest to moderate range and that contacts expected growth would remain in that range going forward,” according to the Fed’s Beige Book, an economic survey published eight times a year. It also noted a general pickup in manufacturing, which had been hurt by a rising dollar.

In contrast to the March 2 Beige Book, when Fed district banks said prices were “generally flat,” Wednesday’s report indicated that “overall, prices increased modestly across the majority of districts, and input cost pressures continued to ease” amid cheap energy bills.

Retail prices “increased modestly” while wages rose in all districts except Atlanta, the report showed. Wages climbed most in occupations where labor shortages and turnover were elevated, it said.

Of the Fed’s 12 regional reserve banks, only Cleveland reported a decline in overall employment, while only Cleveland and Kansas City said manufacturing activity had declined. Manufacturers in several districts, including Boston, St. Louis and Minneapolis, also reported increased capital outlays.

The report painted a generally improving picture of the nation’s economy two weeks ahead of the next meeting of the Federal Open Market Committee when officials gather to discuss their outlook and set the Fed’s benchmark interest rate. Minutes of their March meeting show several Fed officials were then opposed to an April rate increase, arguing a hike that soon would signal an inappropriate sense of urgency.

Investors see zero probability the FOMC will lift the federal funds target range this month, based on prices in federal funds futures contracts. The range has stood at 0.25 percent to 0.5 percent since the committee raised rates in December for the first time in almost a decade.

The Beige Book said consumer spending increased “modestly” in most districts, with strong auto sales in several regions. Activity in both residential and commercial construction generally increased, while credit conditions

improved in most regions. The Fed noted increased competition for loans in several districts, pressuring net interest margins at commercial banks.

A negative note in the report’s summary related to energy and mining sectors, which have been battered by oil prices that have declined substantially in the past two years.

The report, prepared by the Chicago Fed, was based on information collected on or before April 7. It summarizes comments received from businesses and other contacts outside the Fed system.

## **Retailers Fight To Stop Obama’s Overtime Rule**

By Lydia Wheeler

[The Hill](#), April 13, 2016

The retail industry is calling on the Obama administration to rethink its plan to make salaried workers who earn up to \$50,000 annually eligible for overtime pay.

In meetings with administration officials and in a letter to Congress on Wednesday, the National Retail Federation called the Department of Labor’s proposed overtime rule “misguided and extreme.”

NRF claims the rule, which stemmed from an executive order President Obama issued in March 2014, fails to account for regional differences in the nation’s economy and will disproportionately impact employees and employers in areas like the South and Midwest.

“The Department’s one-size-fits-all rule will curtail career advancement opportunities, diminish workplace flexibility, damage employee morale, and lead to a more hierarchical workplace,” the group said in its letter.

“Many employees who currently enjoy the benefits associated with salaried, exempt status may be forced to take a step back in their careers when they are converted to hourly, non-exempt status as a result of this rule.”

The federation urged Congress to block the administration from moving forward with the rule by passing the Protecting Workplace Advancement and Opportunity Act.

The bill, introduced by Sen. Tim Scott (R-S.C.) and Rep. Tim Walberg (R-Mich.), would require the Labor Department to thoroughly analyze the impacts of expanding overtime pay before issuing a final rule.

“These are studies that DOL should have undertaken before issuing the proposed rule and on which the public deserves an opportunity to comment,” the federation said in its letter.

## **As Minimum Wage Marches Toward \$15, Small Businesses Adapt**

By Joyce M. Rosenberg, AP Business Writer

[Associated Press](#), April 13, 2016

NEW YORK (AP) – In the aftermath of California and New York becoming the first states to raise the statewide minimum wage to \$15, some small businesses with hourly workers are rethinking how they can absorb the increase.

The owners of Dog Haus, a chain of about 20 franchise restaurants in the West, may have customers pick up their meals at the counters in two company-owned stores instead of using servers to carry food to tables. The Pasadena, California-based company is also looking at hiring more experienced workers who can shoulder more responsibilities than entry-level staffers who earn minimum wage. For example, a cashier might now take on some administrative tasks. That way, Dog Haus could hire fewer people.

“We’ve known this has been coming for a while, and we’ve been preparing for it,” co-owner Andre Vener says.

State minimum wages have been rising the past few years as pro-labor groups including unions call for higher pay for workers, especially those at fast-food restaurants. That’s forcing small businesses that are more vulnerable to labor cost increases than large companies to reassess their operations. Some are thinking of cutting staff, and others are raising prices.

California and Massachusetts have the highest statewide minimum wages at \$10. California and New York this month became the first states to pass laws mandating that a statewide \$15 minimum be phased in over the next few years. Between 2013 and 2015, seven cities in Washington state and California either passed laws raising their minimums to \$15 or had referendums approving the increase, according to the National Employment Law Project, a group that advocates for lower-wage workers. Some other states raise their minimums annually to keep pace with inflation.

Small and independent retailers and restaurants are likely to feel the biggest impact of rising minimums because they employ many low-wage hourly workers. Nearly three-quarters of U.S. workers paid at or below the federal minimum wage of \$7.25 an hour work in retailing or the leisure and hospitality industries, which include fast-food restaurants, according to the Labor Department.

It’s not just pay that rises – companies must pay more for workers’ compensation insurance and Social Security and Medicare taxes tied to what staffers earn. And when the minimum goes up, many owners give raises to employees whose pay is above the minimum so these workers – often more senior or experienced workers – will continue to earn more than junior staffers, says Jay Starkman, CEO of Engage PEO, a human resources provider based in Hollywood, Florida. It can be risky not to adjust their pay as well.

“You could have a real potential drain on morale and productivity,” Starkman says.

But because minimum wage hikes are being phased in, companies have time to prepare.

“Smart owners are going to adjust and they’ll take steps to make sure they stay in business,” says Gene Marks, owner of The Marks Group, a consulting firm based in Bala Cynwyd, Pennsylvania.

He expects restaurants to come up with innovations to get work done with fewer staffers. For example, he imagines coffee houses where customers pour their own cups.

In Washington D.C., Michael Lastoria is preparing for a higher minimum by giving his pizza chain staffers raises to as much as \$15 an hour. The minimum in the city will be \$11.50 as of July 1 and then rise annually with inflation. The staffers at &pizza will all earn \$12 an hour by July 1, including brand-new employees.

“We’ve done everything in our power to get ahead of the curve,” says Lastoria, CEO of the chain that has 20 restaurants, including seven inside Washington.

Lastoria’s company can absorb the higher labor costs because it has solid revenue growth, he says.

Many companies have reluctantly started raising prices.

Laura Jankowski, owner of three Tropical Smoothie stores in the New York City suburbs, has had to raise her prices about 30 percent – and heard complaints from some of her customers. Fast-food restaurants in the state had a big jump in the minimum wage on Dec. 31. The minimum for their workers in New York City rose by \$1.50 to \$10.50, and in the rest of the state, \$1 to \$9.75. The minimum for other workers is \$9.

Jankowski isn’t sure yet what changes she’ll make as the minimum keeps rising.

“We’ll be trying to figure it out as we approach each wage increase,” she says.

In Seattle, which began phasing in a \$15 minimum wage last year, Renee Erickson and her partners have given workers at their four seafood restaurants raises that brought everyone to at least \$15 an hour. That meant raising prices 10 percent, but the owners decided it was important to create a positive atmosphere for their workers.

“We just went ahead and did it right away. There’s no reason to slowly implement it,” Erickson says.

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Follow Joyce Rosenberg at [www.twitter.com/JoyceMRosenberg](http://www.twitter.com/JoyceMRosenberg). Her work can be found here: <http://bigstory.ap.org/content/joyce-m-rosenberg>

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## Retail Sales Unexpectedly Fall As U.S. Spending Loses Momentum

By Shobhana Chandra

[Bloomberg News](#), April 13, 2016

Sales at U.S. retailers unexpectedly fell in March, raising concern consumer spending is losing momentum.

The 0.3 percent drop in purchases followed little change the prior month, Commerce Department figures showed Wednesday in Washington. The median forecast of 81 economists surveyed by Bloomberg called for a 0.1 percent gain.

The decrease was led by the biggest drop in demand for autos in a year, and cutbacks at clothing stores, internet merchants and restaurants. Sustained gains in consumer spending, the biggest part of the economy, are needed at a time exports are still depressed by cooling global markets and U.S. manufacturing is barely emerging from a slump.

"I don't think the consumer will spend beyond his or her means," Gregory Daco, head of U.S. macroeconomics at Oxford Economics Ltd. in New York, said before the report. "A sustained acceleration in wages is still the missing piece."

Estimates in the Bloomberg survey for total retail sales ranged from declines of 0.8 percent to a gain of 0.4 percent. The February tally was previously reported as a 0.1 percent drop.

While nine of 13 major categories showed gains last month, those increases weren't large enough to offset the drop in autos, clothing and restaurants.

Automobile dealers' sales dropped 2.1 percent in March, the biggest decrease since February 2015. That was in line with industry data earlier this month that showed the torrid pace of car demand was leveling off. Purchases of cars and light trucks grew at a 16.5 million annualized rate in March, the slowest in more than a year, according to Ward's Automotive Group. Excluding Autos

Excluding autos, purchases rose 0.2 percent last month after being little changed in February, Wednesday's report showed. The increase was paced by a 0.9 percent jump in receipts at service stations that probably reflected the recent pickup in gasoline prices.

The Commerce Department's retail sales data aren't adjusted for prices, so higher fuel costs boost filling-station receipts.

Regular gasoline at the pump climbed last month to an average \$1.94 a gallon, or up 21 cents from the February average of \$1.73, according to AAA, the biggest U.S. auto group. Fuel costs, however, remain a tailwind for consumers as the February level was the lowest since 2009.

Retail sales excluding automobiles and service stations increased 0.1 percent, less than the projected gain of 0.3 percent in the Bloomberg survey. Saving More

That suggests Americans are boosting savings even as the job market continues to improve.

The figures used to calculate gross domestic product, which exclude categories such as food services, auto dealers, home-improvement stores and service stations, showed a 0.1 percent advance, matching the prior month's increase in the so-called retail control group.

The retail report showed sales decreased 0.9 percent at clothing chains, the biggest retreat since October, and a 0.8 percent drop at restaurants and bars.

Some economists may further trim estimates for consumer spending following the retail sales results. The median forecast in a Bloomberg survey shows household purchases rose at a 1.9 percent annualized rate in the first quarter, the weakest in a year and following a 2.4 percent pace in the prior three months.

The labor market continues to remain robust, however. The March payrolls report showed employers added 215,000 workers to payrolls after a 245,000 February advance, while the jobless rate edged up to 5 percent as more people entered the labor force.

A separate report from the Labor Department Wednesday showed wholesale prices in the U.S. unexpectedly fell in March for a second month, showing inflation is still well-contained as Federal Reserve officials weigh whether further increases in the benchmark interest rate are warranted.

The 0.1 percent drop in the producer-price index followed a

0.2 percent decrease in February. Over the past 12 months, wholesale prices fell 0.1 percent.

## Weak Retail Sales In March Augur Ill For First-Quarter Growth

**Economists see a familiar pattern of slow start to year followed by a rebound, validating Fed's wait-and-see approach on rates**

By Jeffrey Sparshott

[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

## Many U.S. Corporations Pay Little In Federal Income Taxes: Report

By Alana Wise

[Reuters](#), April 13, 2016

Full-text stories from Reuters currently cannot be included in this document. You may, however, click the link above to access the story.

## House Panel Passes Bills To Ramp Up CFPB Oversight

By Sylvan Lane, The Hill

[The Hill](#), April 13, 2016

The House Financial Services committee approved two bills Wednesday that would repeal a post-recession bailout fund and give Congress control of the Consumer Financial Protection Bureau's (CFPB) budget.

The committee passed, 33-20, the Taking Account of Bureaucrats' Spending (TABS) Act which would subject the CFPB to the congressional appropriations process. The CFPB is currently funded by a dedicated revenue stream from the Federal Reserve and operates on a budget requested by the director.

Republicans, most of whom oppose the CFPB's existence, have long been critical of the bureau's funding process and Congress's limited control. The TABS Act would give legislators more say over CFPB operations and opens the door to defunding the agency all together.

"Every government agency should be accountable to the elected representatives of 'We the People' and the CFPB should not be an exception to that rule," House Financial Services Chairman Jeb Hensarling (R-Texas) said at the markup. "It is a base matter of congressional oversight."

Democrats have fought against several Republican efforts to curb CFPB authority, and ranking Democrat Rep. Maxine Waters (Calif.) insisted the TABS Act is intended to "repeal the very existence of the bureau."

"Whether it is protecting service members from financial predation, guarding students from fraudulent, for-profit schools, or establishing clear rules-of-the-road for payday loans, the Republicans stand in lockstep opposition," said Waters.

The committee also passed a bill, 34-22, to repeal Title II of Dodd-Frank regulatory reform law. That section created the Orderly Liquidation Authority (OLA), which authorizes Federal Deposit Insurance Commission (FDIC) funding to dismantle a major domestic financial firm without igniting an economic crisis. The FDIC would later be reimbursed through a fee on other large firms.

Hensarling praised a bill passed by the House on Tuesday meant to gear those firms toward bankruptcy instead of depending on the OLA.

"When it comes to the resolution of these large, complex financial institutions, should we have bailouts or should we have bankruptcy? I think most people, particularly on the Republican side of the aisle, believe there should be bankruptcy," said Hensarling. "There is no one financial institution that should be deemed 'too big to fail' and others 'too small to matter.'"

Waters panned both bills as "tremendously harmful for our nation's economy" and criticized Republicans for pushing "budget gimmicks to generate illusory savings."

"Every credible expert on this topic has said that if you want to demand that financial institutions can go through

ordinary bankruptcy, you must take proactive steps," said Waters. "The majority on this committee has advanced no credible mechanism by which we could resolve our largest bank and non-bank institutions."

## **Dodd-Frank In Retreat**

By Wall Street Journal

[Wall Street Journal](#), April 13, 2016

Full-text stories from the Wall Street Journal are available to Journal subscribers by clicking the link.

## **Treasury Official Urges Quick Action On Puerto Rico Rescue**

By Mary Williams Walsh

[New York Times](#), April 13, 2016

WASHINGTON — Skeptical lawmakers at the House Natural Resources Committee heard testimony Wednesday on a plan to rescue Puerto Rico, as witnesses warned that only quick action by Congress could keep a bad situation from becoming a lost decade.

Antonio Weiss, the counselor to the Treasury secretary, told lawmakers "everybody loses" if Congress fails to intervene in time and Puerto Rico defaults on big debt payments in the coming weeks.

On Tuesday the committee's draft bill was introduced in the House, proposing to put Puerto Rico under a seven-member federal oversight board and give it extraordinary powers to wipe out debt, something normally available only in bankruptcy. Under existing law, Puerto Rico is barred from declaring bankruptcy.

"This legislation is not a bailout," Mr. Weiss added, "but if things go bad it could turn into one."

The situation has created a sense of urgency in Washington as well as in San Juan, though the drafting of the bill has drawn criticism from all sides. The island has a \$422 million debt payment due on May 1, and is running out of cash. It has already defaulted on several smaller debt payments, and \$2 billion more is due in July.

Mr. Weiss said there were still parts of the bill that he did not support, but he urged the committee to repair them quickly so that Congress could put a legal framework in place in time for the coming debt payment deadlines. Otherwise, he and other witnesses said, a default could plunge Puerto Rico into an abyss.

"There will be endless litigation," he warned. "We fear economic chaos."

Puerto Rico has a total \$72 billion of debt outstanding, most of it in the form of municipal bonds. It also owes at least \$43 billion of government pensions that are almost entirely unfunded. It has stopped paying some of its vendors, and it risks losing its ability to provide essential services such as hospital care, clean water and electricity.



The House committee's chairman, Rob Bishop of Utah, had put the rescue bill on a fast track. However, in a statement late Wednesday afternoon, he said he had adjourned the committee so it could consider proposed amendments, saying the administration was still negotiating on key provisions and members needed time to understand the complexities of the issue and the ramifications of any proposed changes.

Paul D. Ryan, the speaker of the House, announced his support for the legislation on Tuesday, saying, "This bill protects American taxpayers from bailing out Puerto Rico."

But lawmakers on the committee showed little enthusiasm.

Republicans complained that no matter what they were being told, the bill still seemed like a bailout for Puerto Rico.

Representative John Fleming, a Louisiana Republican, said that even if taxpayers did not have to pay for the initial debt restructuring, they would probably have to sponsor costly subsidies or other measures to stimulate the economy.

"What is the next shoe to drop?" he said. "There is going to have to be a cash bailout."

Tom McClintock, a Republican of California, said he thought that if Puerto Rico got the ability to wipe out debt, it would send a frightening signal to bond investors that Congress might also give such powers to troubled states. "Taxpayers are going to end up shouldering those burdens by paying much higher interest rates," he said.

Democrats also criticized the bill.

Norma J. Torres, a California Democrat, said she was troubled by a provision that would lower the legal minimum wage in Puerto Rico to \$4.25 an hour for people in the first five years of their careers. She said she thought employers might misuse this provision, dumping workers as soon as they completed five years and replacing them with low-cost new workers.

"Is this going to create a two-class type of employment?" she asked. "Will older ones be the first to be laid off?"

Mr. Weiss said one of Puerto Rico's biggest problems was a declining population, and the provision was meant to give employers a good reason to hire young people on the island.

## **Intelligence Agencies Consider Striking 'Confidential' Label**

By Kathleen Hennessey

[Associated Press](#), April 13, 2016

WASHINGTON (AP) – Intelligence agencies are considering eliminating the government's lowest category of classified information – a step a top official has said could simplify the system used to guard intelligence and could prevent unnecessary secrecy.

In a memo circulated to intelligence agencies in March, Director of National Intelligence James Clapper proposed abolishing the "confidential" level of classification, a step that would, in theory, raise the bar for whether information is kept secret. The move, Clapper wrote, could promote transparency by "focusing personnel more directly on only marking items that would cause significant and demonstrable harm to national security if improperly released."

Clapper's memo, posted online earlier this month, is part of a periodic, broad review of the classification system President Barack Obama ordered in 2009. But it comes amid a campaign-year debate over how the government labels – and how officials handle – sensitive information.

The discussion was sparked by the probe into Democratic presidential candidate Hillary Clinton's private email server during her tenure as secretary of state. The FBI is investigating whether classified information inappropriately flowed through the server. Clinton's presidential campaign has said that none of the information was classified at the time it was sent, and has blamed agencies' tendency to "over classify" documents.

Clapper's proposal, if adopted, would only affect intelligence agencies under his purview and would have no direct impact on the Clinton probe or the State Department. Each department must conduct its own review of the classification system every five years. The current review is slated to be completed in 2017.

Still, the memo is another example of the issue increasingly receiving high-level attention. Obama this week backed up the Clinton's campaign complaint about classification run amok.

"There's classified, and then there's classified," he said in an interview with Fox News Sunday. "There's stuff that is really top secret top secret, and there's stuff that is being presented to the president or the secretary of state, that you might not want on the transom, or going out over the wire, but is basically stuff that you could get in open source."

A White House official said Clapper's memo was in line with initiatives the administration has pursued to improve transparency.

In addition to proposing eliminating the "confidential" tier, Clapper also sought intelligence agency heads' feedback on paring down the number of people authorized to classify documents and increasing the frequency with which information is declassified.

Clapper noted that the United Kingdom eliminated the "confidential" classification in 2014 "without impact."

The impact here would likely depend on the agency. The intelligence agencies Clapper oversees rely more heavily on the "secret" and "top secret" classification than the State Department, which routinely mark cables confidential, said Steven Aftergood, the Director of the Government Secrecy

Project at Federation of American Scientists, who first wrote about the Clapper memo.

Still, Aftergood said he saw the memo as an effort to ensure the issue gets top-level attention.

“The DNI memo in particular establishes a review process that will continue into the next administration, so this isn’t a one-shot effort.” Aftergood said. “What Clapper did was to say to the agencies under his authority, you have to take this seriously.”

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## **Obama Administration Considers Killing Lowest Tier Of Info Classification**

By Julian Hatter

[The Hill](#), April 13, 2016

The Obama administration is considering a proposal to kill off the lowest tier of classification amid escalating scrutiny on top government officials’ ability to safeguard sensitive information.

In a memo circulated to intelligence agency leaders last month, Director of National Intelligence James Clapper asked for feedback about getting rid of the “confidential” level of classification.

“Please comment on whether the CONFIDENTIAL classification level can be eliminated from your agencies’ guides and the negative impacts this might have on mission success,” Clapper wrote to the heads of the CIA, Defense Intelligence Agency and three other federal intelligence offices in his three-page memo.

“This action could promote transparency,” Clapper added, by “simplifying agency classification practices,” focusing only on sensitive material “that would cause significant and demonstrable harm to national security if improperly released” and reflect the fact “that few, if any” clearances are issued at the “confidential” level alone.

Additionally, Clapper noted, the United Kingdom eliminated its “confidential” level of government secrecy in 2014, so following suit would “align” the two countries’ systems.

In addition to “confidential,” the government also marks sensitive information as “secret” and “top secret.”

Eliminating the lowest level of classification would have a dramatic effect on the number of classified documents created by the government.

It also could have beneficial effects for Democratic presidential candidate and former Secretary of State Hillary

Clinton, whose private email server contained thousands of messages now considered classified. The vast majority of the roughly 2,000 documents on Clinton’s machine are considered confidential.

The potential change to eliminate the lowest level of classification was one of four possibilities listed in Clapper’s memo. Other suggestions included reducing the number of people able to classify materials, implementing a new “discretionary” program for declassifying documents and creating a new classification guide for agencies across the intelligence community.

The suggestions are in response to an executive order Obama signed in 2009, which aimed to open up government secrets.

“I believe your efforts will serve as a significant step forward in furthering our shared goals for greater openness and reduced classification activity while protecting legitimate national security interests,” Clapper wrote.

The memo was dated March 23 but was largely ignored until Politico reported on the suggestion Wednesday. The Federation of American Scientists’s project on government secrecy posted the memo on its blog last week.

Obama has had a mixed record on government openness, despite his frequent promises to be “the most transparent administration in history.”

The White House has scaled back the number of new classified documents and taken steps to peel back the curtain on government secrecy, such as with his 2009 executive order. Yet the administration has also been accused of having a paltry record on compliance with the Freedom of Information Act, and more government leakers have been accused of crimes under the 1917 Espionage Act than during all other presidents combined.

This week, Obama was pilloried by some government leakers and Republicans following comments seeming to dismiss concerns about Clinton’s emails, while also suggesting that some classified information is not worthy of rigorous protection.

“There’s classified, and then there’s classified,” Obama said on “Fox News Sunday” last weekend.

“There’s stuff that is really top secret, top secret, and there’s stuff that is being presented to the president or the secretary of State that you might not want on the transom, or going out over the wire, but is basically stuff that you could get in open source.”

— This report was updated at 10:48 a.m.

## **Obama Redefines Secrets In Clinton Defense**

By Bill Gertz

[Washington Times](#), April 13, 2016

President Obama this week redefined the definition of classified information in comments made Sunday in defending former Secretary of State Hillary Clinton’s

placement of secrets on a private email server while she was secretary of state.

Asked to square comments he made in October asserting Mrs. Clinton did not jeopardize national secrets with later disclosures that over 2,000 of the emails contained classified information, including data deemed "Top Secret," the president said she did not "intentionally" put American security in jeopardy.

"And what I also know, because I handle a lot of classified information, is that there's classified, and then there's classified," Mr. Obama told Fox News interviewer Chris Wallace. "There's stuff that is really 'Top Secret, Top Secret,' and there's stuff that is being presented to the president or the secretary of state that you might not want on the transom, or going out over the wire, but is basically stuff that you could get in open source."

That explanation, however, is contradicted by Executive Order 13526, signed by Mr. Obama himself in December 2009. The order includes three levels of security classification — Top Secret, Secret and Confidential — and defines each by the amount of "damage" caused by its unauthorized disclosure. The damage ranges from "exceptionally grave" to "serious" to unspecified "damage," for Confidential information.

The order goes on to say that no information should be classified "unless its unauthorized disclosure could reasonably be expected to cause identifiable or describable damage to the national security" in eight categories. The categories include U.S. "foreign relations" activities, the most likely type of information compromised by Mrs. Clinton's email server that was stored in the bathroom closet of a Denver IT company and employed unsecure Internet networks vulnerable to eavesdropping and foreign interception.

Mr. Obama said he continues to believe Mrs. Clinton's email server did not jeopardize U.S. security, although he did not say why. He also insisted he is not interfering with the ongoing FBI probe into the email server.

The Obama administration, for its part, has a poor record of protecting secrets and has been the victim of what some analysts say are among the most largest and most damaging leaks of classified information in the nation's history.

First in 2010, the administration, in seeking greater intelligence sharing, suffered the leak of more than 750,000 classified documents to Wikileaks by Army Pvt. Bradley Manning that exposed recruited agents in Afghanistan and other sources.

That was followed in 2013 by the theft of over 1.7 million National Security Agency classified documents stolen by disgruntled insider and former NSA contractor Edward Snowden, who charged falsely that the agency was engaged in a conspiracy to spy on Americans despite legal constraints and severe restrictions on all its domestic activities.

U.S. officials have said the Snowden leaks caused severe and persistent national security damage, including weakening efforts to track and counter Islamist terrorists.

Former U.S. Attorney for the District of Columbia Joseph diGenova said Mr. Obama's remarks was a "bank-shot" effort to influence the FBI probe.

"But I think it was an unforced error of major proportions," Mr. diGenova told Inside the Ring. "The Bureau doesn't like being pushed. They will do whatever they have to."

FBI Director James Comey has said there's no timetable for the Clinton investigation, an indication he is pushing back against political pressure from critics who say the probe is taking too long.

"It all comes down to whether Comey will cave," Mr. diGenova said.

As for Mrs. Clinton's alleged carelessness in mishandling secrets, as the president asserted, "gross negligence in handling classified information is a crime," he said. "The bottom line is that if this were any other federal employee, the case would be clear and brought — loss of clearances, loss of job, and jail."

Former Pentagon Inspector General Joseph E. Schmitz, also criticized the president's remarks.

"It is absurd to suggest that there is some classified information you can disclose or compromise, and others you cannot," Mr. Schmitz said. "Compromise of any classified information is illegal, and usually results in at least the suspension of the responsible person's security clearance."

U.S. gains N. Korea secrets from defector

U.S. intelligence agencies have gained a windfall of secrets over the past year when a senior North Korean intelligence officer defected to the South.

U.S. officials said the defector escaped the totalitarian regime of North Korean leader Kim Jong-un through China in 2014, and reached South Korea in January of 2015.

The South Korean Defense Ministry confirmed the defection this week and identified the defector as a colonel in the Korean People's Army and senior official of the Reconnaissance General Bureau, the spy agency created in 2009 from several intelligence agencies. The RGB conducts espionage and other clandestine operations, including hacking operations.

Information supplied by the colonel has been shared in the recently-created intelligence-sharing group on North Korea that includes Pentagon intelligence and CIA officials along with counterparts from South Korea and Japan.

Intelligence sharing between Washington and Seoul is one of the main sources of information on the secretive regime in Pyongyang.

The intelligence defector is part of a growing number of senior and midlevel North Koreans who are fleeing Kim's regime. In addition to the intelligence defector, several North

Korean diplomats and officials involved in overseas financing have defected in recent months. "The numbers are increasing," said one source familiar with the defections.

The trend in defections coincides with other troubling signs of instability inside North Korea.

In February, the army chief of staff, Gen. Ri Yong Gil, was executed, reportedly for corruption and factional conspiracy.

Chinese ridicule censorship of Panama Papers

Beginning April 4, China's Internet censors aggressively blocked all foreign and domestic news reporting on internal documents disclosed from a Panamanian law firm implicating the brother-in-law of Chinese President Xi Jinping in purchasing three overseas companies often used for shady financing. Relatives of eight current or former Chinese leaders and officials were linked to the offshore companies often set up to evade taxes or avoid scrutiny from government authorities.

Foreign Ministry spokesman Hong Lei declined to comment on the leaked records April 5, insisting reports about the leaks were "chasing the wind and grasping at shadows," the Chinese equivalent of hearsay. However, all mention of the exchange with reporters was omitted from official ministry transcripts of the briefing — an indication of the extreme sensitivity of the leaks.

The reporting on the so-called "Panama Papers" scandal is a major embarrassment for Mr. Xi, who has made fighting corruption the central theme of his rule as Communist Party general secretary.

Greatfire.org, a group that monitors Chinese censorship, said key words blocked by censors in Chinese Internet searches include "Panama," "documents," "leak," and "Putin."

In response, Chinese online critics of the censorship have begun using the term "brother-in-law" as a sarcastic surrogate for Mr. Xi. The president's brother-in-law, Deng Jiagui, who is married to Mr. Xi's older sister, purchased three companies in the British Virgin Islands in the early 2000s, according to the documents.

Other online comments included criticism of the Foreign Ministry for calling reports about the papers "hearsay," noting that the disclosures led to the resignation of Iceland's prime minister and thus must be accurate.

Indirect online criticism flourished temporarily until censors removed critical postings. Some Chinese expressed surprise that more current and former Chinese leaders were not named in the papers. One online posting said: "The most corrupt were those who shouted all day about 'opposing corruption.'"

• Contact Bill Gertz on Twitter at @BillGertz.

## Pentagon Proposal On 'Rooney Rule' For Minority Officers Raising Internal Concerns

By Tom Vanden Brook

[USA Today](#), April 13, 2016

WASHINGTON — The Pentagon is considering a version of the NFL's "Rooney Rule" to diversify its officer corps, a proposal that has already raised internal concerns about its legality, according to documents obtained by USA TODAY.

The proposal, sent to Defense Secretary Ash Carter for approval, would require the Army, Navy and Marine Corps to consider minority candidates for key jobs such as aide-de-camp and military assistant to senior leaders. Those slots are often springboards to higher ranks. In the NFL, teams are required to interview minority candidates for top jobs, including head coach, under the Rooney Rule, named after the Dan Rooney, owner of the Pittsburgh Steelers.

Adopting a similar approach in the military "gives great prospect for alleviating persistent gaps in our senior leadership corps," according to the proposal developed by Brad Carson, who stepped down recently as the Pentagon's top civilian official for personnel issues. Each of the services and special operations forces have struggled for years to diversify its top brass with little effect. For example, USA TODAY reported last year that of the Air Force's 280 generals, just 18 of them belonged to minority groups. Overall, the active duty force of more than 1 million troops is about 69% white, 17% black and 4% Asian, according to Pentagon figures.

The services generally choose their senior leaders from front-line combat units such as infantry. Marine Gen. Joseph Dunford, chairman of the Joint Chiefs of Staff, for example, is an infantry officer. Minority officers, however, are underrepresented in those units for a variety of reasons, including personal choice. Giving more minority officers a chance to serve as aides to top officers could encourage them to pursue a career as a senior leader, according to a Defense official familiar with the proposal but not authorized to speak publicly.

Carter has pushed a variety of policies to diversify the military. This year, all barriers to women serving in combat units were dismantled. And the Pentagon is moving toward repealing its ban on allowing transgender troops to serve.

Carter believes that emphasizing diversity is essential for the military to attract and retain the troops it needs for the future, said another Defense official also familiar with the proposal but not authorized to speak publicly about it.

"Our ability to attract and develop a highly talented diverse cadre of officers to lead our military is essential to mission success now and in the future," the proposal states.

The diversity proposal being considered by Carter, however, has drawn internal criticism. The Navy, while

saluting the goal of greater diversity, worries that implementing policy carries the “significant risk of litigation,” according to a memo. The Navy memo calls for analyzing data on the problem and developing “narrowly tailored efforts” to avoid lawsuits.

The plan before Carter would direct each of the services to establish goals for race, ethnicity and gender among the officers it commissions to “reflect the diverse population in the United States eligible to serve in our military. Undertaking the additional effort to identify and recruit a diverse candidate pool will help us build a stronger force and expose more Americans to the opportunity to serve in our military.”

The proposal calls on the services to report to Carter by May 1 on how they will incorporate the policy into their diversity initiatives.

The Pentagon’s most elite forces, including Navy SEALs, are virtually all-white. Last year, the paper reported that eight of 753 SEAL officers were black, or 1%.

The Army, the largest of the services, has struggled to integrate its senior leadership. Black commanders of its main combat units — the principal pathway to high command — are rare. The lack of diversity damages Army effectiveness, disconnects it from society and deprives black officers of opportunity, according to Army officials and military sociologists.

The Army’s racial and ethnic breakdown is 58% white, 21% black, 13% Hispanic, 4% Asian and 3% responding “other.” Commanding a combat battalion and then a brigade are virtual pre-requisites to reach the four-star level. USA TODAY reported that in the Army, only one black officer was slated to lead its 31 top combat brigades.

Expanding the pool of minority candidates for combat leadership has proved challenging for the Pentagon. Young black men, for decades, have opted for other fields, including logistics.

## **Pentagon To Successors: Keep Focus On Cyber, Space, Nukes**

By Andrea Shalal

[Reuters](#), April 13, 2016

Full-text stories from Reuters currently cannot be included in this document. You may, however, click the link above to access the story.

## **Ray Mabus, Navy Secretary, Tells Marines: Women In Combat Is Irreversible**

By Elliot Spagat

[Washington Times](#), April 13, 2016

CAMP PENDLETON, Calif. (AP) — Navy Secretary Ray Mabus had a simple message for 1,500 Marines and sailors: The decision to let women compete for all military

combat positions is as irreversible as earlier edicts to integrate blacks and allow gays and lesbians to openly serve.

It was Mabus’ third visit to a major Marine Corps base to explain the issue to rank-and-file audiences since Defense Secretary Ash Carter said in December that all combat positions would be open to women.

Mabus repeatedly emphasized that standards won’t be lowered.

“Marines, we’re past the decision now. The secretary of defense has made the decision. Now we’re into implementing,” he said Tuesday at Camp Pendleton in California.

Marine Corps leaders had sought to keep certain infantry and combat jobs closed to women, citing studies showing combined-gender units are not as effective as male-only units. Carter, backed by Mabus, overruled them.

Since December, the military services have put together plans outlining how they will integrate women into male-only units.

Marines who sat cross-legged around Mabus on a large concrete surface used for ceremonies didn’t object to the change when the secretary invited questions. Some who volunteered to speak with reporters said any resistance might come from older Marines.

“This generation, so much has been changing, whether it be with gays and lesbians and all that, everything’s just changing,” said Lance Cpl. Guillermo Arenas, 20, who joined the Marines in July. “We have a lot of older Marines that were in longer, so it might take them a little while to adapt to it, but then eventually they’ll know that they’re Marines.”

Four of the seven questions that Mabus took were about women in combat. Others were more interested in his thoughts on Iraq and the future size of the Marine Corps.

One questioner asked for his thoughts on drafting women. He said he supports the idea but it’s a decision for Congress. Another wanted to know how quickly women would be fully integrated into combat jobs.

“I think it won’t happen all in one day,” Mabus said. “It’ll be relatively gradual but the decision’s been made.”

Gunnery Sgt. Janet Marrufo, 31, said Mabus’ simple message was effective.

“It was important for Marines to hear out in the open, and let them know officially that it’s a full change and that this is happening,” said Marrufo, who has been a Marine for 12 years. “I think some Marines were unclear about that at first but he cleared the air.”

Mabus, a former Democratic governor of Mississippi, has carried the same message to large audiences at Marine bases at Parris Island, South Carolina, and Quantico, Virginia, after Marine Corps leaders expressed reservations about the change.

Gen. Robert Neller, the Marine Corps commandant, told senators in February that he worried about retention, injury rates and unit effectiveness.

"We have a decision and we're in the process of moving out," Neller told senators. "We will see where the chips fall. And, again, our hope is that everyone will be successful. But hope is not a course of action on the battlefield."

Neller told senators that Marine Corps testing revealed two significant differences between all-male units and those with men and women. He said all-male units were able to better march long distances carrying heavy loads and also were able to fire their weapons more accurately after marching over distance.

Being big and strong and having a "certain body mass give you an advantage," said Neller.

Mabus told the Marines Tuesday that fully integrating women was akin to the integration of blacks in the 1940s and the repeal of the 'don't-ask-don't-tell' policy against gays and lesbians openly serving.

"We are stronger because we have Marines of color," he said. "Same thing when 'don't-ask-don't-tell' got repealed. We're stronger because we don't judge people by who they love but on whether they can do the job as Marines. A more diverse force is a stronger force."

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## **Navy Ends Search For Missing Sailor Off N.C.**

By David Larter

[USA Today](#), April 12, 2016

The Navy has called off the massive search for a sailor presumed to have gone overboard Saturday from the dock landing ship Carter Hall.

Eight ships and Navy and Coast Guard aircraft searched for the missing female third-class petty officer for three days. The Navy has not released the sailor's identity.

The cessation of the search and rescue mission Tuesday afternoon was confirmed by a Navy official familiar with the operation.

The circumstances that led to the woman's disappearance remain unclear. A pair of boots with a note was found on deck near the ship's stern after she disappeared, according to an internal Navy report.

By Sunday, the aircraft carrier Dwight D. Eisenhower assumed the lead role in the search. Carrier Strike Group 4 head Rear Adm. Bruce Lindsey was on-scene commander for the search.

Lindsey offered his condolences to the family in a statement.

"It is with a deep sense of sadness that we suspend the search for our fellow shipmate," he said. "Our sincere

condolences are with the Sailor's family, who have requested privacy following their tragic loss."

The Carter Hall was about 60 nautical miles off of Cape Hatteras, N.C., supporting Eisenhower's pre-deployment workups when the woman went missing. The search covered 22,388 square nautical miles, the release said, an area roughly the size of South Carolina.

The water temperatures in the vicinity of Cape Hatteras where the sailor went missing, have ranged from 60 degrees to 70 degrees Fahrenheit through most of the weekend and air temperatures have dropped to the low 40s, making extended survival in the water unlikely.

Follow David Larter on Twitter: @DavidLarter

## **'Not A Louisiana Value': Governor Adds Protection Against LGBT Job Discrimination**

By Niraj Chokshi

[Washington Post](#), April 13, 2016

As other Southern states catch flak for passing laws that critics say restrict gay, lesbian and transgender rights, Louisiana's Democratic governor is doing just the opposite.

Gov. John Bel Edwards on Wednesday signed an executive order extending protection to state employees and contractors against discrimination based on sexual orientation or gender identity. It also bans state agencies from discriminating in the services they provide.

"While this executive order respects the religious beliefs of our people, it also signals to the rest of the country that discrimination is not a Louisiana value, but rather, that Louisiana is a state that is respectful and inclusive of everyone around us," he said in what may have been an oblique reference to other Southern states such as Tennessee, Mississippi and North Carolina.

Louisiana lacks such protections for all workers. In the South, only Maryland and Delaware provide such statewide protections, according to the Human Rights Campaign, a gay rights advocacy organization. They are widely available in the Northeast and other parts of the country, shown in the darkest purple in the map below.

""

Edwards's announcement comes as states such as Mississippi and North Carolina have come under fire for passing laws that gay rights supporters view as anti-gay. Such laws have evoked a powerful response from corporate America, with some of the nation's largest corporations and most prominent individuals voicing their opposition.

Just this week, best-selling author John Grisham, Pulitzer Prize winner Donna Tartt and more than 90 other Mississippi authors lodged their opposition to a law passed last week that protects individuals, religious organizations and private associations from discrimination claims stemming

from a refusal of service based on their belief in exclusively heterosexual marriage.

“Governor Phil Bryant and the Mississippi legislators who voted for this bill are not the sole voices of our state. There have always been people here battling injustice. That’s the version of Mississippi we believe in, and that’s the Mississippi we won’t stop fighting for,” they wrote in a statement.

Mississippi Gov. Phil Bryant (R) said in a statement that he signed the bill “to protect sincerely held religious beliefs and moral convictions.” Like other proponents of such laws, he said it was intended to protect religious rights.

Two large businesses — PayPal last week and Deutsche Bank on Tuesday — announced decisions to call off planned expansions in North Carolina due to a new law there that advocates have also described as anti-gay. That law requires transgender individuals use public bathrooms that match the gender on their birth certificates and bars local governments from extending civil rights protections to gay and transgender people.

On Tuesday, North Carolina Gov. Pat McCrory (R) signed an executive order that, like the one in Louisiana, afforded state employees protection from employment discrimination based on sexual orientation or gender identity. He also said he would pursue legislation that revives the right to sue for discrimination. He, however, left the highly controversial bathroom guidelines untouched.

Bryan Adams canceled a Mississippi concert over that state’s law, while Bruce Springsteen did the same in North Carolina.

Late last month, Georgia Gov. Nathan Deal (R) vetoed a controversial religious liberty bill that attracted opposition from major players in the sporting and movie industries.

In Louisiana, Edwards’s statement acknowledged the impact such laws have on state economies as they struggle to attract business and tourism, not only through his own words but also those of several members of the state business community.

“This action will help to solidify Louisiana’s current reputation as a welcoming place for business and talent,” Michael Hecht, president and CEO of Greater New Orleans, Inc., an economic development organization, said in the governor’s official announcement.

Edwards’s order rescinds one signed by his predecessor Bobby Jindal (R).

“It does nothing but divide our state and forced the business community, from Louisiana’s smallest businesses to large corporations, like IBM, to strongly oppose it,” Edwards said in reference to that measure. “This executive order threatens Louisiana’s business growth, and it goes against everything we stand for— unity, acceptance, and opportunity for all.”

## **N.C. Gov. McCrory Struggles To Navigate Wildly Shifting GOP Waters**

By James Hohmann

[Washington Post](#), April 13, 2016

RALEIGH, N.C. — Gov. Pat McCrory is living the Republican Party’s identity crisis.

This week began when McCrory, looking pale from a virus, emerged from the executive mansion to tell reporters that he would not discuss the raging national controversy over the state’s new law rolling back local government protections for gay and transgender people — which he has been defending since he signed it three weeks ago.

McCrory referred to the matter only as the issue in which “I know there are people out on the streets.” After a few minutes listing his state budget priorities, he cut himself off and concluded: “I’m going to crawl back and continue to get rest.”

Then, Tuesday, McCrory backpedaled, issuing a surprising call for changes to the law — known as House Bill 2 — and signing an executive order to give state employees more nondiscrimination protections.

“After listening to people’s feedback,” he declared in a video posted on YouTube, “I am taking action to affirm and improve the state’s commitment to privacy and equality.”

McCrory’s delicate dance shows how a Republican governor, elected four years ago by mobilizing a coalition of suburban centrists and rural conservatives, is struggling to navigate the wildly shifting contours of the modern-day GOP as he readies for a tough reelection campaign this fall.

The national intra-party battle over what it means to be a conservative — with billionaire Donald Trump and Sen. Ted Cruz of Texas offering near-opposite versions — is affecting state and local party officials such as McCrory, who are finding it difficult to gauge the mood of their supporters.

HB2 drew national attention for forcing people to use only the bathroom that matches the gender on their birth certificate. It also drew fire for provisions that restrict an individual’s power to sue for discrimination in state court and block local gay rights protections.

Many Republicans here felt HB2 would energize evangelical voters who have been skeptical of McCrory, especially after he vetoed a religious-exemption bill a year ago that allowed court magistrates to opt out of administering gay marriages. The overwhelmingly Republican legislature overrode him on that measure.

But, in recent days, McCrory was caught off guard by the backlash over HB2 from another pillar of the GOP — corporate America. PayPal last week scrapped plans to open an office that would have employed 400 people, citing the unfriendly business climate. On Tuesday, Deutsche Bank said it will no longer create 250 jobs in Cary. Several groups

have canceled conventions, and the state may lose next year's NBA All-Star Game.

Tuesday's executive order served as an acknowledgment that McCrory is still trying to find the right political balance.

The governor does not want evangelicals to think he caved to pressure from big business, but he also wants to convince his friends in the country-club wing of the party that he understands the law overreached.

"In a presidential year, you have to run a base campaign and run a campaign based on appealing to the middle," said Chris LaCivita, McCrory's chief political strategist. "To fold up the tent and ignore a portion of the electorate — moderates in the suburbs — is ceding defeat."

Both sides agree that, considering this year's unpredictable dynamic, North Carolina is effectively a 50-50 state.

Barack Obama won here in 2008. He lost the state to Mitt Romney in 2012. But surveys show Democratic presidential front-runner Hillary Clinton either tied or narrowly ahead of Trump and Cruz.

Polls show that McCrory is embroiled in a neck-and-neck race against his challenger, Democratic Attorney General Roy Cooper.

Criticism has grown inside the state, as well. University of North Carolina system President Margaret Spellings, the former education secretary under President George W. Bush whose past criticism of same-sex relationships became a controversy when her UNC appointment was announced, warned that the law could endanger her system's federal funding, hurt alumni giving and make recruiting the best talent harder. Bruce Springsteen canceled a Greensboro show last week.

Prior to Tuesday's announcement, McCrory allies had become increasingly alarmed that the legislation would make it harder to tout a declining unemployment rate and other good economic news.

"The governor can [now] say he took action to fix it," LaCivita said. "But he's not budging on the core issue — bathrooms."

McCrory, 59, was mayor of Charlotte for 14 years before getting elected governor. Perceived as a centrist, he got 48,000 more votes out of Mecklenburg County, the most populous in the state and home to Charlotte, than Romney. Obama won the county by 22 points. McCrory won it by one point.

Democrats say the HB2 fight ensures McCrory will not be able to count on those numbers again.

Cooper has seized on the law, using it to activate his liberal base, to woo moderates and to raise money from the deep-pocketed LGBT community.

Cooper has refused to defend the measure in court, where it faces challenges from the American Civil Liberties Union and other liberal groups.

"It was an easy choice for me," Cooper said over breakfast at the Flying Biscuit.

Cooper, 58, has taken on banks, utilities and pharmaceutical companies during his 15 years as attorney general. In the wake of HB2, he's positioning himself as more friendly to business than McCrory, who was once an executive at Duke Energy.

"I believe that North Carolina should help businesses when they need help and stay out of the way when they don't," Cooper said.

It is ironic that McCrory has become the face of HB2. In many respects, he was dragged to the center of the controversy by the state's conservative, GOP-led legislature, which was swept into power in 2010 and has engineered a major shift to the right in a state with a long tradition of centrist politics.

McCrory was reluctant to hold a special session to invalidate the Charlotte ordinance. After he declined to call for one, legislative leaders used a parliamentary tactic to call themselves back into session.

Then, the legislature went further than his staff anticipated. Intended to be a so-called bathroom bill, it wound up — among other things — preventing cities from setting a minimum wage higher than \$7.25 an hour.

Instead of trying to negotiate to water down the bill, McCrory signed it hours after it passed. He knew the legislature would probably override his veto anyway — as it did with the religious-exemption bill last year. Another veto would have angered the grass-roots activists who he needs ginned up for the fall while also making him look weak.

Dallas Woodhouse, executive director of the North Carolina Republican Party, argued that the bathroom bill — if properly framed — will help McCrory with suburban women, not just rural voters.

"Any time you deal with this stuff, you sometimes have some cleanup work," Woodhouse said of the proposed changes. "I personally think the politics will work in our favor. . . . Moms want to be able to send their 11-year-old daughters into the bathroom and not worry about grown men being in there."

## Senators Call For NBA To Move 2017 All-Star Game Out Of Charlotte

By Mark Berman

[Washington Post](#), April 13, 2016

Six U.S. senators wrote a letter to the head of the NBA this week calling on him to move the league's 2017 All-Star Game out of Charlotte to protest a state law banning anti-discrimination protections for gay and transgender people.



In their letter, the senators — five Democrats and one Republican — urged Adam Silver, the NBA commissioner, “to take a stand against this latest form of discrimination.”

“We hold no ill-will towards the people of Charlotte, who passed an anti-discrimination measure that [the state law] overturned, or towards the people of North Carolina,” the senators wrote. “However, we cannot condone nor stand idly by as North Carolina moves to legalize and institutionalize discrimination against the LGBT community.”

The six lawmakers who signed the letter are Sens. Jeff Merkley (D-Ore.), Mark Kirk (R-Ill.), Patrick Leahy (D-Vt.), Cory Booker (D-N.J.), Tammy Baldwin (D-Wis.) and Patty Murray (D-Wash).

In their letter, the senators said that having the NBA’s “premier annual event” in North Carolina “would be inconsistent with the NBA’s history and values.”

The NBA has said it could consider moving the game due to the law, which has prompted an intense backlash from business groups and cost the state hundreds of jobs. In a statement last month, the league said it was “deeply concerned that this discriminatory law runs counter to our guiding principles of equality and mutual respect,” but stopped short of saying it would move the game.

Silver is expected to hold a news conference Friday at the conclusion of the league’s Board of Governors meetings.

North Carolina Gov. Pat McCrory (R), who signed the law, on Tuesday signed an executive order seeking to quell some of the outrage sparked by the measure, even as he defended the measure and left the highly-criticized provisions intact.

The law has come under intense fire from LGBT groups and businesses, with two major companies — PayPal and, on Tuesday, Deutsche Bank — saying they were halting proposed expansions in North Carolina due to the new law.

Bruce Springsteen announced that he was canceling a show in Greensboro, N.C., to “show solidarity for those freedom fighters” contesting the new law, and a tourism agency has said the law could wind up costing the state millions of dollars in lost events.

Charles Barkley, the Hall of Fame player who is now one of the most prominent NBA commentators, has called on the NBA to move next season’s All-Star Game. This week, Detroit Pistons head coach Stan Van Gundy, who is also the team’s president of basketball operations, said the league should move the game if the law is unchanged, comparing it to past measures used to discriminate against black people.

McCrory said Tuesday that he was expanding protections for state employees, something aimed at preventing these workers from being fired for being gay or transgender. He also said he would ask for legislation in a coming short legislative session restoring the right to sue for discrimination.

But McCrory did not alter the bill’s provision mandating that transgender people use bathrooms that correspond only with the gender on their birth certificate.

McCrory used a videotaped message on Tuesday to say the state had been the subject of “selective outrage and hypocrisy,” adding that he thought the law was needed to respond to what he called the “government overreach” of a Charlotte city ordinance expanding civil rights protections for people based on sexual orientation and gender identity.

His executive order was derided by LGBT groups as well as Roy Cooper, the North Carolina attorney general and McCrory’s gubernatorial opponent in the fall.

“Gov. McCrory’s executive order is a day late and a veto short,” Cooper, a Democrat, said in a statement. “The sweeping discrimination law he signed has already cost North Carolina hundreds of jobs and millions of dollars in revenue. I’m glad Gov. McCrory has finally acknowledged the great damage his legislation has done, but he needs to do much more.”

State Rep. Tim Moore (R), speaker of the North Carolina House of Representatives, said that the legislation has “been unfairly reported and maligned by political activists” so far.

“Gov. McCrory’s executive order affirms the importance of the actions the General Assembly took in passing the Bathroom Bill to protect North Carolina citizens from extremists’ efforts to undermine civility and normalcy in our everyday lives,” Moore said in a statement.

The North Carolina law was hastily introduced last month by lawmakers and signed by McCrory, who has previously defended it by saying the measure “provided protection of our basic expectation of privacy in public restrooms and locker rooms.” Other supporters of the law and similar measures have also defended them as necessary.

The American Civil Liberties Union of North Carolina and other rights groups criticized McCrory’s action Tuesday for leaving the bathroom provision and other elements of the law intact.

“Gov. McCrory’s actions today are a poor effort to save face after his sweeping attacks on the LGBT community, and they fall far short of correcting the damage done when he signed into law the harmful House Bill 2, which stigmatizes and mandates discrimination against gay and transgender people,” Sarah Preston, acting executive director of the ACLU of North Carolina, said in a statement.

The ACLU and other groups filed a lawsuit against the measure that called it tantamount to legalized discrimination. On Tuesday, a spokesman for the ACLU said the order changes nothing and that the lawsuit would proceed.

Tim Bontemps contributed to this report.

## Uber Says It Gave U.S. Agencies Details On Over 12 Million App Users

By Andrew Blake

[Washington Times](#), April 13, 2016

Uber gave U.S. regulators and law enforcement agencies details concerning roughly 14 million riders and drivers during the last half of 2015, the ride-share company revealed in its first transparency report released on Tuesday.

Between July and December 2015, Uber said it received 415 requests from law enforcement agencies interested in obtaining information related to criminal investigations and complied around 85 percent of the time. Records concerning 469 drivers and riders were in turn provided to authorities through these requests, Uber said.

During that same span, Uber said it gave various local regulatory agencies in the U.S. details on 11,644,000 riders and 583,000 drivers in response to 33 separate requests. Separately, Uber provided details concerning 1,645,000 riders and 156,000 drivers while responding to 34 requests from airport agencies.

In a statement, Uber said its first transparency report suggests the ride-share company attempts to prevent agencies from over-collecting, but acknowledged it has had problems fending off requests from regulators.

“The report shows that we comply with the majority of law enforcement requests, while ensuring they go through the proper legal process, as stated in our updated public guidelines,” Uber said.

“Of course, regulators will always need some amount of data to be effective, just like law enforcement. But in many cases, they send blanket requests without explaining why the information is needed, or how it will be used. And while this kind of trip data doesn’t include personal information, it can reveal patterns of behavior—and is more than regulators need to do their jobs. It’s why Uber frequently tries to narrow the scope of these demands, though our efforts are typically rebuffed,” the company added.

In a statement, Uber said it hopes that disclosing details about local and federal requests will provoke a public debate concerning the type of information service providers are compelled to provide to authorities.

“Historically, there hasn’t been a ton of public awareness or oversight around these issues,” Gautam Hans, a policy counsel at the Center for Democracy & Technology, told Mercury News.

More than 50 other major tech companies have made it a habit of publishing similar transparency reports, Uber added, but says its report is the first to detail requests from regulators.

## Prosecutors Expect Man Who Accused Dennis Hastert Of Abuse To Testify

By Mark Berman

[Washington Post](#), April 13, 2016

Federal prosecutors said Wednesday that they expect a man who accused former U.S. House speaker Dennis Hastert of sexual abuse to testify at his sentencing hearing later this month.

Attorneys for Hastert said in a court document filed last week and unsealed Wednesday that he has “no current recollection” of the man’s allegations.

Hastert, 74, pleaded guilty in the fall to violating federal banking laws by withdrawing money in small enough increments to avoid mandatory reporting requirements. This charge wound up revealing that Hastert, a Republican who retired from Congress in 2007, had been accused of sexual misconduct while he was a high school teacher and wrestling coach in Yorkville, Ill.

Last week, prosecutors detailed some of the allegations in a memo that graphically described Hastert sexually molesting or improperly touching teenage boys while he was a wrestling coach.

While it was Hastert’s financial actions that prompted the charge against him, prosecutors urged a judge in the case to consider the abuse allegations, even though the federal and state statutes of limitations have expired.

In March, it emerged in court documents that prosecutors learned relatively recently another man — identified as “Individual D” in a court filing — was also accusing Hastert of abuse. A prosecutor asked that this man be allowed to speak at Hastert’s sentencing on April 27.

Prosecutors said Wednesday they expect “Individual D” and Jolene Burdge, who said that her late brother was abused by Hastert, to testify. Both are expected to read from prepared statements, according to the U.S. Attorney’s Office in Chicago.

Hastert’s attorneys said a court filing last week that he “does not contest the allegations of Individual D, but in all candor he has no current recollection of the episode described by Individual D.”

The 14-page filing was unsealed Wednesday at the order of U.S. District Judge Thomas M. Durkin, who rejected a request from attorneys for Hastert to keep the response hidden. They had argued that releasing the filing would reveal the contents of a sentencing recommendation.

An attorney for Hastert did not respond to a request for comment Wednesday.

In the filing, Hastert’s attorneys dismissed what they said was a suggestion from the sentencing report that Hastert should submit to “a sex offender assessment” and have to take a polygraph test to see if there was “any recent misconduct.”

They also wrote in the filing that while the recommendation implied that Hastert could have concealed other “inappropriate conduct” since 1979 or could do so in the

future, “there is no basis” to think any such misdeeds occurred since 1979. Hastert’s attorneys said they did not want this suggestion, or one that Hastert could have traveled internationally “to anonymously engage in sexual misconduct overseas,” considered in sentencing.

His attorneys also argued that allegations involving the teenagers occurred decades before the financial withdrawals, and as such should not be considered relevant to punishment stemming from that.

They also suggested that the financial situation that prompted the initial law enforcement interest in Hastert does not appear to be over. Authorities said that Hastert had initially agreed to pay \$3.5 million to “Individual A” to cover up his allegations and that he wound up paying \$1.7 million.

In the filing unsealed Wednesday, Hastert’s attorneys said that lawyers for “Individual A” have threatened to sue the former speaker to get “the remaining \$1.8 million from their initial arrangement, plus statutory interest.”

Attorneys for the former speaker have asked Durkin to sentence him to probation, saying he is in poor health and has already been publicly shamed. In the filing last week, they said that “intense media scrutiny...has already exacted a heavy toll on Mr. Hastert and his family.”

In a statement over the weekend, Thomas Green, Hastert’s defense attorney, said: “Mr. Hastert acknowledges that as a young man he committed transgressions for which he is profoundly sorry. He earnestly apologizes to his former students, family, friends, previous constituents and all others affected by the harm his actions have caused.”

When authorities first saw Hastert’s withdrawals — which were below \$10,000 to avoid the reporting requirements — they wondered if someone was extorting him. On Wednesday, Durkin said during the hearing he will consider Hastert’s initial claims that he had only taken the money out to keep it “in a safe place” as one of “the aggravating factors” in his sentencing, the Chicago Tribune reported.

Further reading:

The memo from prosecutors outlining the allegations against Hastert

This story has been updated with details from the unsealed court filing.

## **Hastert Accuser, ‘Individual D,’ Is Expected To Testify At Sentencing**

By Monica Davey And Julie Bosman  
[New York Times](#), April 14, 2016

CHICAGO — A former high school wrestler who has said J. Dennis Hastert, the former speaker of the House, sexually abused him decades ago is expected to speak at Mr. Hastert’s sentencing hearing later this month.

The former wrestler, identified in court documents only as Individual D, is among at least four wrestling team members that prosecutors say Mr. Hastert abused when he served as a winning wrestling coach in a rural Illinois community from the late 1960s through the early 1980s.

The sister of another member of the Yorkville High School wrestling team, Stephen Reinboldt, is also expected to speak at the sentencing hearing on April 27. The sister, Jolene Burdge, has said that her brother, who died in 1995, told her he was repeatedly abused by Mr. Hastert while he was a student-manager of the team in high school.

Mr. Hastert, 74 and ill after suffering a stroke, served as House speaker from 1999 until 2007. A Republican, he parlayed his winning coaching record into a career in politics that took him to the top House position, behind only the vice president in the line of succession to the presidency.

He was not charged with sexual abuse in the incidents, for which the statutes of limitation had passed. But Mr. Hastert pleaded guilty in October to illegally structuring bank withdrawals, and prosecutors said he was using the funds to pay “hush money” for misconduct from years past. Prosecutors say he promised to give as much as \$3.5 million to a former wrestler known in court documents only as Individual A.

Though reports had described the “misconduct” in the charges as sexual abuse, prosecutors did not publicly confirm that until last week. In their sentencing memo, they argued that the educator-turned-politician’s life had been “marred by stunning hypocrisy,” and that he should receive a sentence that took into account his past actions.

A lawyer for Mr. Hastert has said that his client acknowledged committing “transgressions” decades ago as a high school teacher and wrestling coach. “Mr. Hastert acknowledges that as a young man, he committed transgressions for which he is profoundly sorry,” Thomas C. Green, the lawyer, said.

A federal judge who will decide Mr. Hastert’s sentence said on Wednesday that he expected to consider Mr. Hastert’s behavior with investigators who were looking into his unusual bank withdrawals in late 2014, including his claims at the time that discredited his accuser.

A lawyer for Mr. Hastert told the investigators that Individual A was falsely claiming abuse by Mr. Hastert and was trying to extort money from him. But after recording calls between Mr. Hastert and Individual A, the investigators concluded that the man was not trying to extort Mr. Hastert and that the claims of abuse by Individual A were true.

“That’s an aggravating factor in my mind,” Thomas M. Durkin, the federal judge, told lawyers at a hearing in Chicago.

## Families Of Germanwings Crash Victims File Suit In U.S.

By Nicola Clark

[New York Times](#), April 14, 2016

PARIS — Lawyers representing the families of dozens of victims of the crash of a Germanwings airliner in the French Alps last year filed a wrongful-death lawsuit in Phoenix on Wednesday, accusing an Arizona flight school that trained the plane's co-pilot of negligence for allowing him to pursue his training, despite what they contend were multiple red flags in his medical records indicating a history of mental illness.

The suit was filed with the United States District Court for Arizona against Airline Training Center Arizona, a subsidiary of Lufthansa, the parent company of Germanwings. Filed on behalf of the families of 80 of the 149 people who died in the crash, the suit could expose Lufthansa, Europe's largest international airline, to several hundred millions of dollars in civil damages.

The flight school, in Goodyear, Ariz., provided the initial practical training in 2010 to Andreas Lubitz, the Germanwings co-pilot who intentionally flew an Airbus A320 bound from Barcelona, Spain, to Düsseldorf, Germany, into a mountain range on March 24, 2015.

"Lubitz's particular history of depression and mental instability made him a suicide time bomb," Marc S. Moller, a partner at Kreindler & Kreindler, the New York law firm representing the families, said in a statement. "The fuse which culminated in Lubitz's suicide," he added, "was lit when A.T.C.A. negligently allowed him to begin commercial pilot training."

Lufthansa did not immediately respond to requests for comment on Wednesday.

The families' decision to pursue a civil case in the United States comes amid an inquiry by French prosecutors seeking to assign criminal responsibility for the crash. The investigation has been complicated by strict medical privacy laws in Germany that discouraged Mr. Lubitz's doctors from alerting regulators or the airline to his deteriorating mental health in the weeks before the crash.

Lufthansa has said that it was aware of Mr. Lubitz's history of mental illness. But the airline has maintained that it was unaware of its severity and has said the decisions to readmit him to its training program — and ultimately to hire him as a pilot — were based on assessments by doctors who found him to be healthy.

Until now, most families of the victims — almost all of whom were European — have received relatively modest offers of compensation from Lufthansa in accordance with their national laws, which vary widely by country. Almost half the crash victims were citizens of Germany, where, under current law, relatives may claim only limited economic

damages and are not entitled to compensation for emotional pain and suffering.

A Lufthansa offer to German relatives amounting to roughly \$80,000 per victim was publicly dismissed by families as "insulting." Many of them say they have suffered profound emotional and economic loss.

Beyond seeking increased compensation from Lufthansa, the families hope that the suit will grant them access to Lufthansa's internal records related to Mr. Lubitz and allow them to interview Arizona flight school employees involved in his training, which spanned several months in late 2010.

In the days after the crash, Lufthansa acknowledged that Mr. Lubitz had informed them of his depression in a 2009 email seeking reinstatement to its flight-training program after he withdrew from it for nine months to seek treatment. Lufthansa subsequently put him back through its standard applicant-screening process and medical tests and allowed him to re-enter the program, which normally lasts about two years.

A critical phase of that program takes place at a Lufthansa-owned flight center near Phoenix where young pilots make their first flights in small, single-engine planes.

There is evidence suggesting that Mr. Lubitz may have tried to conceal the severity of his illness from the Federal Aviation Administration in the weeks before he arrived in Arizona — actions that led the American authorities to initially reject his application for a student pilot's license. Mr. Lubitz ultimately provided the F.A.A. with letters from a psychologist detailing his treatment, which included the prescription of powerful antidepressants.

It is unclear whether any of the F.A.A.'s correspondence with Mr. Lubitz about his medical history was shared with the Arizona flight school at the time, or whether Lufthansa officials in Germany had alerted the school of the restrictions that had been placed on Mr. Lubitz's German medical certificate that required doctors to report any recurrence of symptoms to regulators.

"That restriction was a clear warning that Lubitz was a man with a history of unresolved problems," said Brian Alexander, another Kreindler & Kreindler partner who is representing the families.

The lawyers said they expected that if any such information was known to the flight school, it would be revealed through the process of pretrial discovery, which allows both parties in United States civil cases to subpoena witnesses and relevant documents.

After completing his initial practical instruction in Arizona, Mr. Lubitz returned to Germany to finish his training and receive his commercial airline pilot's license. He was ultimately hired to fly for Germanwings in 2013.

According to a report published last month by French air accident investigators, Mr. Lubitz's psychological problems

resurfaced in late 2014, when he began complaining of vision problems — for which no medical cause could be found — and sleep disorders.

The inquiry found that doctors had prescribed Mr. Lubitz antidepressants and sleeping pills in the month leading up to the crash, and that at least one had urged that he be hospitalized for a possible psychotic disorder. But none of those physicians alerted regulators or the airline for fear of running afoul of German privacy laws.