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TO: THE SECRETARY AND SENIOR STAFF

DATE: WEDNESDAY, APRIL 6, 2016 5:00 AM EDT

TODAY'S EDITION

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LEADING DHS NEWS

Proposal Aims To Tighten Airport, Train Security After Brussels Attacks

By Bart Jansen

[USA Today](#), April 5, 2016

WASHINGTON — Travelers would see tightened airport and train station security, including additional armed officers and better training for law enforcement, under a proposal endorsed by the secretary of Homeland Security on Tuesday in the wake of the Brussels attacks.

Sen. Charles Schumer, D-N.Y., outlined the bid to nearly double the number of armed Transportation Security Administration teams that patrol airports, train stations and other transportation hubs.

Other steps would bolster security in unsecured parts of airports such as the check-in and baggage-claim areas and provide more grant funding to train law-enforcement officers to combat shooters. The proposals are part of Federal Aviation Administration legislation the Senate is debating this week.

"By clamping down against terror threats now, we can avoid the kind of tragedy and devastation that happened overseas," Schumer told reporters at a news conference.

Homeland Security Secretary Jeh Johnson said he called for a more visible presence of armed teams on March 22, the day of the Brussels attacks, and deployed more undercover air marshals on flights.

"We know of no specific credible intel of a plot like the Brussels attack here in the homeland," Johnson said. "However, we remain vigilant, concerned about potential acts of self-radicalized violence by the so-called lone actors here in this country at public places and at public events."

Bombings at the Brussels Airport and a downtown subway station killed 32 people and injured at least 270. The Islamic State claimed responsibility for the attacks.

Security officials warn it's difficult to protect train stations and airports outside secure areas because they are open and easily accessible. Creating checkpoints at airport and train station doors would be costly and difficult, and terrorists could still attack wherever crowds gathered.

The Transportation Security Administration, part of Johnson's department, tightened its screening after federal watchdogs found last year that officers had trouble detecting

weapons during tests. Travelers complained loudly about longer security lines that resulted at airports nationwide.

Johnson said screening delays are partly the result of the growth in daily travelers from 1.8 million to 2.2 million. He also said he is trying to halt reductions in TSA officers as part of annual spending bills this year.

"We want to begin to build back that workforce," Johnson said. "Wait times is something that I'm acutely aware of, but I believe we are addressing it."

For example, TSA Administrator Peter Neffenger shifted canine teams between airports because the bomb-sniffing dogs can help screen passengers to move them through lines faster. Sen. Amy Klobuchar, D-Minn., said the teams have shortened waits in half at the Minneapolis airport, where they had stretched to an hour and a half at the busiest times.

"It's made a major difference," Klobuchar said. "It's not often that you can have that gain in efficiency and in security."

Sen. Joe Manchin, D-W.Va., said questions might arise about the cost of the legislation, but tightening security measures are important. "What are our values?" Manchin asked. "What are our priorities?"

TSA Administrator Peter Neffenger is scheduled to testify Wednesday at a Senate hearing.

Congress typically handles Homeland Security legislation separately. But the FAA's current authorization is scheduled to expire July 15, so its legislation could be approved sooner if lawmakers can reach a consensus.

The biggest dispute over the FAA bill is whether to shift air-traffic control from the FAA to a not-for-profit corporation, which the House supports and the Senate bill doesn't include. Both chambers included a variety of consumer-oriented provisions in the legislation, but the versions still must be reconciled.

Homeland Secretary Backs Democratic Push On Airport Security

[Roll Call](#), April 5, 2016

UNITED STATES – APRIL 05: From left, Sens. Bill Nelson, D-Fla., Joe Manchin, D-W.Va., and Secretary of Homeland Security Jeh Johnson, conduct a news conference in the Capitol on airport security, April, 05, 2016. They urged that new security provisions to help protect "soft targets" be included in the upcoming Federal Aviation Administration

reauthorization legislation. (Photo By Tom Williams/CQ Roll Call)

Senate Democrats continued their push to boost airport security after the terrorist attacks in Brussels, touting three amendments Tuesday that could tighten things up outside screening checkpoints.

Homeland Security Jeh Johnson joined senators in advocating for the measures that increase dog teams, active shooter preparedness and perimeter security as amendments to the Federal Aviation Administration reauthorization that the Senate will begin debating soon.

"We know of no specific credible intel of a plot like the Brussels attack here in the homeland. However, we remain vigilant," Johnson said at a news conference. "The amendments would specifically authorize an increase in our [Transportation Security Administration] VIPR teams from 31 to 60."

Johnson called additional VIPR teams, which feature canine units and expanded visible security, "critical."

He also praised proposals to authorize grant money for airport security outside the existing perimeters and support training exercises to address active shooters.

"What happened in Europe must serve as a wake up call to the United States. We need to tighten security in vulnerable areas at our biggest airports, so that the tragedy that struck Brussels doesn't land on our doorstep," said New York Democrat Charles E. Schumer.

"All of us here are optimistic and hopeful that our Republican colleagues will join us and do just that. We don't want this to be any kind of Democratic one proposal, Republican other proposal, dueling."

Terrorist bombings at the Brussels airport and at a subway station on March 22 killed more than 30 people and injured 300 others. The United States and other western countries have since raised security measures, particularly at transportation hubs.

U.S. aviation remains a top target of terrorists following the 9/11 attacks, according to authorities who have moved over the years to substantially increase security at airports and on aircraft.

Actual debate on the FAA measure might not begin until next week, and no decisions have been made on which amendments to consider. But there appeared to be space for the two parties to find common ground.

Commerce Chairman John Thune, whose panel has led development of the FAA legislation, said it was important for colleagues to continue to speak about threats posed by ISIS and concerns with the administration's approach, while highlighting a series of bipartisan aviation security measures that may be included in the bill on the Senate floor.

"Historically, this body has passed aviation security enhancements separate from a reauthorization of the Federal Aviation Administration," said Thune. "While I still prefer this

separate approach and believe the Senate should pass our consensus security legislation without delay, I will pursue every option to enact these improvements and will vigorously oppose any effort to water down the security enhancements that passed the Commerce Committee."

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Senators Press For Security Measures After Brussels Attacks

By Joan Lowy

[Associated Press](#), April 5, 2016

WASHINGTON (AP) – Democrats said Tuesday they will push proposals to boost security at airports, train stations and other transportation hubs in response to attacks by the Islamic State in Brussels and elsewhere.

The initiatives outlined by Democratic senators would double from 30 to 60 the number of government "vipr teams" that stop and search suspicious passengers in public areas before screening, often using bomb-sniffing dogs. They also want more federal grants to train law enforcement officers in how to prepare for and respond to shootings at vulnerable targets such as transportation hubs and other "soft targets."

"What happened in Europe must serve as a wakeup call for the United States," said Sen. Chuck Schumer of New York, the No. 2 Democratic leader.

Democrats plan to add the ideas to an aviation policy bill under consideration in the Senate, along with a bipartisan measure to tighten the screening of workers who have access to airport restricted areas.

The screening bill, passed by the Senate commerce committee in December, would give the Transportation Security Administration ready access to additional terrorism-related databases maintained by the intelligence community when vetting airport workers. It also would let TSA conduct real-time, continuous criminal records checks through the FBI and expand the list of criminal convictions that would make a potential airport worker ineligible for security clearance.

Another bill passed by the House and the commerce committee last year with bipartisan support seeks to expand the number of passengers enrolled in TSA's expedited clearance programs by giving the agency the ability to vet more people. It also is expected to be offered for inclusion in the aviation bill.

Homeland Security Secretary Jeh Johnson, who joined Democrats at the news conference, endorsed the proposals. He said the U.S. has no intelligence to indicate violent extremists are plotting a Brussels-style attack in the U.S., but it is important to remain vigilant against "self-radicalized lone actors" at public places and events.

On March 22, 35 people – including three suicide bombers – were killed and 300 injured in bombings at a

Brussels airport and subway station. In October, a charter flight operated by a Russian airline, Metrojet, exploded after departure from Sharm el-Sheikh International Airport in Egypt, killing all 224 people aboard. U.S. authorities suspect the cause was a bomb.

The aviation bill would extend the Federal Aviation Administration's authority to operate, due to expire July 15, through Oct. 1, 2017. It also contains provisions that lawmakers have been working on for more than four years to address aviation issues, including greater access for drones to the national airspace and protections for airline passengers chafing at fees for basic services such as checked bags and ticket changes.

Sen. John Thune, R-S.D., chairman of the Commerce, Science and Transportation Committee, said Tuesday that he would prefer to deal separately with the security bills that have already been approved by the committee. The proposals have wide support and are expected to easily pass the Senate. However, he didn't say he'd oppose their inclusion in the aviation bill.

"I will pursue every option to enact these improvements and will vigorously oppose any effort to water down the security enhancements that passed the commerce committee," he said.

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In Wake Of Brussels Attack, Sen. Klobuchar Among Band Of Senators To Push For Better Airport Security

By Allison Sherry

[Minneapolis Star Tribune](#), April 5, 2016

WASHINGTON – Sen. Amy Klobuchar will join Department of Homeland Security Secretary Jeh Johnson and four other senators to push for higher airport security in light of the Brussels terrorist attacks last month.

Klobuchar, Johnson and Sens. Chuck Schumer, Bill Nelson, Joe Manchin and Martin Heinrich will announce new proposals to strengthen U.S. airport security that will be included in the Federal Aviation Administration reauthorization legislation. The Senate is expected to begin considerations on that measure this week.

The new programs will include active shooter training for law enforcement and increase the presence of federal agents with bomb-sniffing dogs in non-secure places like the baggage claim areas.

More than 30 people died in a string of suicide bombings in Brussels last month – including at the airport.

Minneapolis-St. Paul International Airport is amid figuring out how to shorten wait times at the security checkpoints in light of more travelers. Both Sens. Klobuchar

and Al Franken have pushed for more screeners at the airport ahead of the busy travel season, but federal officials have said their first priority is to make sure everyone gets through safely.

In Wake Of Brussels Attacks, U.S. Senators Push To Boost Security

[CBS News](#), April 5, 2016

WASHINGTON – Democrats said Tuesday they will push proposals to boost security at airports, train stations and other transportation hubs in response to attacks in Brussels and elsewhere.

The initiatives outlined by Democratic senators would double the number of government "viper teams" that stop and search suspicious passengers in public areas before screening, often using bomb-sniffing dogs, from 30 to 60. They also want more federal grants to train law enforcement officers in how to prepare for and respond to shootings at vulnerable targets such as transportation hubs and other "soft targets."

Democrats plan to add the ideas to an aviation policy bill under consideration in the Senate, along with a bipartisan measure to tighten the screening of airport workers.

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Another bill passed by the House last year with bipartisan support that seeks to expand the number of passengers enrolled in TSA's expedited clearance programs is also expected to be offered for inclusion in the aviation bill.

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When Ibrahim El Bakraoui blew himself up in the Brussels Airport check-in area, killing and maiming scores of

travelers, it was at least the third time he had passed unimpeded through an airport terminal in recent months.

Suspected by Turkey of being a “foreign terrorist fighter” and known at home in Belgium as an ex-con wanted for parole violations, Bakraoui was still allowed to board a commercial airliner unaccompanied last summer, flying freely from Istanbul to the Netherlands and disappearing without a trace.

The ease with which he did so raises questions about how much governments know about the movements of returnees among the 5,000 home-grown jihadis who have trained and fought in places like Syria or Iraq. Many now pose a “serious threat,” according to the police agency Europol. Some, like Bakraoui, have already used their deadly skills in cities like Brussels or Paris.

Testimony from government ministers, extracts of documents and conversations with police, border and aviation officials reveal a series of security gaps, misunderstandings and procedural red-tape that surrounded the deportation last July of this future suicide bomber.

At European Union headquarters in Brussels, meanwhile, new measures to tackle the issue of returning foreign fighters are near completion. These include the IDs of returning EU citizens to be cross checked with police databases and a Passenger Name Record system giving authorities access to travelers’ personal information.

It’s an open question, though, as to how effective they will be when solid information already in the hands of officials now is not put to good use.

Jeh Johnson: E-Passport Required For US Visa Waiver Program Travelers

By Ramona Adams

[ExecutiveGov](#), April 5, 2016

Jeh Johnson, secretary of the Department of Homeland Security, has said e-passports are now required for all individuals entering the U.S. from the 38 countries included in the Visa Waiver Program.

Johnson said in a statement posted Friday the announcement follows the passage of the Visa Waiver Program Improvement and Terrorist Travel Prevention Act late last year, which required travelers from Visa Waiver countries to have an e-passport or obtain a visa beginning April 1.

The DHS secretary added the e-passport features an electronic chip that contains the holder’s biographical information and is designed to protect passengers from privacy violation and identity theft.

Johnson went on to say the e-passport initiative serves as the latest move in a series of efforts to bolster travel security.

“In the last two years, we have also increased the data collected from travelers from Visa Waiver countries for vetting purposes and have required increased terrorism and criminal information sharing and increased cooperation on the screening of refugees and asylum seekers with countries in the Visa Waiver Program,” Johnson noted.

Complaint: US Agents Looting Immigrants Before Deportations

By Russell Contreras

[Associated Press](#), April 6, 2016

A complaint filed by advocacy groups alleges that U.S. Border Patrol agents are looting immigrants of possessions before deporting them to Mexico without their IDs or money.

The ACLU of New Mexico and a coalition of organizations filed the administrative complaint with the U.S. Department of Homeland Security on Wednesday and say the alleged seizures are putting migrants at the US-Mexico in harm’s way.

The complaint said immigrants suspected of being in the country illegally were deported without their belongings in 26 separate cases. Advocates say immigrants were deported to cities in Mexico where they have no acquaintances.

DHS spokeswoman Gillian Christensen said in a statement that the department has a policy of safe-guarding detainees’ property.

“DHS will review the complaint once we receive it. DHS has strict standards in place to ensure that detainees’ personal property — including funds, baggage and other effects — is safeguarded and controlled while they are in detention and returned to them when they are released from CBP/ICE custody or removed from the United States. Any allegation of missing property will be thoroughly investigated,” Christensen said.

In one case, U.S. Border Patrol agents detained a 23-year-old man from Chihuahua, Mexico, on a road near Antelope Wells, New Mexico, in February 2015, and forced him to sign a form abandoning his rights to his belongings, the complaint said.

The man did not understand the contents of the form, and the agents never advised him of his right to reclaim his belongings, according to the complaint. He was later sent to Ciudad Juarez, Mexico, without his belongings, documents claimed.

The complaint also alleged border patrol agents seized nearly \$400 from a 23-year-old woman from Guerrero after she was detained near an international bridge in El Paso, Texas. Advocates said the money, which was part of the woman’s life savings, was never returned.

“They are really eroding the rule of law at the border,” ACLU of New Mexico attorney Kristin Greer Love said. “They

are putting people at great vulnerability. Some are fleeing dangerous situations and are seeking asylum in the U.S.”

Advocacy groups in Mexico complain that the seizures have been occurring along the border for years, Love said.

Documents also alleged Border Patrol agents often destroy belongings, including legal and identity documents.

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Civil-Rights Groups Allege Some U.S. Authorities Steal From Deportees

Department of Homeland Security says it will investigate

By Kate O’Keeffe

[Wall Street Journal](#), April 6, 2016

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Another Opening Day In Miami Without A Mayor To Cheer The Home Team

By Douglas Hanks

[Miami Herald](#), April 5, 2016

On Opening Day, Miami-Dade Mayor Carlos Gimenez looks ready to extend his own remarkable baseball streak: five seasons without attending a home Marlins game.

Gimenez took office five years ago in part thanks to backlash over the 2009 deal that sent \$370 million in borrowed county money to build Marlins Park, which he opposed as a county commissioner. The park opened in 2012, a year after Gimenez was elected mayor, but he has steered clear of seeing the Marlins there. In 2014, Miami Herald research found he was the rare mayor in a Major League city who has not watched a home game at the local ballpark.

On Tuesday, hours before the Marlins take on the Detroit Tigers for their first official home game of 2016, Gimenez confirmed he has yet to see the team in Marlins Park. And he wasn’t sure if he’ll catch a game this season.

“I don’t know,” he said. “We’ll see.”

Even six years later, the Marlins deal endures as one of the least popular decisions made by local officials in recent memory. Three sports teams pursuing stadium deals since — the Dolphins, the Heat, and David Beckham’s as-yet unnamed Miami soccer franchise — have made selling points out of their contrasts with the Marlins agreement. And with the Marlins payroll still low by league standards, some fans have been quick to ask why more money can’t be spent improving performance on the field. Team executives say poor attendance at Marlins Park hasn’t helped the revenue picture.

Gimenez’s avoidance of Marlins Park has served as a barometer for the 2009 stadium deal’s political toxicity. When the stadium opened in 2012, Gimenez attended a high-school game there but not a Marlins game. He stayed away for the first three seasons, and took time in his 2014 State of the County speech to note he “still wears his Marlins scars quite proudly.”

But last year, when the Marlins hosted Major League Baseball for a ceremony to announce the 2017 All-Star game would be coming to Little Havana, Gimenez was there for the celebration. Two weeks later, he sounded ready to end his unofficial embargo of Marlins home games.

“I think it’s time,” he told the Herald. “You know, the stadium is there. If they put out a good quality product, which is what they promised the people of Miami-Dade County, then I may start to go. ... If they don’t put out a good quality product, which is what they promised the people of Miami, then I won’t go to the game.”

The Marlins ended up posting a losing season in 2015, with just 71 wins. Gimenez said Tuesday he wasn’t ruling out a home game in 2016, but would be keeping an eye on how the team plays. “I’ll play it by ear,” he said. “It depends on the product on the field. We’ll see.”

As Gimenez gears up for a reelection vote this summer, his primary rival said she shares the incumbent’s disdain for the 2009 deal. But Raquel Regalado, a two-term school board member, has taken in a few games and plans to be at Marlins Park later this month.

“You can carry this ideology to a certain point. But my kids love baseball,” said Regalado, the mother of two. “At this point, I think we should just support the team. We don’t agree on how we got here. But we’re here.”

Regalado is the daughter of Tomás Regalado, the Miami mayor who also came to office in part thanks to his high-profile opposition to the 2009 Marlins deal (which included city-built garages). He said he’s attended Marlins games with his grandchildren, and would have been at the park tonight to watch U.S. Homeland Security Secretary Jeh Johnson throw out the first pitch but had a conflict with a city function.

“I still think it was a bad deal,” Regalado said. “But, hey, now we have to support the Marlins.”

Immigration Case At SCOTUS Could Turn On Wonky Administrative Law Issue

By Alison Frankel

[Reuters](#), April 5, 2016

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

Three Years Is Too Long For Administrative Leave

By Joe Davidson

[Washington Post](#), April 5, 2016

The use and misuse of paid administrative leave in federal agencies is getting increased attention because of cases such as these at the Department of Homeland Security:

— A federal law enforcement officer was on leave for more than three years while being investigated on allegations of criminal and administrative misconduct. He was paid \$455,000 in salary and benefits for not working.

— Another staffer, also on leave for more than three years, received about \$340,000 while being investigated. After the lengthy inquiry, the agency determined it did not have sufficient evidence against the employee, who returned to duty.

— One employee was placed on administrative leave after exhibiting hostile behavior at work. The leave extended for more than 20 months because of a series of medical and psychiatric exams, requests for information and miscommunications regarding medical records. In March 2014, the employee was determined to be a threat to others and fired.

The Government Accountability Office collected these examples in a report about DHS that documents how administrative leave doesn't always work right.

It found that 116 DHS employees were on administrative leave for personnel reasons for at least one year between fiscal 2011 and fiscal 2015. Their total estimated salary was \$19.8 million.

That's a lot of money to pay people who aren't on the job. But not working doesn't mean vacation time for those not allowed to work.

The report reminded me of Robert Whitmore, a former Labor Department inspector who was placed on leave for about two years while his misconduct case was investigated. He said officials rejected his request to work from home. Instead they paid his \$150,000 salary for him to do nothing.

"My main goal is to get back to work and do my job," he said at the time.

The department's Occupational Safety and Health Administration eventually got its way — to a point. Whitmore didn't get his job back. But OSHA didn't win, either. After a federal court overturned his firing, OSHA agreed to a settlement paying Whitmore \$820,000 on top of the two years' salary when he was on leave — a total of more than \$1 million.

It's cases such as these that have spiked interest in fixing administrative leave. During the 2011-to-2013 period, DHS alone accounted for more than a quarter of the federal employees on leave for a year or more. The 263 total

employees on leave during that time had salaries of more than \$31 million. Seventy-one of them were from DHS, "more employees than any other department," GAO said.

Justin Greenberg, a DHS spokesman, said the department "had already begun implementing strict limitations on the use of administrative leave," before the latest GAO report. "DHS agrees with the GAO's recommendation that we evaluate the results of our administrative leave policy, and we will continue to do so [on] an ongoing basis to identify successful practices, address potential inefficiencies, make appropriate adjustments, and share results across the Department."

Meanwhile, the Obama administration and Congress are trying to rein in administrative leave. The Office of Personnel Management told agencies in May that administrative leave should be "as brief as possible under the circumstances."

The House is considering legislation that would prohibit placing federal employees on administrative leave "for more than 14 total days for reasons relating to misconduct or performance."

A Senate bill says "agency use of administrative leave . . . has exceeded reasonable amounts." It would limit the leave to five consecutive days but would allow for investigative leave, without loss of pay, if the employees posed a threat.

While attention often falls to the employees on leave, it is management that needs to explain any abuse of the process.

"Putting an employee on administrative leave during a disciplinary process is a management decision, so the notion that the leave could be abused by the employee is misguided," said Tony Reardon, president of the National Treasury Employees Union. "One thing we do not support is to provide incentives to management to drag out an investigation or limit due-process procedures by arbitrarily cutting off the time an employee can be on administrative leave. The burden to act more quickly must be on those who have control over the process, not on the employee who has no control."

The Dark History Of Defending The 'Homeland'

By James Traub

[New York Times](#), April 5, 2016

In 2010, the screenwriter and producer Alex Gansa finished the script for a political thriller involving a deeply troubled C.I.A. agent and a soldier who had been turned by the Taliban, and began thinking about a title. He recalls that he wanted a word or phrase to conjure an atmosphere of "creepy subversion" — something sinister, xenophobic, un-American. "Shadowland"? No, not quite. "Homeland"? Perfect.

Ever since President George W. Bush, in the aftermath of Sept. 11, vowed to “strengthen the homeland” and authorized the establishment of a Department of Homeland Security, this peculiar coinage has burrowed its way into the American lexicon as if it were an earwig. In the current presidential campaign, “homeland” fills the air. In a December debate, both Senator Ted Cruz and Gov. John Kasich included among a president’s core obligations “protecting the homeland.”

Yet as Gansa intuited, a word ostensibly deployed to offer a sense of comfort instead unleashes deep undercurrents of anxiety. When the D.H.S. was first proposed in June 2002, the conservative columnist Peggy Noonan complained that the president should have found some less spine-chilling entity to secure from attack. Even Tom Ridge, the department’s first director, conceded that he had heard grumblings that “homeland” was un-American.

What is it about “homeland” that feels more like a violation than an affirmation of American identity? In traditional usage, the word evokes the link between a people and the state that is theirs, or that they wish to be theirs. With the founding of Israel in 1948, Jews gained a homeland. Palestinians lost one. “Homeland” throbs with the primal forces of state formation. The word points to a world of solidarity forged through blood ties, through ancient ritual and legend.

This ethnocentric conception of nationhood is what America’s founding generations gratefully left behind when they reached the New World, where they built a nation out of acquiescence to a shared social contract. It’s true that Americans identify intensely with the physical landscape — the little house on the prairie, the amber waves of grain, the Rockies and the Mississippi. In the novels of James Fenimore Cooper or the paintings of Albert Bierstadt or Thomas Cole, we see how the New World shapes a new people. And yet, save for the Native Americans, the people were not indigenous.

In “Landscape and Memory,” the historian Simon Schama describes the influence of topography — of forest, mountain and stream — on the formation of European identities. Long before it was a nation, he writes, Germany was an amalgam of tribes inhabiting a world of swamp and forest. The German Romantics revived this ancient cult as a means of fostering a national identity. Germans were not just people but a people, with an immemorial link to their land. They used the word *heimat*, or homeland, to evoke this deep bond and this racial identity. *Heimat* is a feminine noun, and it thus conveyed the idea of “motherland.”

Celia Applegate, a professor of German history at Vanderbilt University, writes that *heimat* “carries overwhelmingly cozy, warm, childhood, affectively tender connotations.” Hitler very consciously revived the cult of *heimat*, posing for photographs in sylvan settings and

revitalizing the ancient rites of forest worship. *Heimat* was the warm alternative to the sterner *vaterland* (“fatherland”), also in common usage. The use of the former, Applegate notes, allowed the Nazis to “talk about loving your hometown, not hating the Jews.” *Heimat* converted the idea of the homeland into racial propaganda and rallying cry. Applegate says that she found it “incredibly creepy” — that word again — that the D.H.S. would hijack the cozy associations of *heimat*, as Hitler did, to rally citizens to the defense of the nation.

The nature bond of “homeland” need not be saturated in blood: In Israel, the Hebrew word *moledet*, also translated as “homeland,” evokes a very German sort of topographical mania, the naming of every rock and tree, the love of hiking and the outdoors. In its political aspect, however, the cause is less benign: The small *Moledet* Party called for the transfer of Palestinians from the West Bank so that Israel could reclaim all of what it sees as its historic territory — and what the Palestinians see as theirs.

The American adoption of “homeland” is in fact less folkloric than technocratic. The former Senator Joseph Lieberman, one of the leading advocates of creating the Department of Homeland Security, told me that he and others lifted the word from the United States Commission on National Security, which authored a February 2001 report calling for the creation of a “National Homeland Security Agency.” That report, in turn, drew on a 1997 experts’ report on the Pentagon, which highlighted the need for “homeland defense.” In years past, the authors noted, the only real threat to the continental United States had come from Russia’s nuclear capacity; now the United States had to defend itself against terrorism, information warfare, weapons of mass destruction.

The rise of “homeland” thus tracks the rise of the national sense of vulnerability. As we use it now, “homeland” means “the country insofar as it is endangered.” It is cold rather than warm — a term fit for a dictator. Indeed, in 1977, Gen. Augusto Pinochet, the Chilean strongman, submitted a referendum to citizens in response to a United Nations resolution condemning his abuse of human rights: “In the face of the international pressure unleashed against the homeland,” the operative clause began, “I support President Pinochet in his defense of the dignity of Chile.”

Vulnerability itself has become our great national theme. George W. Bush responded to the terrorist attacks by embarking on a crusade to “strengthen democracy” in the Middle East and elsewhere. But the central claim of most of the Republican candidates running for president this year is that the nation — the homeland — is under attack, whether from Mexican immigrants, Syrian refugees, terrorist lone wolves or Chinese imports. “We have people across this country who are scared to death,” as Gov. Chris Christie put it before bowing out of the race. Today’s crop of Republicans has very little of Bush’s confidence that America can make a

better world, whether through persuasion or force. If we can't shape the world, they argue, at least we can stop it at our border. The dominant foreign-policy image of the G.O.P. debates has been a wall. "Terrorists can simply swim across the Rio Grande," Ted Cruz ominously declared. Cruz wants to triple ground forces along the border. Donald Trump promises to build the Great Wall of Texas.

We have come a long way in a short time. In 2008, Barack Obama ran for office promising to restore America's good name in the world through a policy of engagement with adversaries and respectful treatment of allies. His rival, John McCain, was equally convinced of America's indispensable role in the world, though he put less store in diplomacy than Obama did and more in force. Each argued that foreign policy involved seizing opportunities as much as warding off threats.

And now? Our homeland bristles, thickens, fortifies. We won't close Guantánamo because terrorists are too terrifying to have on our soil. We resist taking refugees from Syria. We decant our liquids into 3.4-ounce bottles before climbing on a plane. We think twice before going to jihadist hotbeds like Paris. We build walls in ourselves and between ourselves. No place is safe — not even the homeland.

James Traub is a columnist and a contributor at foreignpolicy.com. His latest book is "John Quincy Adams: Militant Spirit."

IMMIGRATION AND CUSTOMS

ENFORCEMENT

New Jersey University Was Fake, But Visa Fraud Arrests Are Real

By Liz Robbins

[New York Times](#), April 5, 2016

On the surface, the University of Northern New Jersey seemed legitimate. It had a website, with a seal featuring the Latin words "Humanus, Scientia, Integritas," a list of business-oriented degrees offered and a promise of "an exceptional educational experience."

It was so exceptional it did not exist.

Instead, the university was a fake, set up by the Homeland Security Department in 2012 as part of a sting operation to ensnare criminals involved in student visa fraud.

On Tuesday, that operation resulted in the arrest of 21 people in New Jersey and the state of Washington, the United States attorney for New Jersey, Paul J. Fishman, and Sarah Saldaña, the director of United States Immigration and Customs Enforcement, announced at a news conference in Newark.

The people arrested were brokers who recruited foreign students, mainly from China and India, to an institution that they knew would not have real classes in order to maintain

student visas. The brokers, working with people posing as university officials, charged the students fees in a scheme that allowed the students to stay in the country. They also arranged for jobs, and some of the employers were also issued warrants for arrest.

Some brokers received commissions from the undercover officials worth \$1,200 to \$2,000 on average for each student they recruited, Ms. Saldaña said. As part of the sting operation, other brokers received illicit payments for placing students in jobs.

Some of those arrested include legal permanent residents and naturalized citizens. Six agents arrested were from New York City, including three from Flushing, Queens.

"Our message is pretty loud and clear," Ms. Saldaña said in an interview. "We're out there, we have intelligence to identify you, we're going to find you and bring you to justice."

The University of Northern New Jersey, established in 2012 with the address of an office building in Cranford, N.J., may have been billed as an institution of higher learning, but no learning took place. It purported to offer undergraduate and graduate degree programs in areas like accounting, marketing and health care management. To lure unsuspecting recruiters, it was listed as state-licensed and certified by the Homeland Security Department. But there were no classes, no faculty members and no degrees over the last three years.

One thousand "students" who knowingly enrolled for at least 45 days at the university will shortly be receiving notices to appear in immigration court, and will ultimately have their visas revoked, the government said. Mr. Fishman said all of the recruited students were already living in the United States and were looking for a way to stay. Many did not stay in the New York metropolitan area, but lived and worked throughout the country.

The sting operation, the government said, was a way to understand the extent of the criminal network behind visa fraud, including how students are recruited, how fake universities work and what happens after the students are enrolled.

About 1.2 million students are currently in the United States on student visas, a majority of whom are legitimately attending universities, government officials said.

There have been several high-profile student visa fraud cases in recent years from California to New York, which represent a security concern for a government under pressure to screen visa applicants for possible terrorism ties.

The most prominent arrest in the case of sham universities, also known as visa mills, was in 2011. Susan Xiao-Ping Su, the founder of Tri-Valley University, in Northern California, was sentenced to 16 years in prison. The university had offered classes in engineering and medicine, but did not require that students attend them. More than

1,500 students, mostly from India, were affected, and not all knew that they were being defrauded.

In January, in a case brought by Preet Bharara, the United States attorney for the Southern District of New York, three executives of Micropower Career Institute, a for-profit college with five locations in the New York City-New Jersey area, pleaded guilty to visa fraud. Among other offenses, the executives took \$7.4 million from foreign students in exchange for visas, prosecutors said.

In 2012, a Government Accountability Office report faulted Immigration and Customs Enforcement for not providing enough control in the verification process of institutions and applicants under the Student and Exchange Visitor Information System. Officials with ICE said it had since been trying to tighten its accreditation protocols.

Although the officials would not discuss how many fraudulent schools might actually be operating, Mr. Fishman said they were “too prevalent.”

“The University of Northern New Jersey was another stop on the ‘pay to stay’ tour,” he added.

The Facebook page of the University of Northern New Jersey last had a post on March 5, announcing the school would be closed until March 18 for spring break. Earlier posts included pictures of students — some wearing “Badgers” T-shirts — against the same plain gray wall with the school seal and the letters U.N.N.J. On the university’s website, a note from the supposed president, Steven Brunetti, offered platitudes about the education offered at the university.

“As you explore U.N.N.J.,” the president’s note said, “I am confident that you will uncover all of the priceless opportunities an education from U.N.N.J. will provide you for your future.”

Arrests In Student-Visa Fraud Investigation

Federal agents say 21 people allowed foreigners to enter U.S. as students and go to work instead

By Miriam Jordan

[Wall Street Journal](#), April 5, 2016

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CUSTOMS AND BORDER PROTECTION

Federal Customs And Border Protection Head Makes Stop In Indianapolis

By Jill Disis

[Indianapolis Star](#), April 5, 2016

The head of the nation’s customs and border protection agency met Tuesday in Indianapolis with a group of the state’s top law enforcers.

The stop was the latest in U.S. Customs and Border Protection Commissioner R. Gil Kerlikowske’s tour of urban

centers across the country, which has included Baltimore and Detroit. The commissioner met with local business stakeholders and policing agencies, including the Indiana State Police and the FBI.

“A lot of times, local communities don’t have as good an understanding of what CBP means to their local economy,” Kerlikowske said in an interview with IndyStar. “We want them to know that we can be helpful.”

Kerlikowske’s agency, which is part of the U.S. Department of Homeland Security, employs more than 40,000 agents and officers, regulates international trade and patrols the country’s borders. Kerlikowske said his agents have frequently stepped in to assist local law enforcement investigations, including a weeklong manhunt last year for the men who escaped prison in upstate New York.

Indiana State Police Superintendent Doug Carter attended the panel with Kerlikowske.

“Anytime we’re able to meet with a federal law enforcement agency leader, such as Commissioner Kerlikowske, it affords the opportunity to compare notes and discuss in person ways to coordinate our law enforcement efforts,” Carter said.

Customs and Border Protection also patrols borders and seizes illegal drugs and other contraband. The flow of narcotics into Indianapolis has created cause for concern in recent years, according to local and federal law enforcement officials. They say they’ve encountered drug operations that receive their supply directly from the Mexican border, with single stops in cities such as Phoenix or Atlanta.

“It isn’t as much that the cartels are active in the city,” Kerlikowske said, adding that his agency sometimes offers training to law enforcement agencies around the country on drug-searching techniques. “It’s local gangs that have made an arrangement with a supplier.”

Last year, authorities cracked down on several multimillion-dollar drug rings in Indianapolis that they said fueled violent crime. The city in 2015 also recorded 144 criminal homicides, the most in its history.

Kerlikowske pointed to the demand for heroin in particular as a major driver of the drug trade and said his agents frequently seize the drug from smugglers at the country’s borders.

Indianapolis authorities and drug experts have seen local heroin use balloon in recent years. Indianapolis Metropolitan Police Department officers are now equipped with the anti-overdose drug Narcan, also called naloxone, after an extensive pilot program launched in 2014.

And Gov. Mike Pence last September created a task force on drug enforcement, treatment and prevention to address substance abuse.

Kerlikowske, who recently was the director of the Office of National Drug Control Policy, said he worked during his

tenure to bring attention to prescription drug abuse, which is seen as a precursor to heroin use.

"Heroin really hasn't been on the public's radar for a couple of decades, and we see a lot of young people that are naive about heroin," he said. "You very quickly become addicted, and you become an injecting drug user."

Kerlikowske stressed a focus not just on enforcing drug-related laws, but also on drug prevention and treatment.

Head Of Border Patrol Describes Fight To Stop Drug Cartels From Funneling Drugs To Indiana

By Matt Smith

[WXIN-TV Indianapolis](#), April 5, 2016

INDIANAPOLIS (April 5, 2016) – The head of U.S. Customs and Border Protection met with economic and law enforcement leaders in Indianapolis Tuesday.

The visit is part recruitment, part policy discussions for R. Gil Kerlikowske, who was appointed by President Barack Obama to oversee the agency and its 60,000 employees.

Kerlikowske said more than 2,000 positions within U.S. Customs and Border Protection remain open.

In an interview with FOX59, Kerlikowske gave exclusive insight into how border agents are working to dismantle drug cartels, funneling drugs throughout the United States, including Indiana.

"Heroin is certainly an issue that's getting lots of attention in the United States," Kerlikowske said.

When 3,000 pounds of marijuana plants were found in Brown County last fall, investigators quickly linked the drugs to a Mexican drug cartel.

Kerlikowske told FOX59 while drug seizures are up along the border, more work is needed.

"So we know we're doing a better job," he said. "But if we don't put it in the context of preventing drug use among young people, getting people who are addicted to drugs into treatment, if we don't address it as a whole package, we're making a huge mistake."

In a critical independent report, sent to Homeland Security officials last month, a task force found corrupt border patrol agents posing a national security threat, finding drug cartels are targeting and recruiting agents to help smuggle drugs and people nationwide, including Indiana.

"It's a legitimate concern," Kerlikowske said. "When you think about someone that wants to smuggle drugs and could they attempt to corrupt our agents or our officers at our ports of entry. That's why our screening and hiring standards are very high. We have a robust now internal affairs office that we did not have in the past to attempt that."

The task force is recommending Kerlikowske have the authority to immediately fire or suspend agents.

"We just had a great example of an agent in Puerto Rico that was asked to get \$12,000 for every person that

could enter the country illegally," he said. "He cooperated with investigators and the people that attempted to bribe him have all been arrested."

Dinosaur Skull Seized At The Port Of Newark Going Back To Mongolia

By John Marzulli, New York Daily News

[New York Daily News](#), April 5, 2016

The feds are making no bones about it, a 70 million-year-old Alioramus dinosaur skull is going back home to Mongolia where it belongs.

The priceless artifact is among seven dinosaur fossils that were seized by Customs and Border Protection officers at Port of Newark in 2014.

Brooklyn U.S. Attorney Robert Capers said Tuesday that the skull had been offered for sale on eBay for \$300,000 by a French antiquities dealer.

But the shipment, described as "fossil cast dinosaur bones" contained false paperwork claiming the country of origin was France. A paleontologist confirmed the fossils were from Mongolia and were being unlawfully imported into the U.S.

"These are not souvenirs to be sold to the highest bidder," said Robert Perez, director of CBP's New York field office. The fossils will be placed on display at the Museum of Mongolian Dinosaurs located in their homeland.

Federal officials said the Alioramus specimen is the most complete skull of its kind ever discovered. Also being returned are a fossilized nest of eggs and assorted skeleton pieces.

It won't be going home to the Gobi Desert where it once roamed — its new home will be the Central Museum of Mongolian Dinosaurs.

"This is a very rare, rare fossil and it belongs to the people of Mongolia," Capers said.

Alabama Guard Pilots Heading To Arizona To Patrol US Border

[Associated Press](#), April 5, 2016

MONTGOMERY, Ala. (AP) – Gov. Robert Bentley is sending a few helicopter pilots from the Alabama National Guard to Arizona help federal authorities secure the U.S. border with Mexico.

Bentley said in a statement Tuesday that Alabama will send a UH-72 helicopter and three pilots to Marana, Arizona, at the request of the National Guard Bureau.

The governor says the Alabama Guard pilots will deploy immediately and remain in Arizona through September. Their job will be to assist civilian law enforcement and U.S. Border Patrol agents tasked with border security.

The Army National Guard says its citizen-soldiers have been helping with border patrol duties for more than 20 years.

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Member Of US Homeland Security Visits Hawaii To Discuss Possibility Of Pre-clearance In Narita

By Kathleen Gallagher, Reporter
[Pacific Business News \(HI\)](#), April 5, 2016

Kevin McAleenan, deputy commissioner of U.S. Customs and Border Protection for the U.S. Department of Homeland Security, visited Hawaii to talk about the possibility of establishing a pre-clearance facility at Japan's Narita International Airport in Tokyo. Sen. Mazie Hirono met with McAleenan and officials from Narita here in the Islands, she told PBN. Under the pre-clearance system, passengers will be able to undergo immigration, customs and agriculture inspection by U.S. Customs & Border Protection prior to boarding their direct flight to the U.S. This means the process is much quicker when passengers arrive in the U.S. Narita would be the first East Asian airport to offer the service. Narita was one of 10 new airports the U.S. government is hoping will offer the service. Last year, the Hawaii Tourism Authority said the new service would help the tourism industry and bring relief to Honolulu International Airport.

Hirono also said she discussed the possibility of reestablishing Kona as an international airport. "They were much more flexible about what kind of facility we are going to need in Kona," she said. "The state is pushing for this and said it would pay for it itself." Japan Airlines last flew to Kona International Airport on the Big Island in 2010, but the facility has not been able to accommodate new international flights since because of its outdated Federal Inspection Service site. A new federal inspection facility at Kona is part of Hawaii's airport modernization plan, but it could be years until it's built.

TRANSPORTATION SECURITY **ADMINISTRATION**

Guy Makes \$47,000 TSA App In 10 Minutes

[Business Insider](#), April 5, 2016

Developer Kevin Burke recently revealed that the Transportation Security Administration paid IBM \$336,413.59 for "mobile application development," which included the creation of a Randomizer app.

What did this app do? Basically, it randomly selected which lane (left or right) passengers should go into in a security line.

If that doesn't sound like a particularly difficult app to code, that's because it's not. In fact, developer Chris Pacia

recently uploaded a YouTube video of himself coding a similar app in about 10 minutes. Pacia says his going rate for development is \$100 an hour, which means this app cost him less than \$20 in labor to build.

TSA told Mashable that only \$47,400 of its IBM contract was actually used to build this app, but it declined to explain where the remaining \$289,000 went. Still, even taking into account added paperwork and security measures, \$47,400 is a far cry from \$20.

FEDERAL EMERGENCY **MANAGEMENT AGENCY**

Firefighters Battle Alma Wildfire; FEMA Approves Grant

By Tyler Carter
[KSNT-TV Topeka \(KS\)](#), April 5, 2016

WABAUNSEE CO. (KSNT) — Firefighters battled massive flames near Alma in the area of K-99 and Missouri Street and south of 2nd Street Tuesday night.

14 fire departments from across Northeast Kansas helped put out the blaze.

An official with the Wabaunsee County Emergency Management tells KSNT News that at around 3:45 p.m. they received calls on a pasture fire from the previous day rekindling.

Due to the high winds the blaze picked up, burning down a barn and Holy Family Catholic Church school building.

Wabaunsee County Emergency Management tells KSNT News that FEMA gave verbal approval to the state's Division of Emergency Management to provide a Fire Management Assistance. The grant will help community cover the expenses of the fire.

Numerous Fire Departments Respond To Alma Fire As It Encroaches On Town

By Katie Moore
[Topeka \(KS\) Capital-Journal](#), April 5, 2016

A rekindled grass fire from Monday blanketed Alma in billows of smoke and prompted an estimated 15 area fire districts to respond.

Wabaunsee County undersheriff Darrin Stewart said the fire was reported about 3:15 p.m. Tuesday. The blaze started south of town but heavy winds brought it into Alma, he said.

Stewart said rumors that Alma, a town of less than 1,000 people in Wabaunsee County, was being evacuated were untrue.

According to the Kansas Adjutant General's website, Gov. Sam Brownback issued a state declaration of

emergency for Wabaunsee, Riley and Pottawatomie counties, which were all experiencing wildfires. The Kansas Division of Emergency Management also received verbal approval from the Federal Emergency Management Agency for assistance in Wabaunsee County, the website said.

As the blaze reached the town, a risk to structures grew. A machine shed was considered a total loss.

Emergency crews knocked out fires threatening two homes and also continued attacking the fire from the south side, Stewart said.

Firefighters worked to protect a Holy Family Catholic Church building that sat across from the main church. Amy Bandel, of Alma, said the building was used for church classes and that records also were inside. A group of people gathered outside the church, which sat atop a small hill, watching crews work and talking about the fire.

Topeka firefighters had been in Salina for a structural collapse training. On their way back to Topeka, Fire Department training officer Alan Stahl said they received a call that "Alma might be burning." Topeka crews responded, supplying lights and compressed air.

Alma resident Ruth Messer, who lives about a block from the church building that was on fire, said she was very scared and praying that rain would come soon. Around 5 p.m., she looked out her window and couldn't see the gas station that sits across the street from her home.

A command post was established in the center of the town. Major Brian Burkett with The Salvation Army said the organization received a call for assistance at 5:15 p.m., and by 6:45 p.m. was providing sandwiches and drinks to emergency personnel at the command post.

"We're thrilled to be of assistance to the emergency workers here," he said. "Us doing this allows them to fight the fire."

Alma resident Sue Flach was walking around the scene carrying stacks of pizza boxes. She said she had ordered about 30 pizzas to distribute to firefighters.

Wind speeds in Alma were 25 to 30 mph with gusts even higher on Tuesday, said Matt Wolters with the National Weather Service in Topeka.

Crews were expected to work into Wednesday to suppress the wildfire.

US CITIZENSHIP AND IMMIGRATION SERVICES

Long Waits For A Program That Gives Visas To Undocumented Immigrant Crime Victims

By Vanessa Rancaño

[KUT-FM Austin \(TX\)](#), April 5, 2016

Maria Orozco sits on a brown vinyl couch in her mobile home in Austin. Her big purse is splayed out on her lap as she digs around for her wallet, which holds her Texas driver's license and a red, white and blue Employment Authorization Card. "When I got my license, oh my God, I was super happy," she says.

These cards are the product of a visa process she started three years ago. Orozco's special visa, called a U Visa, was created by Congress 15 years ago to give legal status to immigrant victims of serious crimes if they help with criminal investigations.

Law enforcement officers and immigrant advocates pushed for the program because they want undocumented immigrants to feel safe reporting crimes—not just because it protects vulnerable members of the society, but because it's good for community safety in general. Now there are many more applicants than visas.

For Orozco, getting the visa has been a slow process, but worth it. She got her visa last year. It allows her to live in the country legally, and after three years she can apply for her permanent residence.

"I'm happier than I've ever been because I feel like, for the first time, I'm living my life," she says. "I'm not being controlled by a man."

Like Orozco, almost half of those (mostly women) who apply for U Visas are victims of domestic violence. When Maria left her hometown in Nicaragua 11 years ago at 3 in the morning, she didn't have much of a plan. She made the decision out of fear of her boyfriend.

"The last time, he put a gun to my head," Orozco says. "I thought, one day this man is going to kill me."

Orozco finally called the police. As they took her boyfriend away in handcuffs he warned her, "You know what's going to happen to you when I get out of here."

So she left. She crossed the border illegally and settled in Texas. Then she met a guy at church – let's call him Miguel. He didn't treat her well, but, compared to her ex, Miguel seemed kind. They moved in together. One night he came home angry. He grabbed her and dragged her across the front yard. Her friend called the police.

Applicants wait more than two years for work visas and, by the latest tally, there are 62,000 applications pending.

Miguel was in jail for three weeks. When he got out, Orozco got back with him. Within a couple weeks he attacked her again and went back to jail. It went on like that. Eventually, they got pregnant and married.

One day Miguel punched Orozco in the face while he was driving. She called the police and – jail again.

"Being a victim of domestic violence is like being a drug addict," Orozco says. "You can't get out, really. You have to be strong to get out. If not, it's like a sickness that eats at you every day."

Congress designed the U visa program to protect women like Orozco, but legislators also set a limit on how many of these visas can be issued every year. No matter how many people apply and are eligible, only 10,000 U Visas are given out each year.

Applicants can get work permits once they're deemed eligible for a U Visa, even if they have to wait years for the visa itself to become available. This permit is a huge deal—not just because it allows people to work legally, but because it protects them from getting deported until their visa comes through.

Before Orozco got her work authorization, she says, it felt impossible to leave Miguel.

"He knew I didn't have papers, so he took advantage of it," she says. "He'd say, 'You have to put up with me because you have three kids. Where are you going to find work? You're here illegally.'"

Leslye Orloff, director of the National Immigrant Women's Advocacy Project, says Orozco's experience is common. "We know that a significant portion of U Visa victims remain in the abusive relationship until they receive work authorization," she says.

"We're in a bit of a crisis and the people who are suffering are the immigrants who Congress intended to protect."

Orloff helped write the U Visa law back in 2000. Now, she works with lawyers, judges and law enforcement officers from around the country on this issue. She says the long wait has had similar consequences for women who are abused by employers.

"Victims continue working in abusive work environments. We know of cases where victims of rape in the workplace have been raped again while they were waiting," Orloff says.

In Orozco's case, it took a year to get her work permit. Today, applicants can wait more than two years. By the latest tally, there are 62,000 applications pending.

"This is the worst that I've ever seen it in my over a decade of practice," says Elissa Steglich, who runs the Immigration Clinic at the UT School of Law. "We're in a bit of a crisis, and the people who are suffering are the immigrants who Congress intended to protect."

Like lots of applicants, Orozco heard about the U Visa through a friend. As word gets out, more and more people are applying.

"The past several years there have been breakthroughs in outreach in Central Texas for sure," says Robert Painter, who runs Austin-based non-profit immigration services provider American Gateways. "As people saw success with their cases, word spread."

Painter says the long wait times have consequences for him and other immigration attorneys, too. His agency can't take on as many new cases now, because they have all

these old cases to keep track of. They're having a hard time finding the pro bono attorneys to take on these cases, too, because people are reluctant to commit to a process that can take up to six years.

"When I got my work permit he saw that he couldn't control me as much. I started to feel independent, to feel that I was worth more than before. I decided to leave him."

He says he'll keep helping people apply, though, and so will attorneys across the country.

"Unless something changes," he says, "the backlog will keep growing."

Lifting the 10,000 limit is up to Congress, so nobody's optimistic that will change anytime soon. But Steglich and other advocates say there is something to be done: United States Citizenship and Immigration Services, the agency that handles visa applications, should make sure there are enough officers to review applications.

That, Steglich says, will help those on that long wait line "move forward with their lives," with a work permit in hand.

"They say it's a priority. They have done a great job generally, historically, in prioritizing and protecting victims," Orloff says of the agency. "But, at this moment, the leadership has changed, and they are prioritizing other issues that are drawing resources toward other cases, and that is causing the delay in U Visas."

U.S. Citizenship and Immigration Services wouldn't comment for this story, but when applications have piled up in the past, they've been able to end the backlog. Advocates say it's – at least in part – a matter of resolve. And, for people in the situation Maria Orozco was in three years ago, it could make a huge difference.

Orozco didn't leave Miguel right away, but it didn't take long once she started saving money.

"When I got my work permit, he saw that he couldn't control me as much," she says. "I started to feel independent, to feel that I was worth more than before. I decided to leave him. I didn't have a reason to put up with a man who was going to be mistreating me all the time anymore."

Steglich and her students want the same outcome for all their U Visa clients. They've asked the government to give them more detailed backlog numbers and information about how it decides which cases to prioritize in hopes of helping to find a solution. They're not expecting a response anytime soon.

Tattooed Vet Gets 4 Years In Prison For Running Miami Molly Ring

By David Ovalle

[Miami Herald](#), April 6, 2016

The judge heard a long list of bad stuff about Jorge Hernandez, the heavily tattooed, bodybuilding ex-U.S. Army

soldier who ran one of the largest Molly drug rings in Miami history.

Three beautiful women, his ex-lovers facing prison time themselves, blamed Hernandez for fueling their drug addictions while convincing them to help smuggle in kilos of the synthetic drug from China. Two of them accused him of physical and psychological abuse.

One of his buddies insisted he helped Hernandez only to partake in the lifestyle of night clubs, porn stars and luxury rides.

But once he was caught, Hernandez proved to be an ace undercover operative — making drug deals that helped agents bust 13 other people. “The best I’ve seen in my experience,” federal prosecutor Marton Gyires told the judge on Monday during Hernandez’s sentencing.

That cooperation, combined with Hernandez’s impressive service in the military — he served in Iraq and Afghanistan as an Arabic-speaking translator — persuaded U.S. District Judge Federico Moreno to shave some time off what could have been a sentence of at least 10 years in prison. The end result: Hernandez, 37, will serve only four years.

“It wasn’t just service. It was combat duty,” Moreno said. “He should be given credit for his service to the military.”

In all, the judge sentenced Hernandez and seven others on Monday to terms ranging from 18 months to five years in prison, nearly ending the legal case against Miami’s “Molly Machine” — profiled in the Miami Herald last November.

Only one defendant — one-time law student Mario Melton, convicted at trial of helping Hernandez import bulk loads of Molly — remains to be sentenced next month. Hernandez testified twice against Melton, who is the son of Miami-Dade lobbyist Eston “Dusty” Melton.

Hernandez and his best friend, Matthew Anich, ran the lucrative Molly operation, a business model that has proliferated in South Florida in recent years and was chronicled in the Herald series Pipeline China. Like others in the emerging drug game, the two ordered the drugs through Chinese websites, which in turn mailed the packages through the U.S. mail and private delivery services.

Together, the group is believed to have imported hundreds of kilos of methylone and ethylone, synthetic drugs marketed as Molly in South Florida clubs. Retail profits could run as high as \$30,000 to \$40,000 a kilo.

Authorities got their first window into the operation after police were called to a scene involving Anich’s girlfriend, a porn star named Selena Rose, who in a fit of anger had climbed atop his Porsche naked. She alerted officers to her boyfriend’s drug business. Anich, who is serving a 56-month prison term, cooperated against Hernandez, who in turn helped Homeland Security Investigations agents build their far-reaching case.

In all, over a dozen people have been convicted in various cases, with all but Melton pleading guilty.

Among those sentenced on Monday were two of Hernandez’s former girlfriends who helped him wire money to China, pack the chemicals in pill capsules and pick up the mail packages.

One of them, Carleane Berman, 21, told the judge that she had been an addict since she was 14, a habit that escalated after she fell “madly in love” with the older Hernandez.

“I was caught up in the typical nightlife scene that fueled my addiction,” said Berman, who at one point was earning \$4,000 a month performing pornography on the Web.

The judge sentenced Berman — who helped the government by testifying in two trials against Melton — to 30 months in federal prison.

Also sentenced was Ashley Sue Morales, 26, a former Hooters waitress and model who was the girlfriend of Hernandez and then the wife of another defendant, Josue Morales, who is now a fugitive. “I want to apologize to my family,” she said tearfully. “I want to be able to move forward from this.”

The judge sentenced Morales to 3 years in prison.

Moreno also sentenced Seth Daniel Murray, 28, the son of two Miami-Dade corrections officers. Murray also wired money and picked up Molly packages, although his lawyer insisted it was only to “endear” himself to the lifestyle enjoyed by Hernandez.

“If someone says beautiful women, porn stars and ‘you can drive my Bentley,’ most people are going to say ‘yes,’” lawyer Scott Saul said.

Judge Moreno sentenced Murray to 50 months in prison, but not before noting: “The fact that he was enamored with the Hernandez lifestyle — I’m sure that love has dissipated by now.”

The attacks on Hernandez rankled his defense lawyer, Ken Swartz, who denied the former soldier ever abused any of his ex-girlfriends.

Hernandez, a Cuban-American, graduated from the University of Miami with a degree in political science in 2001. He joined the Army after the terrorist attacks on the United States.

But after seven years, his military career was cut short by injury: two fractured discs suffered while rappelling from a helicopter in Afghanistan. Back in Miami, Hernandez turned to Molly dealing after working as a fitness instructor while struggling with post-traumatic stress syndrome.

“He has an amazing military record. He went in a private and came out a second lieutenant,” Swartz said. “He served his country in the military — and in this case.”

IMMIGRATION

Trump Would Seek To Block Money Transfers To Force Mexico To Fund Border Wall

By Bob Woodward And Robert Costa
[Washington Post](#), April 5, 2016

Donald Trump says he will force Mexico to pay for a border wall as president by threatening to cut off the flow of billions of dollars in payments that immigrants send home to the country, an idea that could decimate the Mexican economy and set up an unprecedented showdown between the United States and a key diplomatic ally.

In a two-page memo to The Washington Post, Trump outlined for the first time how he would seek to force Mexico to pay for his 1,000-mile border fence, which Trump has made a cornerstone of his presidential campaign and which has been repeatedly scoffed at by current and former Mexican leaders.

The proposal would jeopardize a stream of cash that many economists say is vital for Mexico's struggling economy. But the feasibility of Trump's plan is unclear both legally and politically, and also would test the bounds of a president's executive powers in seeking to pressure another country.

In the memo, Trump said he would threaten to change a rule under the USA Patriot Act antiterrorism law to cut off a portion of the funds sent to Mexico through money transfers, commonly known as remittances. The threat would be withdrawn if Mexico made "a one-time payment of \$5-10 billion" to pay for the border wall, he wrote.

"It's an easy decision for Mexico," Trump said in the memo, which was written on campaign stationery emblazoned with "TRUMP Make America Great Again."

After the wall is funded, Trump wrote, transfer payments could continue "to flow into their country year after year." He gave the memo to The Post in response to a written question provided to him before an interview last week.

Nearly \$25 billion was sent home by Mexicans living abroad in 2015, mostly in the form of money transfers, according to the Mexican central bank. In his memo, Trump said that "the majority of that amount comes from illegal aliens."

But that figure includes cash from around the world, not just the United States. In addition, a Government Accountability Office report in January said that it is difficult to track how much money illegal Mexican immigrants are sending versus those working legally in the United States.

Throughout the campaign, Trump has claimed that he could build his proposed U.S.-Mexico barrier for about \$8 billion — a figure that numerous experts have described as dubious because of the costs and other obstacles to building

a lengthy, impenetrable concrete barrier through numerous jurisdictions.

The odds of success for Trump's proposal to pay for such a wall also are fraught with challenges. Although there is a shortcut in the Administrative Procedure Act that allows for "interim" regulations that take effect immediately without going through the regular public notice and comment process, there are limitations on that authority.

Based on the process for changes laid out in the Federal Register, Trump as president could potentially invoke a change by making the argument that illegal immigration is an emergency that must be addressed immediately or is a threat to public health or safety.

But such a rule would presumably apply to limiting wire transfers, canceling visas or raising visa fees — not about directly limiting immigration. That could make it harder for Trump to argue that any of those criteria meet the exceptions, according to some experts.

After reviewing Trump's proposal, one expert on immigration law said he is skeptical.

"Trump is giving an extremely broad definition of this section of the Patriot Act and what it allows, and it'd surely be litigated," said Stuart Anderson, executive director of the National Foundation for American Policy, a nonpartisan think tank in Virginia. "It would be a large expansion beyond what the text reads."

Anderson said Trump's memo also leaves unaddressed how normal financial transactions across borders would be affected and whether there would be an overly aggressive federal intrusion into the growing number of financial transactions that take place over the Internet.

Entitled "Compelling Mexico to Pay for the Wall," the memo is the latest attempt by the Republican presidential front-runner to offer more specifics about his proposal at a time when he faces tough head winds, including a potential loss Tuesday to Sen. Ted Cruz of Texas in Wisconsin's Republican primary.

The memo includes rationales for a number of potential intimidation tactics, including increased trade tariffs, the cancellation of visas, and higher fees for border-crossing cards.

But at the core of Trump's approach is a focus on the remittances of illegal immigrants, which he argues are crucial to Mexican economic stability and are a way of pressuring the country to disburse billions of dollars to the United States to fund construction of his wall.

Trump's official immigration plan, released last year, featured a pledge to "impound all remittance payments from illegal wages" and to hike fees on temporary visas, among other actions, but it did not go into further detail.

The playbook outlined in Trump's memo echoes suggestions that have long been made by Sen. Jeff Sessions (Ala.), a key Trump ally and a hard-line voice on immigration

policy within the Republican Party. Stephen Miller, a former top aide to Sessions, is Trump's policy adviser.

Starting on "day 1," Trump writes, he would issue a warning to Mexico that unless it pays his desired amount, he will promulgate a new federal provision that would lead to a sweeping confiscation of funds sent by Mexicans in the United States who lack documentation of their "lawful presence."

On "day 2," Trump continued, "Mexico would immediately protest." But he would declare that Mexico must choose between the enforcement of his provision or acquiescing.

To explain how he would have the standing to pursue his aggressive strategy, Trump begins by citing a provision in the Code of Federal Regulations that sets the standards for financial institutions in identifying their customers.

That provision, Trump says, makes it possible for the executive branch to "issue detailed regulations on the subject." He predicted that Mexico would react by initially balking, then doing what he wants.

Trump writes that "if the Mexican government will contribute \$__ billion to the United States to pay for the wall, the Trump Administration will not promulgate the final rule, and the regulation will not go into effect."

Many academics and economists have said that Trump's notion of impounding remittances could have devastating consequences, harming poor communities and families who rely on funds from abroad to provide food and shelter.

Other aspects of Trump's plan include "trade tariffs, or enforcement of existing trade rules," "cancelling visas" and "visa fees." Trump leaves open the option of using those methods to coerce Mexico.

"Our approvals of hundreds of thousands of visas every year is one of our greatest leverage points," Trump writes. "We also have leverage through business and tourist visas for important people in the Mexican economy."

Trump ends with a scathing critique of Mexico, claiming that it has "taken advantage" of the United States for years through "gangs, drug traffickers and cartels" responsible for "the extraordinary daily cost of this criminal activity."

"We have the moral high ground here, and all the leverage," Trump concludes.

Evelyn Duffy and Eric Yoder contributed to this report.

Barack Obama On Donald Trump's Mexico Border Wall Plan: 'Good Luck With That'

[Associated Press](#), April 5, 2016

WASHINGTON – Donald Trump would try to force Mexico to pay for a border wall by targeting billions of dollars in remittances sent by immigrants living in the U.S., according to a memo released by his campaign Tuesday.

The memo outlines in new detail how Trump would try to compel Mexico to pay for the 1,000-mile wall he's promised to build along the Southern border if he becomes president.

In his proposal, Trump threatened to change a rule under the USA Patriot Act, an anti-terrorism law, to cut off a portion of the funds sent to Mexico through money transfers known as remittances. His plan would also bar non-Americans from wiring money outside of the U.S. unless they can provide documentation establishing their legal status in the country. StoryReport: Trump would fund wall by cutting remittances

Trump said he would withdraw the threat if Mexico makes a one-time payment to finance the wall.

"It's an easy decision for Mexico: make a one-time payment of \$5-10 billion to ensure that \$24 billion continues to flow into their country year after year," the memo reads.

"Good luck with that," President Barack Obama said Tuesday in response to questions about Trump's proposal. He warned of the ramifications such a plan would have on the Mexican economy which, in turn, would drive more immigrants to cross the border in search of jobs.

"People expect the president of the United States and the elected officials in this country to treat these problems seriously, to put forward policies that have been examined, analyzed are effective, where unintended consequences are taken into account," Obama said. "They don't expect half-baked notions coming out of the White House. We can't afford that."

The billionaire businessman has estimated his proposed wall would cost between \$10 billion and \$12 billion, and has argued that it would protect the country from illegal border crossings as well as halting drug shipment. Mexico's President Enrique Peña Nieto has said his country will not pay for any such wall.

The U.S. is home to about 12 million Mexicans, some living here illegally, according to various research organizations that monitor trends in immigration. They and other migrants use money transfer agents or banks to send money home, often with the objective of supporting their families.

The Mexican central bank reported that money sent home by Mexicans overseas hit nearly \$24.8 billion last year, overtaking oil revenues for the first time as a source of foreign income. Cutting off those transfers would therefore represent a significant blow to the Mexican economy.

The memo also lists other potential areas for leverage, including threats of trade tariffs, cancelling visas — including targeting "business and tourist visas for important people in the Mexican economy" — and increasing visa fees, including includes fees on border crossing cards.

The release of the memo was first reported by the Washington Post early Tuesday, the same day as the

Wisconsin primary. Trump has been trailing rival Ted Cruz in the state in some recent opinion surveys.

This is not the first time that Trump has spelled out options for pressuring Mexico into paying for his signature policy proposal.

In an immigration overhaul plan released in August, Trump's campaign suggested a number of options for compelling Mexico to pay for the wall. Those included impounding "all remittance payments derived from illegal wages," increasing fees on temporary visas issued to Mexican CEOs and diplomats – "and if necessary cancel them" – increasing fees on border crossing cards, increasing fees on NAFTA worker visas from Mexico, and increasing fees at ports of entry between the two countries.

"Tariffs and foreign aid cuts are also options," the immigration paper stated.

Trump's campaign did not immediately respond to questions, including whether he still envisions impounding any money. It is also unclear whether Trump would seek any input from Congress. He and other Republicans have long criticized Obama for relying too heavily on executive orders to ram through his agenda.

Under the Patriot Act, a government-issued identification is already required for routine money transfers in the United States. For high-dollar transactions additional documentation or identification can be required.

According to Matt Chandler, a former deputy chief of staff at the Homeland Security Department, financial institutions must know their customers and are required to routinely share information with the government to ensure that their banking services aren't being used to launder money or fund terrorism.

Trump's wall is his signature policy proposal — and mere mention of the word elicits booming cheers and applause at his rallies, where supporters sometimes dress in wall shirts and costumes. Trump often leads call-and-response sessions where he asks his audience who will pay for the wall.

"Mexico!" they thunder in response.

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Obama Says Trump Border-Wall Plan Is 'Half-Baked'

By Stephen Dinan

[Washington Times](#), April 5, 2016

President Obama said Donald Trump is already damaging America's international relations and said Tuesday that the GOP presidential frontrunner's plan to force Mexico to pony up for the cost of a border wall is a "half-baked" idea.

But the president also took aim at Sen. Ted Cruz, saying the Texan, who trails Mr. Trump in the Republican race, also has ideas that scare other countries — particularly in terms of cracking down on immigration.

"I am getting questions constantly from foreign leaders about some of the whackier suggestions that are being made," Mr. Obama said at a short press conference called to demand corporate tax reform.

He was asked specifically about Mr. Trump's new details on his plan to build a border wall and to force Mexico to pay for it, with one option being to tighten the controls on remittances by Mexican workers back home to their families in Mexico.

The president said that was not only tough to do, but if it worked, he said it could damage Mexico's economy and force a new wave of illegal immigration from the U.S.'s southern neighbor.

"This is just one more example of something that is not thought through and is primarily put forward for political consumption," he said.

Mr. Trump, in a new plan titled "Pay for the Wall," said he would write a new federal regulation redefining the rules on wire transfer companies such as Western Union requiring customers to prove they are legally in the U.S. He said he expected Mexico to object, and he would agree to withhold the new rule only if the Mexican government then agreed to pay for the wall.

Mexico received nearly \$25 billion in remittances last year — with the vast majority of that believed to come from workers in the U.S. — and Mr. Trump said he expected Mexican leaders would value that money enough to agree to fund the wall.

Mr. Trump also said he would consider imposing trade tariffs on Mexico, boosting visa fees or even canceling some visas requested by Mexicans in order to put pressure on their government to comply with his wishes.

"Mexico has taken advantage of us in another way as well: gangs, drug traffickers and cartels have freely exploited our open borders and committed vast numbers of crimes inside the United States. The United States has borne the extraordinary daily cost of this criminal activity, including the cost of trials and incarcerations. Not to mention the even greater human cost. We have the moral high ground here, and all the leverage. It is time we use it in order to Make America Great Again," Mr. Trump said in the plan posted on his campaign website.

Obama On Trump's Mexico Wall Plan: 'Good Luck With That'

By Sarah Wheaton

[Politico](#), April 5, 2016

President Barack Obama has a message for Donald Trump about the Republican front-runner's plan to force Mexico to pay for a border wall: "Good luck with that."

The president also specifically mentioned the name of Sen. Ted Cruz (R-Texas), Trump's top rival for the Republican presidential nomination, as a source of concern around the world.

Obama, speaking to reporters at the top of the daily White House briefing, said he's been "getting questions from foreign leaders constantly about some of the wackier suggestions that have been made."

He added, "It's not just Mr. Trump's proposals, but I've also been hearing concerns with Mr. Cruz's proposals."

While Obama has started attacking the proposals and tone of Trump and the other GOP contenders with increasing frequency, he rarely invokes their names. But a reporter's question about Trump's plan, released Tuesday morning, to force Mexico to pay for a wall by increasing visa fees and impounding remittances from undocumented immigrants prompted a pointed critique from the president.

"Impractical" Obama said, is "the notion that we're going to track every Western Union bit of money that's been sent to Mexico."

He noted that many of those remittances come from legal immigrants and help the Mexican economy — thereby decreasing incentives for people to seek work in the United States.

"This is just one more example of something that is not thought through and is primarily put forward for political consumption," Obama said.

Trump's plan, which depends on an interpretation of the PATRIOT Act, is actually a more detailed version of a proposal he first put out in August.

"We have the moral high ground here, and all the leverage," concluded Trump's memo, released Tuesday. "It is time we use it in order to Make America Great Again."

Obama repeated his warning that the rest of the world depends on the United States to offer serious solutions for global problems.

"They don't expect half-baked notions coming out of the White House," Obama said. "We can't afford that."

The question on Trump's border plan was yet another instance of Trump's foreign policy proposals distracting from Obama's agenda. On Friday, Obama told reporters that the billionaire reality star's call to give Japan and South Korea nuclear weapons came up at the president's major gathering of world leaders on nonproliferation issues.

This time, Obama was trying to trumpet the Treasury Department's new, aggressive actions to stop corporations from dodging U.S. taxes by merging with a foreign company. As the president noted, the move got a lot of play in the business press after it was announced on Monday. But it didn't get a lot of mainstream attention, and the president's

remarks were added to his schedule at the last minute on Tuesday to highlight the move, which he cast as a major win for the middle class against big business.

Obama said the corporate maneuvers, known as inversions, are "one of most insidious tax loopholes out there."

He added, "It sticks the rest of us with the tab, and it makes hardworking Americans feel like the deck is stacked against them."

Incidentally, Trump has made opposition to corporate inversions a central plank of his populist platform. But his prescription is more in line with Republicans' approach to the problem: lowering the corporate tax rate to encourage companies to stay.

Obama To Trump: 'Good Luck' Getting Mexico To Pay For Border Wall

By Gregory Korte

[USA Today](#), April 5, 2016

President Obama blasted what he called a "half-baked" campaign proposal from Donald Trump Tuesday, saying the billionaire's plan to make Mexico pay for a border wall could actually lead to more illegal immigration.

The front-runner for the GOP presidential nomination released his long-awaited plan to pay for the border wall in a statement to The Washington Post, saying he would cut Mexico off from remittances — the private payments from people in the United States to family members across the border — until Mexico pays for a wall.

"The notion that we're going to track every Western Union bit of money that's being sent to Mexico — good luck with that," Obama said, noting that the recently released Panama Papers show the difficulty in tracking money through the global financial system. He said many of the remittances from the United States to Mexico come from legal immigrants.

Plus, Obama said, destabilizing the Mexican economy by threatening to withhold money would only risk having more immigrants flee to the United States to find jobs.

Trump's proposal, he said, was "not thought through, and primarily put forward for political consumption."

"People expect the president of the United States and the elected officials in this country to treat these problems seriously, to put forward policies that have been examined, analyzed, are effective, where unintended consequences are taken into account," he said. "They don't expect half-baked notions coming out of the White House. We can't afford that."

In recent months, Obama has addressed Trump's agenda directly and indirectly, criticizing his views on surveillance of Muslim Americans, immigration, nuclear policy. But he said it's reached the point where Trump's opinions are causing damage to America's standing in the world.

"I've been very clear earlier that I'm constantly getting questions from foreign leaders about some of the wackier proposals that have been made," he said.

But he said it's not just Trump's views that are concerning, he said. Sen. Ted Cruz, R-Texas, is "just as draconian," especially on immigration, Obama said.

Obama Criticizes Donald Trump And Ted Cruz For 'Half-Baked Notions'

By Michael D. Shear

[New York Times](#), April 5, 2016

President Obama said Republican presidential candidates have done damage to American foreign policy with their comments, and he said he repeatedly gets questions from foreign leaders about "the wackier suggestions" by Donald J. Trump and other Republicans.

The president, speaking to reporters at the White House on Tuesday, said Mr. Trump's proposal to block remittances from Americans to families in Mexico would not work and could cause more illegal immigration from a damaged Mexican economy.

"The notion that we are going to track every Western Union bit of money that is being sent to Mexico, good luck with that," Mr. Obama said.

The president said that both Mr. Trump and Senator Ted Cruz are making statements on the campaign trail that are not thought through and are primarily for political consumption. He said Americans expect presidential candidates to treat those issues seriously.

"They don't expect half-baked notions coming out of the White House," he said. "We can't afford that."

Obama Hits Trump On Wall Plan

By Jordan Fabian

[The Hill](#), April 5, 2016

President Obama on Tuesday blasted Republican presidential front-runner Donald Trump for his plan to bar immigrants in the U.S. from sending money back home to force Mexico to pay for a new border wall.

"Oh, no. It's Trump," a smiling Obama said when he was asked about the 2016 candidate's latest comments.

Obama called the plan another shortsighted idea from Trump that could spark concern among world leaders.

"I am getting questions constantly from foreign leaders about some of the wackier suggestions that are being made," Obama told reporters at the White House.

Obama said Trump's border wall proposal could have "enormous" economic consequences for Mexico, which receives billions of dollars in payments that immigrants in the U.S. send home, and possibly touch off a major spat with an ally.

"The notion that we are going to track every Western Union bit of money that's being sent to Mexico — good luck with that," Obama said.

Obama's remarks came after The Washington Post published a two-page memo from Trump outlining how he would get Mexico to pay for his wall. Trump's memo outlines how he would cut off certain remittances — cash transfers from people in the United States to Mexico — unless Mexico's government offered \$5 billion to \$10 billion to pay for the wall.

Mexican President Enrique Peña Nieto has said he won't pay for Trump's wall and claimed the candidate has damaged U.S.-Mexico relations.

The country's former president, Vicente Fox, slammed the proposal, saying, "I'm not going to pay for that f---ing wall."

World leaders are also asking Obama about Trump's chief rival, Sen. Ted Cruz (R-Texas), who has called to admit only Christian refugees from Syria and for special policing of Muslim neighborhoods, Obama said.

The president argued that both Trump's and Cruz's ideas prove they are unfit to serve as commander in chief.

He called Trump's remittance cut-off proposal "just one more example of something that's not thought through" and made only for political purposes.

World leaders "don't expect half-baked notions coming out of the White House. We can't afford that."

It's the third time in less than a week that Obama has taken aim at Trump's comments about foreign affairs.

He criticized Trump's proposal to allow Japan and South Korea to obtain nuclear weapons in comments at an international summit last Friday, calling it an example of the GOP front-runner's lack of foreign policy knowledge.

Obama also defended NATO as a "cornerstone" of U.S. and European security. Trump has called the Cold War-era alliance "obsolete" and said he would be happy to see it dissolve.

White House press secretary Josh Earnest said later Tuesday that he hasn't seen Trump's proposal, but he noted "it does sound consistent with the kinds of discriminatory policies and discriminatory rhetoric" that are a "hallmark" of the billionaire's stump speeches.

—This report was updated at 1:08 p.m.

Ted Cruz Is 'Just As Draconian' On Immigration As Donald Trump

[Huffington Post](#), April 5, 2016

WASHINGTON — President Barack Obama said Tuesday that Donald Trump isn't the only GOP presidential candidate whose extreme foreign policy proposals are causing trouble for the U.S. abroad. Sen. Ted Cruz (R-Texas) is doing some damage of his own.

"I am getting questions constantly from foreign leaders about some of the wackier suggestions that are being made," Obama told reporters at the White House. "It's not just Mr. Trump's proposals. You're also hearing concerns about Mr. Cruz's proposals, which in some ways are just as draconian, when it comes to immigration, for example."

Cruz has said that as president, he would deport all 11 million undocumented immigrants in the country. He's also backed Trump's proposal to build a wall along the U.S.-Mexico border, and has said he would triple the number of U.S. Border Patrol agents.

Obama said Cruz's ideas are just as impractical and politically motivated as Trump's proposal to cut off billions of dollars in remittances sent home by Mexican immigrants living in the United States.

"The notion that we're doing to try to track every Western Union bit of money that's being sent to Mexico – good luck with that," he said. "Then we've got the issue of the implications for the Mexican economy, which, in turn, if it's collapsing, actually sends more immigrants north because they can't find jobs back in Mexico."

The bottom line, said the president, is that neither Cruz nor Trump is taking a serious approach to global issues.

People expect their presidential candidates "to put forward policies that have been examined, analyzed, are effective, where unintended consequences are taken into account," Obama said. "They don't expect half-baked notions coming out of the White House. We can't afford that."

Obama Hits Cruz For "draconian" Ideas And Trump For "Half-Baked" Border Wall Plan

By Todd J. Gillman

[Dallas Morning News](#), April 5, 2016

President Barack Obama spoke about the economy and corporate tax inversions on Tuesday. "Tax avoidance is a big global problem," he said, after documents leaked from a Panama law firm showed tens of thousands of anonymous companies could have been used to hide income. (Saul Loeb/Agence France-Presse)

President Barack Obama hit Sen. Ted Cruz today for pushing "draconian" ideas when it comes to immigration and border security. He issued an even more blistering critique of GOP front-runner Donald Trump's latest suggestion – that to force Mexico to pay for a border wall, he would cut off payments sent to Mexicans from relatives living in the United States.

"The notion that we're going to track every Western Union bit of money that's being sent to Mexico – good luck with that," Obama said.

Millions of Mexicans rely on the payments known as remittances. Obama argued the implications for the economy south of the border could be devastating, unleashing a fresh

flow of illegal immigration that would be opposite of what Trump purports to want.

"This is just one more example of something that is not thought through and is primarily put forward for political consumption," Obama said. "We've got big issues around the world. People expect the president of the United States... to treat these problems seriously, to put forward policies that have been examined, analyzed, effective, where unintended consequences have been taken into account."

"They don't expect half-baked notions coming out of the White House. We can't afford that," the president said.

He spoke with reporters at the White House, mainly about tax loopholes and a growing worldwide scandal involving government leaders, celebrities, offshore shell companies, tax shelters and a secretive Panamanian law firm.

Obama's swipe at Cruz was general, but likely he was alluding to the senator's call after the Brussels terrorist attack for heightened surveillance of Muslims in the United States – a proposal Obama swiftly rejected as un-American and counterproductive, since it would alienate American citizens and foreign allies needed in the fight against terrorism.

The president said today that he regularly hears concerns from foreign leaders about both Trump and Cruz.

"You're also hearing concerns about Mr. Cruz's proposals, which in many respects are just as draconian" as Trump's, he said. Editor Picks

Trump Proposes Funding Wall By Cutting Off Remittances

By Vivian Salama And Jill Colvin

[Associated Press](#), April 5, 2016

WASHINGTON (AP) – Donald Trump would try to force Mexico to pay for a border wall by targeting billions of dollars in remittances sent by immigrants living in the U.S., according to a memo released by his campaign Tuesday.

The memo outlines in new detail how Trump would try to compel Mexico to pay for the 1,000-mile wall he's promised to build along the Southern border if he becomes president.

In his proposal, Trump threatened to change a rule under the USA Patriot Act, an anti-terrorism law, to cut off a portion of the funds sent to Mexico through money transfers known as remittances. His plan would also bar non-Americans from wiring money outside of the U.S. unless they can provide documentation establishing their legal status in the country.

Trump said he would withdraw the threat if Mexico makes a one-time payment to finance the wall.

"It's an easy decision for Mexico: make a one-time payment of \$5-10 billion to ensure that \$24 billion continues to flow into their country year after year," the memo reads.

"Good luck with that," President Barack Obama said Tuesday in response to questions about Trump's proposal. He warned of the ramifications such a plan would have on the Mexican economy which, in turn, would drive more immigrants to cross the border in search of jobs.

"People expect the president of the United States and the elected officials in this country to treat these problems seriously, to put forward policies that have been examined, analyzed are effective, where unintended consequences are taken into account," Obama said. "They don't expect half-baked notions coming out of the White House. We can't afford that."

The billionaire businessman has estimated his proposed wall would cost between \$10 billion and \$12 billion, and has argued that it would protect the country from illegal border crossings as well as halting drug shipment. Mexico's President Enrique Peña Nieto has said his country will not pay for any such wall.

The U.S. is home to about 12 million Mexicans, some living here illegally, according to various research organizations that monitor trends in immigration. They and other migrants use money transfer agents or banks to send money home, often with the objective of supporting their families.

The Mexican central bank reported that money sent home by Mexicans overseas hit nearly \$24.8 billion last year, overtaking oil revenues for the first time as a source of foreign income. Cutting off those transfers would therefore represent a significant blow to the Mexican economy.

The memo also lists other potential areas for leverage, including threats of trade tariffs, cancelling visas – including targeting "business and tourist visas for important people in the Mexican economy" – and increasing visa fees, including includes fees on border crossing cards.

The release of the memo was first reported by the Washington Post early Tuesday, the same day as the Wisconsin primary. Trump has been trailing rival Ted Cruz in the state in some recent opinion surveys.

This is not the first time that Trump has spelled out options for pressuring Mexico into paying for his signature policy proposal.

In an immigration overhaul plan released in August, Trump's campaign suggested a number of options for compelling Mexico to pay for the wall. Those included impounding "all remittance payments derived from illegal wages," increasing fees on temporary visas issued to Mexican CEOs and diplomats – "and if necessary cancel them" – increasing fees on border crossing cards, increasing fees on NAFTA worker visas from Mexico, and increasing fees at ports of entry between the two countries.

"Tariffs and foreign aid cuts are also options," the immigration paper stated.

Trump's campaign did not immediately respond to questions, including whether he still envisions impounding any money. It is also unclear whether Trump would seek any input from Congress. He and other Republicans have long criticized Obama for relying too heavily on executive orders to ram through his agenda.

Under the Patriot Act, a government-issued identification is already required for routine money transfers in the United States. For high-dollar transactions additional documentation or identification can be required.

According to Matt Chandler, a former deputy chief of staff at the Homeland Security Department, financial institutions must know their customers and are required to routinely share information with the government to ensure that their banking services aren't being used to launder money or fund terrorism.

Trump's wall is his signature policy proposal – and mere mention of the word elicits booming cheers and applause at his rallies, where supporters sometimes dress in wall shirts and costumes. Trump often leads call-and-response sessions where he asks his audience who will pay for the wall.

"Mexico!" they thunder in response.

Colvin reported from Milwaukee, Wisconsin. Associated Press writer Peter Orsi in Mexico City, and Kathleen Hennessey, Alicia A. Caldwell, Deb Riechmann and Eric Tucker in Washington contributed to this report.

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Sanders: NAFTA Made Illegal Immigration Worse

By Rafael Bernal

[The Hill](#), April 5, 2016

Bernie Sanders says the nation's trade policy is partly to blame for expanded illegal immigration, arguing that the North American Free Trade Agreement (NAFTA) has worsened economic and political conditions in Latin America.

In response to a questionnaire published by the The National Hispanic Leadership Agenda (NHLA) Monday, the Democratic presidential candidate said NAFTA was supposed to "significantly reduce the flow of undocumented immigrants into this country," but "history has demonstrated the opposite."

NAFTA was approved under President Clinton. Sanders has attacked his rival in the White House race,

Hillary Clinton, for supporting the trade pact in the 1990s, arguing it created lost jobs and a “race to the bottom.”

In her answers to the NHLA questionnaire, Hillary Clinton did not address the root causes of illegal immigration, though she declared herself a supporter of comprehensive immigration reform and a “humane and targeted” enforcement system.

Sanders, meanwhile, declared he would support legislative measures beyond comprehensive immigration reform and would expand upon President Obama’s executive actions on immigration. Clinton has made a similar pledge.

The NHLA, a major coalition of Hispanic associations, said they presented the questionnaire to all presidential candidates in February.

Both Democratic presidential candidates submitted their responses, which NHLA published.

“We didn’t hear from any of the Republicans,” said NHLA Chairman Héctor Sánchez.

“The doors are wide open and we really want to engage with all the candidates to better understand their policy priorities,” added Sánchez, who said NHLA is non-partisan.

The survey included questions on issues ranging from immigration and voting rights to climate change and Puerto Rico’s financial crisis.

Attorneys Seek Former Lawmaker’s Emails About ID Theft Laws

By Jacques Billeaud

[Associated Press](#), April 5, 2016

PHOENIX (AP) — Attorneys challenging Arizona identity theft laws that were used to charge hundreds of immigrants are asking a judge to order the release of emails between the lawmaker who was the chief sponsor of the statutes and advocates for tougher immigration enforcement.

The lawyers filed papers Monday saying the state and former state Sen. Russell Pearce are citing legislative privilege and First Amendment protections in withholding about 20 emails between Pearce and consultants, lobbyists and voters.

The lawsuit alleges the Legislature acted in a discriminatory fashion when it passed laws that were used to target people who were in the country illegally and accused of using fake or stolen IDs to get jobs.

A judge issued a preliminary injunction in early 2015 that barred Maricopa County officials from enforcing the two ID laws. A few weeks earlier, Sheriff Joe Arpaio voluntarily disbanded his squad that raided dozens of businesses to arrest more than 700 immigrants. The raids marked Arpaio’s last major avenue for immigration enforcement.

While county authorities have appealed the 2015 decision, immigrant rights advocates have continued to press

their case in hopes of getting the county permanently prohibited from enforcing the laws.

The ID theft laws were passed in 2007 and 2008 as part of a package of criminal and civil laws aimed at confronting the problem of businesses that hire people who aren’t in the country legally. The package has since been criticized for leading to hundreds of criminal cases against immigrant workers while only a handful of employers have been called to court in criminal and civil cases.

Attorneys representing Pearce said in court papers that the former lawmaker has handed over more than 2,000 emails in the case. They say the documents are protected by his First Amendment protections and a legislative privilege against being forced to testify or offer evidence on legislative activities.

Pearce didn’t immediately return a call Tuesday afternoon seeking comment.

Attorneys who challenged Arizona’s landmark 2010 immigration law took a similar approach in seeking the emails of Pearce and other state officials in trying to prove their claim that the law was passed with discriminatory intent.

The judge who dismissed that challenge last year ruled that the law’s opponents didn’t prove officers would enforce the law differently for Latinos than for a person of another race who is in a similar situation.

“We remain optimistic that the information we are gathering will help us prevail,” said Annie Lai, one of the attorneys leading the challenge to the identity theft laws.

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Now Or Never: Trump’s Mexico Wall Threat Encourages Migration To US

The Republican candidate’s plan to build a wall along the US-Mexico border is causing many in Central America to flee to Texas’s Rio Grande valley

By Tom Dart

[The Guardian \(UK\)](#), April 5, 2016

Catalina Maldonado wanted to flee El Salvador for the US to protect her son from danger. After learning of Donald Trump’s plan to build a wall along the border with Mexico, she decided it was now or maybe never.

If the Republican candidate’s supporters might be delighted that some in Central America are treating the prospect of a wall-raising President Trump with high seriousness, in the short term it appears his rhetoric may be encouraging – not dissuading – migrants to head north to escape poverty and violence.

“We heard he wants to build those walls. That’s why we came,” Maldonado said. “A lot of people are talking about it in El Salvador. They say really bad things about him,” the 34-

year-old added through a translator in a shelter in Texas's Rio Grande valley, the centre of the 2014 surge in unauthorized crossings by families and unaccompanied minors and still the busiest route.

More than half of the lone children and families caught crossing the south-west border this fiscal year have been apprehended in the area, which offers the shortest journey from Central America, has sizable populations on both sides of the frontier, flat terrain and dense scrubland and where the only barrier between the US and Mexico is natural: the narrow, serpentine Rio Grande river.

After an initial screening in detention facilities to establish whether they have a plausible asylum case, Central American migrants are typically released to join up with family members already in the US.

Many go to the parish hall of Sacred Heart Catholic church in downtown McAllen. A couple of blocks from the bus station and seven miles from the border, since the summer of 2014 it has offered food, clothes, beds and compassion.

It was supposed to be temporary. In year three, with its neat rows of clothes laid out by size and gender, its children's play area with toys and teddy bears and its well-honed procedures – migrants are applauded as they enter by volunteers, registered at a desk, and leave to catch their buses wearing black backpacks containing toiletries – it looks all but permanent.

Staff have noticed the families are now typically being detained for a couple of days, rather than weeks or months – a consequence of beefed-up infrastructure since the dramatic influx two years ago overwhelmed the system, and of a court ruling last summer that ordered the Obama administration to speed up their release.

Still, the complaints are much the same: that the facilities are cold, cramped and intimidating, and that the food is inedible.

The shelter is helping 20-30 migrants each day, in contrast with December and January, when 60-100 was the norm. According to Border Patrol figures, 3,048 family members and 3,113 unaccompanied children were caught at the south-west frontier in February – fewer than half the number who were apprehended in December.

Those figures subvert expectations that crossings typically slow down during the winter but rise in the spring, making it hard to predict whether another summer surge is imminent.

In a statement detailing the statistics, Jeh Johnson, the homeland security secretary, referred to the tough stance the government has adopted towards those who arrived since 2014 in a bid to deter more crossings. Measures include heavily publicised raids on families in January and the arrests of 336 people who entered as unaccompanied minors and are now over 18.

Still, more than 23,000 lone children from El Salvador, Guatemala, Honduras and Mexico were encountered in the first five months of fiscal year 2016, and an uptick in the coming months could bring this year's total close to the 67,339 seen in 2014. That was nearly treble the number in 2012, a rise caused by a dramatic increase in migration from the three Central American countries, which have become some of the world's most violent places.

Sitting in the shelter with her son, Luis, a half-eaten cookie in a wrapper on the table in front of him, Maldonado said that they decided to leave when a gang tried to recruit the 17-year-old. She had heard about the January raids and a crackdown on migrants in Mexico but felt that making the trip would be the best way to give her son a safer future and that if Trump made good on his promise, an arduous journey might soon become an impossible one.

In El Salvador she earned \$8 a day working from 6am to 4pm selling smoothies. At the end of a two-week trip that cost \$2,500 per person, paid to a smuggler, she and Luis crossed from the Mexican city of Reynosa, floating across the Rio Grande on an inner tube at night then walking for miles before her group was picked up by the border patrol.

After three nights in a detention facility, Maldonado and her son were released to join up with her brother in Virginia and await an interview with immigration officials. A tracking device had been strapped to her left ankle at 3am on the day of her release, she said, and she was told she could not leave Virginia. Last year, Immigration and Customs Enforcement began routinely fitting ankle bracelets to adults released from detention.

Their bus was not until the following morning, so they slept in one of two tents in the church's parking lot, packed tightly with two-dozen camp beds and cribs but mostly empty last Thursday.

Neldis Díaz came with his seven-year-old son, Nelvis, leaving his wife and toddler in Guatemala. He was also bound for Virginia, to link up with his brother-in-law. The pair's 12-day journey by boat and bus culminated in a stay in a stash house at the border and then a raft across the Rio Grande, he said. The smugglers first sent over a group of elderly people, he said, to distract the border agents and make reaching American soil easier for the rest of the party.

Trump's message had reached the small settlement where Díaz grew coffee. "I'm not in agreement with what he's saying," Díaz said via a translator. "I thought about it a lot – that's what a lot of people are saying, that as soon as he enters [the White House] they're going to change everything ... I got here as fast as I could because I was afraid of that."

News of the January raids did not discourage him from coming, he said, but the government's hardline stance does make him wary of his upcoming court date. "I'm afraid I'll be immediately sent back. A lot of people are afraid to go to their court appearance," he said.

As clapping signalled the arrival of a dozen more migrants, including one woman nursing a baby, Manuel Vásquez and his 12-year-old son, Elmer, left for the bus station to embark on a three-day, four-bus voyage to meet family in New Jersey. Vásquez left his wife and four children in Guatemala, where he worked on a coffee plantation.

He was unaware of the real estate tycoon's utterances and entirely unruffled when informed. "We're already in," he said. "Too bad."

Gang Violence Blamed For Refugee Crisis In Central America

By Stephanie Nebehay

[Reuters](#), April 5, 2016

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

For Traumatized Refugees, U.S. States Do Little

By Teresa Wiltz

[USA Today](#), April 5, 2016

When he was 2, Touch Hak fled with his parents from the "killing fields" of Cambodia, ultimately landing in the slums of Stockton in 1985. His parents were peasants, he says, traumatized from the war and ill-equipped to help their children deal with inner-city America. To survive, Hak joined a gang. Bloodshed and gunplay were the norm. By the time he was 28, he was doing time in federal prison for selling drugs.

Now 38, Hak says he has turned his life around: He's off drugs and out of prison, working in a factory and reconnecting with his teenage daughter. But he faces a new challenge: Within the next couple of years, because he has a criminal record and is not a U.S. citizen, the former refugee could be deported to the country of his birth, where he knows no one.

"How will I survive there?" said Hak, who is appealing his case. "I'm not a farmer kind of guy. I'm a city boy. America is my home. I've lived here for 30 years."

Amid a national debate about resettling refugees in the U.S., cases like Hak's illustrate what can go wrong when there aren't enough resources to help traumatized refugees and their families successfully integrate American society.

Today, few states have programs to help them. Some states, such as Maryland, Massachusetts, Minnesota and Utah, welcome refugees, offering extensive services to ease their transition. Many others, such as Georgia, Indiana and Maine, have tried to halt the arrival of new refugees.

"Political leaders can have an influential role in calming the public and providing aid to refugees," said Linda Trinh Vo, a professor of Asian-American studies at the University of

California, Irvine. "They can set an atmosphere that's more welcoming to refugees. I think that's crucial."

More often than not, the refugees' successful adaptation to new lives here depends greatly on the organizations that sponsor them, such as the Mormon church, Catholic Charities USA and Lutheran Services in America. But success can vary widely, depending on where they live, immigration analysts say.

The Federal Reserve recently tracked Hmong immigrants in predominantly rural Fresno, California, and urban St. Paul, Minnesota. Fresno had few service providers; St. Paul had an abundance of agencies or services, many of them provided by church groups, which helped the newcomers with language, cultural barriers, and navigating the school system.

The result? Hmong-American students in St. Paul attended college at higher rates than in Fresno, according to Melany De La Cruz-Viesca, a demographer and assistant director of the UCLA Asian-American Studies Center.

They are the lucky ones.

Southeast Asian refugees are more likely to be poor, less educated, and suffering from trauma than other Asian immigrant groups, according to De La Cruz-Viesca. Their lives are far from the stereotype of the "model minority" of Asian-American immigrants in the U.S.

The Deportation Pipeline

Since the end of the Vietnam War in 1975, more than a million Southeast Asian refugees fleeing Vietnam, Laos and Cambodia have settled in the U.S. — the largest refugee group ever to settle here.

Many were children, part of the so-called 1.5 generation, born in their home countries or in refugee camps. Hak is one of the 15,000 members of this group of Southeast Asian refugees who have been served final deportation orders, even though, like him, they are green-card carrying legal residents. (Two thousand have been deported.) Many are being deported for nonviolent crimes they committed when they were young, according to the Southeast Asia Resource Action Center (SEARAC), a Washington, D.C.-based advocacy group.

Assimilating proved to be a rough ride for many Southeast Asian refugees, with few federal and state resources available. Often bullied for being outsiders, some found solace and protection in street gangs — only to find that crimes they committed in their youth could mean abrupt deportation for them later on. Because of stringent immigration policies enacted in 1996, immigrants from Southeast Asia are three to four times more likely than others to be deported for old convictions, according to a 2015 report.

The laws made it easier to deport documented immigrants for infractions that were once considered misdemeanors, such as public urination, selling \$10 worth of marijuana, or writing a bad check. The laws also made it

possible for immigrants to be deported for crimes committed before 1996.

People are being deported to countries where they might not be able to write in their native language, said Ben Wang, co-chairman of the California-based Asian Prisoner Support Committee. "Some of these countries won't accept them back. They're in limbo for the rest of their lives."

A Lesson in Resettlement

Refugee resettlement is a contentious topic. In January, a U.S. Senate bill that would have prohibited Syrian and Iraqi refugees from settling here was blocked. Last week, Tennessee lawmakers introduced a bill that would require the state's attorney general to sue the Obama administration for allegedly violating the Refugee Resettlement Act.

They do not want to accept any Syrian refugees, arguing that their state is being forced to pay to care for refugees and that the federal government is required to consult with the states before sending refugees their way.

When considering how to handle the Syrian refugee crisis, the plight of the 1.5 generation of Southeast Asians should serve as a cautionary tale for states, say immigration rights workers like Katrina Dizon, SEARAC's immigration policy manager.

"Restricting support for these traumatized communities only leads to the growth of an increasingly marginalized population," Dizon said. What is needed, she said, is investment in refugee communities and a "long-term integration strategy that recognizes the unique barriers these communities face."

One of the challenges: Many Southeast Asian refugees don't understand the importance of securing citizenship, which would protect them from deportation and secure Social Security benefits. Others don't have the financial resources to obtain it. For older refugees with limited English skills, naturalization can be a daunting process, Dizon said.

Governments need to provide adequate funding for not only original resettlement efforts, but also efforts to ensure refugees have "access to good schools, good jobs, mental health services, safe communities and an adequate safety net," Dizon said.

Knowing People in Power

Long Beach is a gritty working-class city, land of fuel tanks and strip malls. Today, it is home to the largest settlement of Cambodians who fled the genocidal Khmer Rouge regime. According to a 2005 Rand Institute study, nearly two-thirds of the Southeast Asian refugee population in the city struggled with post-traumatic stress disorder. More than half have experienced major depression. Thirty-six percent of Cambodians living in Southern California live below the poverty line, according to the Asian Pacific American Legal Resource Center, a Washington, D.C.-based research and advocacy group.

In the city's Cambodia Town, the trauma ricochets across generations. And one group of young activists is intently focused on doing something about it.

At the offices of Khmer Girls in Action (KGA), tucked upstairs in a ramshackle building, the doors are kept locked — the better to keep out certain elements. (The group shares the building with several substance abuse treatment agencies.) Inside, amid posters of Che Guevara, the revolutionary leader, there are signs that read "SCHOOLS NOT PRISONS" and "YOUTH POWER." Taped on one wall is a large map of Los Angeles County, with contact information for government officials.

"It's good for [the girls] to know who's in power," explains Joy Kanga, KGA's communications manager. "That's organizing 101."

The group was founded in 1997 to help Cambodian-American girls — 1.5-ers and second-generation children — take charge of their reproductive health. But it quickly morphed into a vehicle for them to become "social justice warriors," hell bent on improving the lives of others in their community. Many are the children of 1.5ers who now face deportation. According to a 2011 KGA-UCLA survey, more than a third of Southeast-Asian-American youths in Long Beach know someone in their family or community who has been deported.

Its executive director, Lian Cheun, is a 1.5-er born in Cambodia who resettled in a poverty-stricken neighborhood in Oakland. "We left one war zone and ended up being dropped in another," she said.

Cheun said she lucked out. She had a high school counselor who pushed her to go to college. Now she's focused on coaching other Southeast Asian youths to do the same. Other KGA programs develop leadership skills and encourage working with educators to establish policies in the Long Beach school district to help students stay in school. Last fall, KGA worked with school administrators to launch a teens-only health clinic.

Living in Limbo

Hak said he would have been deported by now if it weren't for one thing: His brother needed a kidney transplant. So for the past few years, he's worked with pro bono lawyers to stay in the country so he could donate one to him. It turned out he wasn't a match. But he is participating in a fair-exchange program, through which he will donate a kidney to someone else so that his brother in turn can get one.

He was initially granted a one-year stay, then his deportation order was extended a year, and if he's accepted into the transplant program, it will be extended another two years.

That's the best that he can hope for, said Hak, who lives in Santa Ana. He says it's "highly unlikely" he'll be able to stay in the country, although his entire family now lives

here. They're all U.S. citizens. He said he didn't realize until it was too late how important it was that he become one, too.

Stateline is a nonpartisan, nonprofit news service of the Pew Charitable Trusts that provides daily reporting and analysis on trends in state policy.

SECRET SERVICE

Trump Hotels Attacked By Hackers – Again

By Jose Pagliery

[CNN Money](#), April 5, 2016

On Monday, the Trump Hotel Collection acknowledged that its computers fell under attack. But it wouldn't release any details about what happened.

The FBI and Secret Service are now investigating the incident, according to Eric Trump, the son of billionaire Donald Trump.

U.S. Secret Service agents investigate hacks that involve theft of credit card data, which hints at what kind of case this is. A spokesman for the Secret Service said the agency declines to comment on active investigations. FBI did not immediately respond with a comment.

"Like virtually every other company these days, we are routinely targeted by cyber terrorists whose only focus is to inflict harm on great American businesses," Eric Trump said in a prepared statement sent to CNNMoney.

He added that the company is "committed to safeguarding all guests' personal information and will continue to do so vigilantly."

That might fall flat with customers. Just six months ago, the company was forced to publicly admit that hackers snuck a computer virus into Trump hotels across the United States and Canada, potentially stealing customer credit card data for an entire year.

Related: Trump hotels hacked, credit card data at risk

That time, the company quickly explained what had happened.

It said hackers managed to place malicious software on the Trump hotel chain's payment systems for a long time. The hotel chain warned that anyone who visited a Trump hotel between May 19, 2014 and June 2, 2015 "may have been affected" – especially if they visited locations in Chicago, Honolulu, Las Vegas, Miami, New York and Toronto.

But the company didn't provide any additional information this time around, giving customer no clues about what might have happened to their information.

News of the latest incident was first reported as a credit card data breach by cybersecurity reporter Brian Krebs, who cited anonymous sources in the banking industry.

Donald Trump, who's currently running for the Republican nomination for president, has complained about

hackers and lamented that in the United States, "we're so obsolete in cyber."

Trump hotels are only the latest addition to an increasingly long list of hacked companies. In the last two years, hackers managed to steal payment data from Albertson's, CVS Photo, Home Depot, Michaels, Neiman Marcus, P.F. Chang's, Staples, SuperValu and Target.

Like most retail businesses, hotel chains have been a particularly juicy target for hackers because their payment systems are often not properly guarded.

"We've seen that in the hotel industry, the point-of-sale systems are generally the weakest link in the IT chain, and technically savvy criminal organizations clearly have figured this out," said Tod Beardsley, a senior security research manager at cybersecurity firm Rapid7.

Feds Say Bank Employee Stole From The Dead

By Guillermo Contreras

[San Antonio Express-News](#), April 5, 2016

The U.S. Secret Service agents on Tuesday arrested a former Frost Bank employee on a charge that she embezzled \$76,664 from the accounts of customers, some of whom were dead.

Meagan Hollis, 42, who was a trust administrator assistant before resigning last year, faces up to 30 years in prison if convicted. She was released on bond pending a probable cause hearing set for April 15 before U.S. Magistrate Judge Pamela Mathy.

According to a criminal complaint affidavit, Frost Bank first became aware of the suspicious activity on March 17, 2015, when the daughter of a deceased customer questioned transfers from her father's account.

Bank officials learned Hollis made the transfers and tried to contact her, the affidavit said. She called in sick for three days and then resigned via email, the affidavit said.

Bank officials then found Hollis had ordered and picked up an automated teller machine card for another deceased Frost customer's account.

Between April 3, 2014, and March 18, 2015, that account saw 124 unauthorized ATM withdrawals totaling \$76,664, and most of that amount had been transferred there from other Frost accounts, the affidavit said.

TERRORISM INVESTIGATIONS

'Don't Freak Out' About Terrorism

By Tresa Baldas

[Detroit Free Press](#), April 5, 2016

In a routine visit to a city that keeps his agents plenty busy, FBI Director James Comey today urged Detroiters to keep their cool about a nerve-racking subject: terrorism.

"Please don't freak out," the nation's top law enforcement officer said at a press conference in Detroit today. "That's exactly what these savages want you to do."

During a news conference, Comey urged the public to remain calm but guarded when it comes to terrorism. He stressed that the FBI and other federal agencies are doing all they can to prevent terror attacks in the U.S., but urged the public to speak up if they see or hear something suspicious.

Comey's talk of terrorism also led to talk about the Apple iPhone controversy, in which Apple recently fought the FBI over a request to break into the iPhone of one of the San Bernardino terror suspects. The FBI has since resolved the problem, relying on an Israeli firm to decode the phone.

But Comey, a former federal prosecutor who knows the importance of electronic evidence, urged the public to remain calm about their privacy rights. The New York native, who has worked in private practice, stressed that the FBI is not trying to tap everyone's phones, but rather needs to be able to gain access to technology when national security or peoples' lives are at risk. His comments in Detroit echoed his previous statement on the matter: "We don't want to break anyone's encryption or set a master key loose on the land ... we have awesome new technology that creates a serious tension between two values we all treasure—privacy and safety."

In the audience was U.S. Attorney Barbara McQuade, who took comfort in Comey's messages about terrorism and privacy rights in the wake of recent terror attacks that have triggered widespread fear around the world, including the Christmastime shootings in San Bernardino and suicide bombings in Brussels.

"It was reassuring to hear the director of the FBI, in his own words, saying 'Don't freak out about the terror threats,' " said McQuade. "Be aware of your surroundings but go about your life. The terrorists want us to shut down."

McQuade said cellphones have long played a key role in helping her office solve crimes, including child pornography, kidnapping and other violent crimes. Like Comey, she believes law enforcement needs to be able to access technology when peoples' lives are in danger, or could be in danger.

"There is no absolute right to privacy in America, but rather a reasonable expectation of privacy" McQuade said.

During his visit in Detroit, Comey, a New York native, also met with several community groups and commented on how impressed he was with the level of cooperation between community leaders, groups and law enforcement. He viewed Detroit as a national model for how law enforcement and communities work together to combat crime.

Prior to working for the FBI, Comey was a federal prosecutor in New York and Virginia. In 2003, he became the deputy attorney general at the Department of Justice, but left the DOJ two years later to become general counsel and

senior vice president at defense contractor Lockheed Martin. Five years later, he joined Bridgewater Associates, a Connecticut-based investment fund, as its general counsel.

In 2013, he was sworn in as the nation's seventh FBI director.

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F.B.I. Lawyer Won't Say If Data From Unlocked iPhone Is Useful

By Eric Lichtblau

[New York Times](#), April 5, 2016

WASHINGTON — The epic fight between the F.B.I. and Apple over a locked iPhone is now over, but a central question in the case has remained unanswered: What secrets did the phone, used by one of the attackers in the San Bernardino, Calif., rampage, actually hold?

The question has persisted with all the anticipation of Geraldo Rivera's ill-fated unlocking of Al Capone's secret vault on live television 30 years ago — which produced only a few empty liquor bottles and a stop sign.

On Tuesday, the F.B.I.'s top lawyer shed a bit more light on the question, a week after the Justice Department announced that it had gotten into the iPhone without Apple's help. The lawyer, James A. Baker, the bureau's general counsel, told an audience of privacy professionals in Washington that the F.B.I. had extracted data and was putting it to use.

He would not say, however, whether he considered the data — the subject of a monthlong legal battle between Apple and the F.B.I. that ended when an undisclosed outside firm helped investigators unlock the phone — to be "useful."

"We're still working on that, I guess is the answer," he said.

But he added: "It was worth the fight to make sure that we have turned over every rock that we can with respect to the investigation. We owe it to the victims and the families to make sure that we pursue every logical lead."

Mr. Baker would not say for certain whether the content would be made public.

"If and when it becomes appropriate to disclose it, we will," he said.

After Apple fought the F.B.I.'s efforts to force it to help unlock the phone, the bureau paid the outside firm an undisclosed amount to demonstrate for its investigators how to get around two defensive mechanisms that had kept them out.

While the results were good news for the F.B.I., they have concerned privacy advocates, who say that Apple's vaunted encryption methods may now be vulnerable.

F.B.I. officials have been talking with Apple executives about the issue since they unlocked the phone, Mr. Baker said. But he added that “we have not shared the solution with Apple to date.”

For weeks, law enforcement officials have played down expectations about what might be found in the phone, which was used last year by Syed Rizwan Farook before he and his wife carried out the California attack, in which 14 people were killed.

Mr. Farook and his wife destroyed several other mobile devices, and it was seen as unlikely that he would keep sensitive information related to the December attack on an intact phone issued to him by the San Bernardino County government.

Investigators have hoped that the phone might help them answer two lingering questions: where the couple went in the minutes after the shooting, and whether any unidentified people in the United States or overseas may have been involved in the plot.

The only person charged criminally so far in connection with the attack is Enrique Marquez, a friend and former neighbor accused of providing the couple with the assault weapons used in the attack, and of conspiring with Mr. Farook in an earlier, unexecuted plot. The F.B.I. has executed search warrants at the homes of the attackers’ family members, but no relatives have been charged.

Mr. Baker’s comments came at a public appearance before the International Association of Privacy Professionals. Michael Sussmann, an electronic privacy lawyer who interviewed Mr. Baker for the event, said afterward that the F.B.I.’s ability to extract any data from the phone after such a prolonged struggle was significant, even if the information did not prove particularly eye-opening.

“If there’s more information in the phone — more contacts, more communications, more of anything — that’s a success for the F.B.I.,” he said.

Sept 11 Case At Guantanamo Hits Yet Another Snag

[Associated Press](#), April 5, 2016

MIAMI (AP) — An effort to prosecute five men held at Guantanamo Bay, Cuba, for the Sept. 11 terrorist attack has hit another snag.

A two-week pretrial hearing scheduled to start Tuesday was abruptly canceled late last week by the military judge presiding over the case after he received a confidential notice from Justice Department lawyers.

The document is sealed, its contents not even disclosed to prosecutors or the defense. But there are indications the filing has raised issues that will result in further delays in a case that has been mired in the pretrial stage for years.

“I suspect we are back in this limbo stage and it will take some time to get out,” said Jim Harrington, a lawyer for Ramzi Binalshibh, one of the five men facing a tribunal known as a military commission for his alleged role in the Sept. 11, 2001, hijacking plot.

From what little information can be gleaned from the judge’s brief cancellation order, the new issue appears to be at least tangentially related to an FBI investigation of a possible security breach involving members of the Binalshibh defense team. The investigation was closed without criminal charges and the judge, Army Col. James Pohl, ultimately decided that it did not create a conflict of interest that required Harrington to step down.

Pohl had directed a special review team of Justice Department lawyers to look into the FBI investigation and any potential conflict. He also told them to notify him of any new investigations. That may have happened Friday, when the judge received the notice that prompted him to cancel the session.

“My best guess, and this is purely speculation, is that there is some new investigation that the special review team is advising the commission of,” said James Connell, a lawyer for defendant Ammar al-Baluchi.

A Justice Department spokesman declined comment Tuesday.

The revelation of the FBI investigation in April 2014 stalled proceedings in the case for 18 months. Though the judge ruled there was no conflict, Harrington said he is still receiving court-ordered information into what he called a “gross violation of the attorney-client privilege” and there may be future revelations that the judge will have to address.

The five defendants, including self-proclaimed mastermind Khalid Shaikh Mohammad, face charges that include terrorism and nearly 3,000 counts of murder. They could get the death penalty if convicted.

All five men were held in secret CIA prisons for interrogation before they were brought to Guantanamo in September 2006 for military prosecution. The case has been dogged ever since by legal and political issues as well as the logistics of trying a case at the isolated base in southeastern Cuba. They were arraigned for a second time in May 2012 and more than a dozen pretrial hearings have been held since.

The chief prosecutor, Army Brig. Gen. Mark Martins, is legally barred from any involvement with the work of the special review team and did not predict when the proceedings would resume in a statement on the cancellation of the hearing. He said prosecutors are still working seven days a week to compile classified evidence for the defense by a Sept. 30 deadline.

“We pledge to the families of the 9/11 fallen that the United States will not rest until justice is fully achieved,” Martins said.

The next hearing is to start May 30 but the judge said in his order that “further adjusting the schedule” may be necessary.

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Saudi Military Officer Killed In Suspected Militant Attack

By Brian Murphy

[Washington Post](#), April 5, 2016

A Saudi military officer was killed by gunfire Tuesday in an attack claimed by an Islamic State faction previously linked to bombings against mosques and other sites in the Western-allied kingdom.

The assertion by the group could not be independently verified. But it suggests a widening of its targets in Saudi Arabia to strike directly at military and security forces, which are aided by the United States and other Western allies.

A statement by the Saudi Interior Ministry said Col. Kitab Majid al-Hammadi was gunned down in al-Dawadmi, a hilltop town about 125 miles west of the capital, Riyadh. The statement, carried by the state-run Saudi Press Agency, said the attacker’s identity was not known.

The Islamic State group, known as Najd Province, claimed its fighters killed Hammadi and identified him as a member of the Interior Ministry’s general investigation unit, according to a statement posted by the Amaq News Agency, a website believed to be closely tied to the Islamic State.

Last year, the Islamic State group emerged in Saudi Arabia by claiming responsibility for a blast at a mosque used by the kingdom’s Shiite minority, killing more than 20 people. It later claimed it carried out further attacks on Saudi Shiites and was behind a June bombing at a Shiite mosque in Kuwait that left at least 27 people dead.

Saudi forces have stepped up raids and other security measures amid worries of expanding recruitment by the Islamic State faction, including attackers in February who kidnapped and killed a family member who served on a counterterrorism unit.

Saudi Police Colonel Is Killed And ISIS Claims Responsibility

By Ben Hubbard

[New York Times](#), April 6, 2016

RIYADH, Saudi Arabi — A police colonel was shot dead outside the Saudi capital on Tuesday, an attack claimed by jihadists of the Islamic State.

The killing was the latest in a series of attacks in the kingdom by the militants, who have dispatched suicide bombers to blow up mosques and have recruited Saudis to kill relatives who serve in the security services.

The Saudi Interior Ministry confirmed the colonel’s killing in a statement, but said the attacker remained unknown.

A statement by the Islamic State on its social media accounts said the group had targeted “the protectors of the crusaders,” a reference to the Saudi royal family’s alliances with Western nations.

Osama Bin Laden Was Bullish On Gold

By Matthew Rosenberg

[New York Times](#), April 5, 2016

WASHINGTON — Osama bin Laden, gold bug?

It appears so. At the end of 2010, Al Qaeda found itself suddenly flush after securing a \$5 million ransom, and the group had to decide what to do with its windfall. At a time when the financial uncertainty of the Great Recession made gold a hot investment, Bin Laden turns out to have been as bullish about the precious metal as any Ron Paul devotee, Tea Party patriot or Wall Street financier.

In a letter he wrote in December 2010, Bin Laden instructed Al Qaeda’s general manager to set aside a third of the ransom — nearly \$1.7 million — to buy gold bars and coins. The letter was part of the trove of intelligence seized by Navy SEALs in the raid on Bin Laden’s compound in Abbottabad, Pakistan, in 2011 that was declassified last month by the Central Intelligence Agency. It offers a glimpse into how Al Qaeda sought to manage its finances and what militant groups have tried to do with the money they raised.

“The overall price trend is upward,” Bin Laden wrote to Atiyah Abd al-Rahman, the Qaeda general manager. “Even with occasional drops, in the next few years the price of gold will reach \$3,000 an ounce.”

Bin Laden may have lacked investing acumen — gold peaked at \$1,900 an ounce five months after his death in 2011 — but he seems to have had a keen sense of the financial zeitgeist. His belief in gold’s bright future was shared at the time by many Americans and a number of financial luminaries, including George Soros and John Paulson, both whom were investing heavily in the precious metal. Demand was so high that in 2010, JPMorgan Chase reopened a long-closed vault used to store gold under the streets of downtown Manhattan.

It is probably safe to assume that if Al Qaeda bought gold — American officials could not say whether Bin Laden’s instructions were followed in this case — the militants did not hand it over to JPMorgan for safekeeping. But American officials believe that the group had previously relied on gold as a safe haven and an alternative currency to the dollar. Al Qaeda would also have had access to gold brokers in Pakistan’s tribal areas and the loosely regulated gold market in Dubai, United Arab Emirates, at the time Bin Laden wrote his letter.

"There was always speculation about how Al Qaeda kept excess capital," said Juan C. Zarate, a deputy national security adviser during the George W. Bush administration who led American efforts to track the militants' assets after 2001. "They grew worried that we were able to do things with the dollar that influenced their ability to access it, to demand things of financial institutions."

Like Al Qaeda, other Islamist militant groups have wrestled with how to avoid the reach of the Treasury and international blacklists. Their wealth management strategies have varied, and some have proved more adept at making money than investing it.

The Islamic State, for instance, has become perhaps the wealthiest militant group in history by wringing cash from the people it rules, looting bank vaults and smuggling oil. Yet its success appears to have left it vulnerable: It has taken in so much money that it has had to resort to physically stockpiling cash in warehouses, 10 of which have been struck by American warplanes since the summer.

The Haqqani network, a Taliban faction that is especially close to Al Qaeda, is believed to have poured money into real estate in Afghanistan, Pakistan and the United Arab Emirates. A European official, who spoke on the condition of anonymity to discuss intelligence, said the Haqqanis are believed to have been hit hard by the real estate crash in Dubai, United Arab Emirates, a few years ago.

Still, despite the occasional bursting bubble, real estate appears to have been a relatively safe investment, particularly in South Asia, where there is little regulation.

"You can show up with a suitcase full of cash and buy a house," said Gretchen Peters, who runs the Satao Project, a consulting firm that focuses on organized crime and terrorism. "It's not like there is an I.R.S. money-laundering unit that's going to come for you."

At the time Bin Laden wrote the letter to his general manager, the two had been discussing the \$5 million ransom, which was paid by the office of then-President Hamid Karzai of Afghanistan to free an Afghan diplomat that Al Qaeda had been holding. Unknown to the Qaeda bosses, about a fifth of the ransom was inadvertently provided by the C.I.A., which bankrolled a secret fund for the Afghan leader with monthly cash deliveries to the presidential palace in Kabul.

Al Qaeda had the money in hand by the time Bin Laden sat down to write his general manager in December 2010. Bin Laden clearly wanted nothing to do with United States dollars, which many Islamist militants fear could expose them to the long reach of American justice.

"As for the ransom money for the Afghan prisoner, I think you should use one-third of the money to buy gold and another third to buy euros," he wrote.

The remainder, Bin Laden said, should be used to buy Kuwaiti dinars and Chinese renminbi, also known as yuan, with about a third kept in local currencies to cover day-to-day

expenses. "When you do spend this money, use the euros first, then the dinars, the yuan, and then the gold," he wrote.

Bin Laden had specific instructions for how to acquire the gold. It should be bought in coins or bars, which he referred to as "10 tolas," a common denomination for gold bars in South Asia. Coins "are minted in several countries," he wrote, naming Switzerland, South Africa and the United Arab Emirates.

But Bin Laden was nothing if not paranoid by then — at one point, he feared that an Iranian dentist had implanted a tracking device in one of his wife's teeth — and he stressed in the letter that "the broker you deal with should be trustworthy."

He also suggested buying a small amount of gold and reselling it to make sure the broker was honest.

Done right, though, Bin Laden appears to have believed that investing gold was nearly a sure thing.

"Right now it is \$1,390 an ounce, but before the events in New York and Washington it was \$280 an ounce," he wrote.

He added, "If the price of gold reaches \$1,500 or a little over before you get this message, it's still all right to buy it."

If Al Qaeda bought gold when Bin Laden advised, it was a bad bet. The day his letter was dated, Dec. 3, 2010, gold closed at \$1,414.08 an ounce. Today, the price is hovering around \$1,230 an ounce.

Alexandra Stevenson in New York contributed reporting.

Class-Action Lawsuit Seeks Damages For Those On U.S. Watch Lists

By Matt Zapotosky

[Washington Post](#), April 5, 2016

A new class-action lawsuit alleges that untold thousands of people placed on the U.S. watch listing system deserve monetary damages for what it says are the unpleasant and unconstitutional consequences that come from having their names on various federal registers.

The suit — filed in U.S. District Court in Alexandria on behalf of 18 American Muslims, including a 4-year-old child — is perhaps the broadest challenge to the federal watch listing system, though it is hardly the first.

A federal judge in Oregon has already declared the previous no-fly-list procedures unconstitutional, and a federal judge in Alexandria said the way the United States used it was unconstitutional when it was used to detain a Northern Virginia teenager in Kuwait several years ago.

The judge invited the teenager, who claimed he was tortured abroad, to test whether the new procedures still violated his rights. He is among the plaintiffs in the new suit.

The latest challenge is filed as a class action, arguing that it applies to "potentially thousands upon thousands of

persons who have been similarly affected.” It also targets not just the no-fly list, but also the selectee list, which, for instance, calls for more screening at airports for people on it.

“Through extra-judicial and secret means, the federal government is ensnaring individuals into an invisible web of consequences that are imposed indefinitely and without recourse as a result of the shockingly large federal watch lists that now include hundreds of thousands of individuals,” the suit alleges.

The suit says that in 2009, the federal government nominated 227,932 people for the lists, and in 2013, the number more than doubled to 468,749.

A Justice Department spokeswoman declined to comment Tuesday. Federal authorities have implemented new procedures since previous legal challenges to the no-fly list, giving those who think they are on the list a mechanism to inquire about it.

One of the plaintiffs, Osama Ahmed, 24, a pharmacy technician living in Wayne County, Mich., said he was pulled aside at the Detroit airport on a trip back from Yemen in 2011 and detained for seven hours while authorities questioned him about politics, his religion and his trip. Ahmed said the agents saw pictures on his phone of him holding a gun — which he said is a common activity in Yemen — and alleged he was “training.”

“Honestly, I was scared,” he said. “I felt like I was kind of being put in a position where I did nothing wrong, but they might try to link something to me.”

Ahmed said FBI agents later took him out to lunch and tried to persuade him to become an informant. The lawsuit alleges federal authorities often use the no-fly list — and the offer to take people off it — to cultivate sources.

Another plaintiff, Anas Elhady, 22, of Dearborn, Mich., said he was trying to come back to the United States last year from Canada by car when he was handcuffed and taken to a cell so cold that he soon began begging for help.

“My hands were shaking, my legs were shaking, and even my mouth was shaking,” Elhady said.

Elhady said he was eventually taken to a hospital. The others in the suit described similar experiences, alleging they were detained, sometimes handcuffed and questioned inappropriately for hours. The suit does not specify the precise level of damages being sought. It was filed by D.C.-based lawyer Gadeir Abbas, Lena Masri of the Michigan Council on American-Islamic Relations and Shereef Akeel of the Michigan-based Akeel & Valentine firm.

Read more:

‘I felt like I was getting kidnapped’

Va. man held in Kuwait says he has been tortured

Islam, Terror And The Translation Minefield: Column

By Peggy Sands Orchowski

[USA Today](#), April 5, 2016

As a long time non-partisan congressional reporter and former professional translator, I cringed when I heard that “Islamist” had gone missing from French President Francois Holland’s description of terrorism at a recent White House roundtable. Did the administration delete the audio translation from a video of the session by accident? On purpose? Was it blatant censorship? Maybe a severe case of political correctness, given that President Obama adamantly refuses to use or allow use of the term?

The administration says a “technical issue” was to blame and the audio was eventually restored. Whatever the reason, a lapse like this is especially concerning when the guest is the president of an important ally. And it’s quite a coincidence that the technical difficulty happened to erase a term often used by European leaders but essentially banned by Obama.

I just hope the translator won’t lose his or her job.

The translator’s role is to relate as exactly as possible what has been said — not to rewrite the text to a more politically correct version. I can tell you from experience, it’s not an easy role. Deciding which word to choose or even omit or add from an ongoing speech or an original text is a common dilemma for translators. For instance, if a Latin American labor minister say uses the word “trabajo” in his speech, does he mean “work,” “job,” “labor,” “position,” or “post”? The translator has to choose — often quickly.

I faced this dilemma many times when I worked as a translator at the United Nations in Geneva, at the 1984 Olympics, and as a non-advocate immigration journalist in Washington and South America for decades. It even once cost me a job.

It was during President George W. Bush’s campaign to foment a “war on terror” throughout the world. I was interviewing for a translating, news-writing job with a German news service here in Washington, D.C., when I was asked to translate a story from German into English about the conflict. But the Germans did not use the word “war” (Krieg); they used the word “fight” (Kampf); they referred to the “War on Terror” as the “Kampf Gegan Terrorismos” — the “Fight Against Terrorism.”

The words “war” and “fight” have two different connotations; they touch on the historical and cultural underpinnings of Germany and the United States. I translated the phrase as “fight against terrorism” because the customers — mainly business people in Singapore, Japan and China — were paying the German news agency to translate German news stories with a German point of view into English. But my American editor was quite taken aback at my decision. Even though the German official had not said “war on terror,” that’s how the American editor expected me to translate it. I did not get the job.

I have experienced many political issues over translations. They include the late Sen. Edward Kennedy's demand to rewrite ballot initiatives on Spanish-language ballots so they were "more understandable" for Spanish speakers." Then there's the debatable translation of "Si se puede," the Cesar Chavez rallying cry that Obama used in his Senate and presidential campaigns as "Yes we can!" For one thing there is no "we" in "Si se puede." Instead it is a very weak third person reflexive verb form. Spain's leftist party uses "si podemos!" — the exact translation of the assertive "yes we can!" I translate "Si se puede" at best as "yes it's possible." For simultaneous interpreters there is another choice to make about the issue of tonality. Protocol demands a speech be translated monotone. But often the true meaning of the words is in the tone of voice; should a simultaneous translator try to reflect that?

Obama, who often says we need Muslim allies in the fight against terrorism, wants to avoid any universal maligning of Muslims and Islam as a whole. One can speculate on all the personal reasons he may want to avoid the term "Islamic terrorist." Perhaps it is because both his biological father and his stepfather were Muslim. In Indonesia he attended a Muslim school for a while, and many of his best friends in high school and college in the U.S. were Muslims. He knows Islam as a diverse, friendly, mostly peaceful, heritage religion. Hollande obviously does not have that background.

It's actually good for a translator to know some of the personal background of high-profile speakers to better choose the most appropriate words to be used in the translation. But no translation protocol allows deliberate changes to a speaker's words because they are deemed politically incorrect by the host. That's true especially when the host is the White House.

Margaret (Peggy) Sands Orchowski, the congressional correspondent for Hispanic Outlook magazine, is the author most recently of *The Law That Changed The Face of America*; the Immigration and Nationality Act of 1965. Follow her on Twitter: @newspeg.

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CYBER NEWS

NSA Director: China Still Hacking U.S., But Motive Unclear

By Andrew Blake

[Washington Times](#), April 5, 2016

Hackers in China haven't retired their assaults on American targets, but U.S. intelligence officials aren't certain if Beijing has fully breached the terms of a cyber pact reached

last year between President Obama and his Chinese counterpart, NSA Director Navy Admiral Mike Rogers testified on Tuesday.

While Mr. Obama and Chinese President Xi Jinping agreed in September to stop stealing trade secrets from the computer networks of foreign companies, the spy chief said during a Senate Armed Services Committee hearing that U.S. entities are indeed still under attack. Nevertheless, Admiral Rogers told lawmakers that the "jury is still out" with respect to whether China has explicitly broken its promise.

"We continue to see them engaged in activity directed against U.S. companies. The question I think we still need to ask is, is that activity then in turn shared with the Chinese private industry?" Adm. Rogers said during the hearing early Tuesday.

In the wake of the massive U.S. Office of Personnel Management breach that's been widely blamed on Chinese hackers, officials in Washington had reportedly been weighing whether to impose sanctions against Beijing last year before Mr. Xi visited the White House and agreed to curb attacks aimed at U.S. targets.

"The United States government does not engage in cyber economic espionage for commercial gain, and today I can announce that our two countries have reached a common understanding on a way forward," Mr. Obama said when he touted the supposed cyber agreement reached between nations.

Adm. Rogers, who also leads the U.S. Cyber Command, confessed during Tuesday's hearing that Chinese hackers are indeed believed to still be attacking U.S. networks, but it's not clear yet if trade secrets are being stolen for Beijing's economic benefit.

"The question or issue we've always had with the Chinese is while we understand we do that for nations to generate insight, using that then to generate economic advantage is not something that is acceptable to the U.S.," he told the Senate panel.

In February, U.S. Director of National Intelligence James Clapper similarly told Congress that officials were unsure if the deal would hold.

"I think the jury's out," Mr. Clapper told a House committee at the time. "Whether its commitment last September moderates its economic espionage remains to be seen."

Russia, China Are Greatest Cyberthreats, But Iran Is Growing

[Associated Press](#), April 5, 2016

WASHINGTON — Russia and China present the greatest cyber security threat to the U.S., but Iran is trying to increase and spend more on its capabilities, the Navy admiral

in charge of the military's Cyber Command told Congress Tuesday.

Adm. Michael Rogers told the Senate Armed Services Committee that while the U.S. has more overall military power than the three countries, the gaps are narrower when it comes to cyber warfare.

He said U.S. Cyber Command is making progress building cyber mission teams, and will have 133 fully operational by September 2018. Already, he said that nearly 100 teams are already conducting cyberspace operations.

Defense Secretary Ash Carter has beefed up the use of offensive cyber warfare in Iraq and Syria and made increasing the department's cyber capabilities a key goal.

As part of that, he is considering elevating Cyber Command to a full, independent military command. Currently U.S. Cyber Command is a sub-unit of the military's Strategic Command.

During testimony on Tuesday, Rogers told senators that being designated a full command would allow his units to "be faster, which would generate better mission outcomes."

He added that it also would give him more input into the budget process and how to prioritize spending.

A senior U.S. official said Tuesday that Carter believes that making Cyber Command a full command would be worthwhile. The official said that while discussions with the White House are ongoing, Carter has not yet sent his final recommendation to the president. Congress would also need to approve such a change.

The official was not authorized to discuss the matter publicly so spoke on condition of anonymity.

During the hearing, Rogers said that his major cybersecurity concerns include attacks against critical infrastructure in the U.S. and the possibility that cyber hackers may begin breaching networks and changing data, rather than just reading it or stealing it. As a result, he said, officials would no longer be able to "believe what we're seeing," including in data that the military need for critical operations.

In addition, he said that there are increasing worries that extremist groups and others may begin to view cyber as a weapons system and "want to use it as a vehicle to inflict pain against the United States and others." Continue reading the main story

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Cyber Commander Fears Data Manipulation By Islamic State Or Other Enemy

By Erin Kelly

[USA Today](#), April 5, 2016

WASHINGTON — The head of the U.S. Cyber Command said Tuesday that one of his biggest fears is that the Islamic State could develop the ability to manipulate electronic data — a power that could allow them to give American military officials false information in the midst of a battle or threaten the lives of patients by providing doctors with altered health records.

The result would be that members of the U.S. military, the federal government and American corporations "could no longer trust what you are seeing," Admiral Michael Rogers told the Senate Armed Services Committee.

Rogers, who is also director of the National Security Agency, told the panel that data manipulation is one of the top three fears that keep him up at night. Experts have warned that data manipulation could be used to show military officials an empty battlefield on their computers, when that battlefield is actually full of enemy fighters. It also could be used to create false medical or bank records, jeopardizing Americans' health and personal finances.

Another of Rogers' fears is that terrorists or rogue nations will hack into U.S. computer networks to turn off electricity throughout the country or close down airports by wreaking havoc on air traffic control systems. Rogers said his third fear is that terrorists will use cyber tools as "as a weapons system" to inflict pain on the U.S. or other nations.

"What happens if a non-state actor, ISIL (the Islamic State) for example, starts to view cyber as a weapons system?" Rogers said. "That would really be a troubling development."

Sen. Tom Cotton, R-Ark., asked Rogers if terrorist groups such as the Islamic State or al-Qaeda have the power to make any of those nightmares come true.

"I haven't seen them (develop that capability) yet, but my concern is that's now," Rogers replied. "It would not be difficult. It's about recruiting the right people with the right focus. It's certainly not beyond their ability if they made that decision."

Rogers said the Islamic State has been particularly adept at recruiting followers, spreading propaganda and communicating over the Internet, especially through social media. And he said there is no way for the U.S. to stop that completely.

"The idea you are going to shut down the Internet, given its construction and complexity, is just not realistic," Rogers said in answer to a question from Sen. Joe Manchin, D-W.Va.

He said it's not possible to thwart the Islamic State by shutting down a specific part of the Internet.

"It's just not that simple," he said. "I wish I could say there is a part of the Internet that is only used by a specific set of users."

While cyber attacks by terrorists are a growing concern, Rogers said nation-states — especially Russia — remain the biggest threat right now.

He said Russia has the capability to inflict serious damage on the U.S. American officials believe Russia was responsible for a cyber attack against Ukraine in December that caused widespread power outages.

"Cyber is the one area where we have pure competitors who have the capabilities that we do," Rogers said.

China is also a threat, but less so than Russia, he said. He said "the jury is still out" on whether China is complying with an agreement reached with the U.S. government last year that it would not use cyber espionage to steal trade secrets and intellectual property from American companies.

"We continue to see them (the Chinese government) engage in activity directed against U.S. companies," Rogers said. "The question I think we still need to ask is: is that activity then in turn shared with the Chinese private industry?"

China has acknowledged that some of its citizens were responsible for the massive hack of the federal Office of Personnel Management that breached the personnel records of nearly 22 million people and was discovered last year. However, China has denied assertions by some U.S. officials that the Chinese government was responsible for the hack. China has blamed "criminals."

To counter cyber threats, the U.S. Cyber Command is working to build its cyber mission force and has created 123 teams made up of 4,990 military and civilian employees, Rogers said. By 2018, there will be 133 teams with 6,187 people. The teams are tasked with infiltrating foreign cyber space to stop attacks against the U.S. and applying defensive measures.

"In terms of progress, we have 27 teams that are fully operational capable today, and 68 that have attained initial operating capability," Rogers said.

Senators Bash Obama Over Cyber War Policy

By Cory Bennett

[The Hill](#), April 5, 2016

Senators on Tuesday hammered the Obama administration, saying it lacks a coherent or fully formed cyber warfare policy.

"The administration's cyber policy as a whole remains detached from reality," Senate Armed Services Committee Chairman John McCain (R-Ariz.) said during a hearing.

"For years our enemies have been setting the norms in cyberspace while the White House sat idly by hoping the problem would fix itself," he added.

And the lack of planning could have disastrous results, including muddled responses to cyberattacks and poorly structured Defense Department cyber teams, several senators told National Security Agency Director Adm. Michael Rogers, who was testifying.

"If we don't have a policy, how are we going to develop plans?" Sen. Deb Fischer (R-Neb.) asked Rogers, who also heads the U.S. Cyber Command.

"Something terrible is going to happen and a lot of people are going say, 'Why didn't we have a policy?'" said Sen. Angus King (I-Maine).

In the 2014 Defense authorization bill, McCain tasked the Obama administration with developing such a cyber deterrence policy.

In December, "a year and a half late," McCain said, the White House finally got back to the committee.

"The response reflected a troubling lack of seriousness and focus," McCain said. "That kind of indecisiveness is antithetical to deterrence and our nation simply cannot afford it."

The Armed Services chair pressed Rogers on his strategy for responding to a cyberattack, or for when a preemptive cyber strike is necessary.

"It seems to me these are policy decision that have not been made?" he asked. "Is that correct?"

"The way I would describe it is, we clearly still are focused more on" an "event-by-event" approach to cyber incidents, Rogers said.

Several senators, including James Inhofe (R-Okla.), pointed to a Government Accountability Office (GAO) report released Monday that concluded the DOD has not clearly defined its own "roles and responsibilities for cyber incidents."

Rogers agreed that greater clarification was needed, but had not yet read the report.

King, the Maine Independent, pressed the NSA head for details on when such detailed answers for these issues — "What is an act of war? What is a proportional response? What is a mutually assured destruction situation?" — might be in place.

"Sir, I don't have a date for you," Rogers replied, cautioning that he, as head of NSA and U.S. Cyber Command, is just one of many voices.

"I am part of those discussions," he said, "I try to provide an input and just be one voice."

Rogers stressed that his duty is to develop cyber capabilities and bolster his team's capacity.

U.S. Cyber Command is working to staff up 133 offensive and defensive cyber teams by 2018, a total of 6,200 staff.

On Tuesday, Rogers said he had 27 fully operational teams, 68 teams that had "attained initial operational capacity," and nearly 100 that were conducting some form of cyberspace operations.

The full staff is on schedule to hit its 2018 target, he said.

Senators on both sides of the aisle expressed a desire to spin this growing cyber command out from under the NSA umbrella.

"I'm finding it harder and harder to justify you holding two jobs given the complexity," King said, while complimenting Rogers on his ability to handle both roles.

Rogers cautioned that it was not yet time to spin out U.S. Cyber Command, noting was established six years ago to take advantage of NSA infrastructure.

"I agree in the long run," Rogers said. "But the reality is we're just not ready to do that today."

Still, McCain and his committee's top Democrat, Sen. Jack Reed (R.I.), indicated they might push to separate the two in the next Defense authorization bill.

"That would be my intention," McCain said, turning to Reed for an agreement. "Right, Jack?"

"I think so, sir," Reed replied. "But I think it's valuable to have Adm. Rogers comments' today."

On Cyber, The U.S. Can't Seem To Balance Security And Privacy

By Lydia Randall

[Military Times](#), April 5, 2016

Lawmakers are concerned that a hole in the nation's cyber policy could leave the United States vulnerable to a cyber attack on home soil at a time when fears about Russian and Chinese activities are mounting.

Adm. Michael Rogers, head of U.S. Cyber Command, urged members of the Senate Armed Services Committee Tuesday to accelerate debate on how to balance security and privacy in the ever-changing digital realm.

"Worst-case scenario is we don't have dialogue and then we have a major event," Rogers testified. "We have got to figure out how we can do this."

For instance, Rogers said, if an enemy could change and manipulate data — rather than enter a computer system and steal — that action would be a threat to national security.

Committee members expressed concern that the lack of a strong cyber attack deterrence policy could prompt an overreaction by the government in the event of an attack.

"We've been talking about this as long as I've been on the committee, and we aren't there yet," said Sen. Angus King, I-Maine. "Something terrible is going to happen, and a lot of people are going to say, 'Well, why didn't we have a policy? Why don't we have a deterrent policy?'"

The United States has not unveiled publicly a comprehensive strategy, said Susan Hennessey, a Brookings Institute fellow in national security law.

"I think what we're seeing on the public record is less evidence of any kind of comprehensive plan and more evidence of sort of a 'try-as-we-go-see-what-happens' plan..." said Hennessey, who worked for the National Security Agency until November. "I think we're seeing a deterrence policy that's much more based on trial and error and, frankly, novelty than any kind of really comprehensive scheme."

Hennessey, interviewed by phone, said that a more inclusive and comprehensive conversation across different government agencies is needed.

Earlier this year, Defense Secretary Ash Carter announced the Pentagon's intention to use CYBERCOM's abilities to launch a cyber offensive against the self-proclaimed Islamic State. In remarks to CYBERCOM staff in 2015, Carter referred to the cyber team as a "new breed of warrior."

Tuesday's hearing followed a Government Accountability Office report, warning there is no clear chain of command in the Pentagon for a response to a cyber attack on U.S. targets.

This was highlighted by the committee as a concern, along with the lack of policy and the growing threat posed by state and non-state actors.

Rogers acknowledged the importance of CYBERCOM staff to protecting DoD networks as he spoke of the cyber threat posed by countries like Russia, China, Iran and North Korea.

"What happens if they decide they want to, for some period of time, disrupt the things we take for granted? The ability to always have power, pumps, power systems, to move money..." he said, "I'm not going to argue that someone is capable of making the United States totally go dark. But I would argue there is capability there to cause significant impacted damage."

Tens of thousands of people in Ukraine experienced power outages in December last year, in what was widely seen as the first case of a computer-based attack knocking out power supplies.

The terrorist group ISIS has thus far appeared limited in its efforts in cyberspace, focusing mostly on propaganda and recruitment, Rogers said. However, he said carrying out a cyber attack is "not beyond their ability, if they made that decision"

U.S. Cyber Warfare Unit Would Be Elevated Under McCain Plan

By Nafeesa Syeed

[Bloomberg Politics](#), April 5, 2016

A senior Republican senator said he wants to make the top U.S. military command fighting foreign hackers and defending computer networks a standalone organization as concerns about electronic security deepen.

The move to elevate the U.S. Cyber Command is needed to address the serious threat of hacking attacks to national security and will be proposed in the annual defense authorization bill, said Senator John McCain of Arizona, chairman of the Armed Services Committee.

"We are looking seriously at it," McCain told reporters on Tuesday after a hearing in Washington on Cyber Command's operations and proposed \$500 million budget. "If you look at the dimensions of threat, it certainly deserves to

have the highest level of attention and coordination in government.”

McCain clarified comments made earlier indicating the unit should be formally separated from the National Security Agency. Cyber Command, which can conduct offensive operations, is a joint military office technically under the umbrella of a larger organization known as U.S. Strategic Command. Cyber Command was established in 2010 and aligned with the NSA in order to share resources and expertise. Admiral Michael Rogers leads both organizations, which are based at Fort Meade, Maryland.

While some lawmakers have suggested that Cyber Command and the NSA have separate leaders, McCain’s proposal would allow it continue to co-exist alongside the NSA and have the same commander. \$35 Billion

The Pentagon has proposed \$35 billion in cyber investments over the next five years, Defense Secretary Ash Carter said during a speech in Washington Tuesday.

Carter emphasized that while technology gives the U.S. “great strengths and great opportunities” it also leads to “vulnerabilities that adversaries are eager to exploit.”

Rogers said during the hearing he believes Cyber Command should eventually be a standalone organization but is not ready to do so yet and still benefits from its relationship with the NSA.

McCain also said during the hearing that the Russian government was behind a cyber-attack on Ukraine’s power grid in December that left tens of thousands in the dark for several hours. After the hearing, McCain said he based his assessment on media reports and had no reason to doubt them. He said sanctions should be imposed on the persons responsible for the attack in retaliation. Russia has denied those allegations in the past.

Rogers said during the hearing that the Russian government also has the ability to seriously damage U.S. critical infrastructure through hacking attacks. He didn’t provide further details.

Senators Consider Splitting NSA/CyberCom Director Position

[FedScoop](#), April 5, 2016

Senate lawmakers believe the conjoined roles of NSA director and CyberCom commander should be split.

The Senate Armed Services Committee will this year consider legislation splitting the two-in-one jobs of leading U.S. Cyber Command and running the National Security Agency, both currently held by Adm. Michael Rogers.

The committee held a hearing Tuesday with Rogers to discuss, among other issues, elevating CyberCom to be a unified combatant command, on a par with geographical commands like the U.S. Central Command. CyberCom, co-located with the NSA at Ft. George G. Meade in Maryland,

would be the 10th such command — the units in the U.S. military that actually wage war.

Currently, CyberCom — created in 2009 with the intent to be fully operational with a 6,200 member force drawn from all four service branches and the national guard by fiscal year 2018 — is a subordinate command of the U.S. Strategic Command, the military unit that controls America’s nuclear arsenal.

In elevating CyberCom to a unified combatant command, committee members said it would make sense to split Rogers’ current roles, though he demurred.

“I’m finding it harder and harder to justify your holding two jobs given the complexity,” said Sen. Martin Heinrich, D-N.M. “I mean this arrangement was created in 2009, which in technological terms is a century ago. I understand the relationship between NSA and Cyber Command, but particularly if we move in the direction, and I think we are, of setting up Cyber Command as its own independent combatant command, to have the same person trying to run those two agencies I just think is impractical and almost impossible.”

Committee Chair Sen. John McCain, R-Ariz., said he and ranking member Sen. Jack Reed, D-R.I., hope to propose the split on an upcoming markup of the National Defense Authorizations Act for fiscal year 2017 “subject to the will of the entire committee,” as they further consider CyberCom as a combatant command.

Rogers, having like his predecessor worked both positions “dual hatted” for the past two years, disagreed there was a need to split them — saying CyberCom was too intertwined with and reliant on the NSA to divide their boss’ job.

“Part of that is the very premise that when we built Cyber Command six years ago, we said we were going to maximize the investment the nation had already made in NSA in terms of infrastructure and capability,” he said. “Because of that, we didn’t have a huge military construction program ... we said we were going to take NSA’s existing space as a vehicle to do that.”

Rogers continued: “Based on the very model we created Cyber Command, where we really in many ways tightly align these two organization, that at the current time it would be difficult — not impossible, I’m the first to acknowledge that — or less than optimal in my opinion to try to separate them now. But I’ve also argued that we need to continue to assess that over time.”

All in all, though, he acknowledged the benefit that could come with the elevation of CyberCom as the 10th combatant command.

“A combatant command designation would allow us to be faster, which would generate better mission outcomes,” Rogers said. “I would also argue that the department’s processes of budget, prioritization, strategy and policy are all

generally structured to enable direct combatant command input into all of those processes — that's what they're all optimized for. And I believe that cyber needs to be a part of that."

What keeps Rogers up at night?

In addition to his larger concerns about cyberattacks on critical American infrastructure and the growing ability of adversary nations to not only access vital data but also manipulate it, Rogers expressed worry during the hearing about the evolving cyberthreat from non-state actors, like ISIS or other terror groups.

Currently, ISIS uses the digital domain almost purely as a place for recruitment, communications and the spread of propaganda, as well as to generate revenue and move money, Rogers said. But he worries that cyber — what he called "the great equalizer" — could give the terrorist group offensive capabilities, to wage attacks. That the internet could become a "weapon system... a vehicle to inflict pain against the United States and others."

"That would be a troubling development," he said.

"I have not seen groups yet make huge investments in this. But I worry that it's a matter of time, because it wouldn't take long," Rogers said. "One of the challenges of cyber is ... it doesn't take billions of dollars of investment, it doesn't take decades of time and it doesn't take a dedicated workforce of tens of thousands of people that you see most nation states work with."

U.S. Cyber Command Should Be Combatant Command, DoD's Top Cyber Warrior Says

By Andrew Tilghman

[Military Times](#), April 5, 2016

The head of U.S. Cyber Command told Congress on Tuesday that his command should be elevated to become its own unified combatant command, a move that would make it one of the most powerful institutions in the Defense Department.

The idea of upgrading CYBERCOM has been discussed inside the Pentagon for months and the comments from Adm. Michael Rogers, the CYBERCOM commander, signals that senior military leaders may be nearing a final decision on the matter.

"A combatant commander designation would allow us to be faster, which would generate better mission outcomes," Rogers told the Senate Armed Services Committee.

"I would also argue that the department's processes of budget prioritization, strategy and policy are all generally structured to enable direct combatant commander input into those processes. That's what they're optimized for. I believe that cyber needs to be a part of that direct process," Rogers said.

Created in 2009, CYBERCOM is subordinate to U.S. Strategic Command, which oversees the nation's nuclear arsenal. There are nine unified combatant commands, many of them based on geographical areas, which form the basic structure for how the president executes command and control over military forces.

Defense Secretary Ash Carter may make a formal recommendation about elevating CYBERCOM as part of his review for broader reform of the 1986 Goldwater-Nichols law which delineates key aspects of the military's chain of command, said Sen. Jack Reed, a Democrat from Rhode Island.

The military services are more than halfway through their effort to man, train and equip 133 operational teams and a total of about 6,200 cyber warriors by September 2018.

For now there are 27 teams that are fully operational and 68 that have attained initial operational capability, Rogers said.

In all there are 100 teams conducting cyberspace operations today, Rogers said. The demand for cyber warfare capabilities has been so high that even teams that are not officially operational are contributing to the mission.

Those cyber warriors are well-trained, but in short supply, Rogers said.

"In the two years I've been in command, I have yet to run into a situation where we didn't have the skill set to apply against the problem, but the challenge at the moment ... [is] that skill set is embodied in an incredibly small number of people," Rogers said.

Rogers' comments came one day after the Government Accountability Office issued a report saying the Pentagon does not have a clear chain of command for responding to a massive cyber attack on domestic targets in the United States.

While some Defense Department documents say that U.S. Northern Command would have primary responsibility for supporting civilian agencies in such an event, other documents suggest U.S. Cyber Command should be leading that effort, GAO found, according to the report published Monday.

In the event of an attack on the nation's electrical grid or financial system, for instance, the Defense Department would be expected to back up the U.S. Department of Homeland Security. Yet, the Pentagon has no clear rules in place for how that might play out.

"This absence has caused uncertainty about who in DoD would respond to support civil authorities in a cyber incident, and how they would coordinate and conduct such a response," according to the GAO report. "The designation of cyber roles and responsibilities in DoD guidance is inconsistent."

Cyber Command Gets 'First Wartime Assignment' In Fight Against ISIS

By Hope Hodge Seck

[Military](#), April 5, 2016

The Cyber Operations Center on Fort Gordon, Ga., is home to signal and military intelligence non-commissioned officers, who watch for and respond to network attacks from adversaries. (U.S. Army photo)

The U.S. Defense Department's relatively new Cyber Command has received its "first wartime assignment" in the fight against the Islamic State, the Pentagon's top civilian said.

Defense Secretary Ashton Carter made the statement during a question-and-answer session after a speech Tuesday at the Center for Strategic and International Studies, a defense think tank in Washington, D.C.

"I have given the Cyber Command in the counter-ISIL fight really its first wartime assignment," Carter said, referring to another name for the group known as the Islamic State in Iraq and Syria, or ISIS.

"What that means is to bring the fight to ISIL in Syria and Iraq," he added. "It means interrupting their ability to command and control their forces, interrupting their ability to plot including against us here and anywhere else against our friends and allies around the world, interrupting their finances, their ability to dominate the population on territory they have tried to establish this nasty ideology."

Carter said, "All that, we can approach in part through cyber."

The secretary used the occasion to unveil proposed updates to Goldwater-Nichols Act, the 1986 legislation that reorganized the structure of the Defense Department in part by empowering the Joint Chiefs of Staff and streamlining the chain of command from the president to the defense secretary to the combatant commanders.

Carter said he wants to bolster the role of Joint Chiefs chairman to include "synchronizing of resources globally" and "planning complex operations," increase authority for service chiefs to more closely oversee weapons acquisitions, further streamline some combatant command headquarters and possibly elevate "the role of Cyber Command," and expand the range of assignments that qualify for joint duty.

His remarks about Cyber Command, which was created in 2009 and is based at Fort Meade in Maryland, came in response to a question posed by John Hamre, the president and chief executive officer of the center and a former Pentagon comptroller and deputy defense secretary.

Hamre said, "Any future war we fight will probably begin in the cyber space, really. How do you see that we integrate the physical fight that's kind of led and planned and coordinated by regional combatant commanders with a Cyber Command? How is that going to work?"

Carter said that while Cyber Command is currently structured as a service within geographic combatant commands, "it's more complicated than that" because its responsibilities cross multiple regions such as Central Command, Africa Command and European Command.

The secretary noted the recent bombings in Belgium at the airport and subway system in Brussels, attacks that were carried out by ISIS militants even though the organization largely operates in the Middle East. The suicide bombers killed almost three dozen people, including four Americans, and wounded more than 300 others. Gail Minglana Martinez, 41, the wife of Air Force Lt. Col. Kato Martinez, died of injuries suffered in the airport bombing and Kato Martinez and four of the couple's children were also injured in the bombings.

Separately on Tuesday, Navy Adm. Michael Rogers, the head of Cyber Command and director of the National Security Agency, said the possibility of non-state actors like ISIS terrorists using cyberattacks to inflict pain on the U.S. and other nations was among his top three concerns.

Rogers noted that ISIS-affiliated operators had posted the personal information and photographs of more than 100 U.S. troops online last spring in an act of threat and intimidation.

"Not only did the hackers for ISIL publicize the personal details on these Americans, but ISIL also called for jihad against them, urging followers in the United States to assassinate them and their family members," he said. "While there is no direct link between this ISIL posting of personal information on service members and the recent extremist attacks in the U.S. and Europe, ISIL wants its followers on the Internet to take inspiration from such attacks."

Referring to the structural challenges now facing the Pentagon, Carter said, "We're increasingly finding the problem not just of inter-regional integration, but of regional-functional integration."

The geographic lines for the combatant commands "are clean as we can make them," he added. "That's perfectly reasonable – you have to divide up the pie somehow. But once you've done that, you have to make sure the slices can work together and haven't artificially created barriers. That's what I'm looking to the chairman for."

In practice, Carter said he already receives such information from the Chairman of the Joint Chiefs of Staff Marine Gen. Joseph Dunford, but he nevertheless wants to codify the practice.

"As a practical matter, I got to have that and I depend upon his professional military advice and his being in constant contact with all the Cocoms," he said, using a term for combatant commands. "But that's the role I want to make sure I clarify and strengthen. The world has gotten more integrated and so we have to get more integrated, too."

Hackers Broke Into Hospitals Despite Software Flaw Warnings

By Tami Abdollah

[Associated Press](#), April 5, 2016

WASHINGTON (AP) — The hackers who seriously disrupted operations at a large hospital chain recently and held some data hostage broke into a computer server left vulnerable despite urgent public warnings since at least 2007 that it needed to be fixed with a simple update, The Associated Press has learned.

The hackers exploited design flaws that had persisted on the MedStar Health Inc. network, according to a person familiar with the investigation who spoke on condition of anonymity because this person was not authorized to discuss the findings publicly. The flaws were in a JBoss application server supported by Red Hat Inc. and other organizations, the person said.

The FBI, which is investigating, declined to discuss how the hackers broke in.

The JBoss technology is popular because it allows programmers to write custom-built software tools that can be quickly made available across a company, but security researchers discovered it was routinely misconfigured to allow unauthorized outside users to gain control. The U.S. government, Red Hat and others issued urgent warnings about the security problem and a related flaw in February 2007, March 2010 and again earlier this week. The government warned in 2007 the problem could disrupt operations and allow for unauthorized disclosures of confidential information.

Fixing the problem involved installing an available update or manually deleting two lines of software code.

It was not immediately clear why the hospital chain, which operates 10 hospitals in Maryland and Washington including the MedStar Georgetown University Hospital, was still vulnerable years after those warnings. The new disclosure doesn't diminish the potential culpability of the hackers responsible for the break-in, but it reveals important details about how the crime unfolded. And it could affect MedStar's civil or administrative exposure under U.S. laws and regulations that require health providers to exercise reasonable diligence to protect their systems.

MedStar's assistant vice president, Ann C. Nickles, said in a statement Tuesday to the AP that the company "maintains constant surveillance of its IT networks in concert with our outside IT partners and cybersecurity experts. We continuously apply patches and other defenses to protect the security and confidentiality of patient and associate information." MedStar said Monday its systems "are almost fully back online," just over a week after the March 28 hacking. The company hired experts from Symantec Corp. to help investigate.

Nickles said Tuesday there was no evidence that patient or employee records were compromised.

MedStar said in a statement Friday evening to the AP that it would not provide details about how the attack occurred, and it criticized further media coverage of the case as perpetuating "the infamy of malicious attacks for airtime and publicity" and encouraging copycat hackers.

The MedStar hackers employed virus-like software known as Samas, or "samsam," that scours the Internet searching for accessible and vulnerable JBoss application servers, especially ones used by hospitals. It's the real-world equivalent of rattling doorknobs in a neighborhood to find unlocked homes. When it finds one, the software breaks in using the old vulnerabilities, then can spread across the company's network by stealing passwords. Along the way, it encrypts scores of digital files and prevents access to them until victims pay the hackers a ransom, usually between \$10,000 and \$15,000.

If a victim hasn't made safe backups of files, there may be little choice except to pay, although MedStar has said it paid nothing. The hospital chain shut down its systems quickly after discovering the attack, limiting its impact to archives, some imaging and lab files and other duplicate records, according to the person with inside knowledge of the attack.

"This old issue is still somehow spread across Internet-facing servers," said Stefano Di Paola and Giorgio Fedon of Minded Security, an Italian security firm, in a joint statement to the AP. They discovered a related vulnerability in the servers in 2010 that Red Hat designated its highest priority to fix.

The FBI issued a flash message to companies days after the MedStar hacking, describing the dangers of samsam and asking for help detecting it and improving defenses against it. Days later, the Homeland Security Department issued a separate warning about samsam and another common ransomware strain, Locky, which tricks victims into opening email attachments to infect computers.

Cisco Systems Inc., which has studied the attacks, estimated there were about 2.1 million servers around the world vulnerable to samsam, although some may be additionally protected by other layers of security. It described the ransomware campaign as "proving to be a profitable affair."

"If you haven't patched your server, you're vulnerable, and it can compromise your server at 3 a.m. in the morning when no one's watching," said Craig Williams, a senior technical leader at Talos, Cisco's security research organization. "This is simply a case of people not following best practices and not applying patches for people to correct their systems."

Identifying the hackers and arresting them can be difficult. Tracing the scanning activity preceding an attack

typically leads to other hacked computers; logs that might yield identifying clues can be manipulated or deleted and the samsam software is unusually self-sufficient and doesn't require hackers to control it after an infection. Ransoms are paid using hard-to-trace digital currency.

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California Hospital Hacks Reveal Weak Links In Health Cybersecurity

By Sammy Caiola

[Sacramento \(CA\) Bee](#), April 5, 2016

For 10 days in February, the staff at Hollywood Presbyterian Medical Center had to treat patients the old fashioned way with pen-and-paper forms, faxes and hand-delivered X-rays. Gone were many of the data-reliant, high-tech tools that have transformed medical care, according to local media reports.

The Los Angeles hospital had fallen victim to a ransomware attack – increasingly common network break-ins that encrypt all information in their path. When hospital computer systems freeze, the hackers offer to reverse the encryption in exchange for cash.

"It's like if someone broke into your house and changed the locks on your doors and said, 'If you give me money, I'll give you the new key and everything will be just where you left it,' " said John Klassen, senior director of solutions marketing at Bay Area cybersecurity firm FireEye.

Cybercriminals have targeted hospitals with growing frequency in recent years, identifying the millions of recently digitized patient files as a treasure trove of unguarded information. Hospitals have historically been vulnerable to security breaches due to their reliance on expensive, aging medical equipment, their inability to halt patient care to perform time-consuming software updates, and a workflow that depends on the constant input and accessing of data on different devices. Those complications, combined with the high black market value of medical records, makes such facilities prime targets for a growing number of sophisticated criminals.

Breaches at hospitals, insurance companies and other health care-related businesses have been climbing in California in recent years, with 30 incidents reported in 2015, up from eight in 2009, according to the U.S. Department of Health and Human Services. Nationally, about 1,500 data breaches have been reported in health care settings since 2009.

Last year, the Ponemon Institute, a privacy and security research group, found that about half of health organizations are attacked by hackers one or more times in any given 12-month period.

"(Hospitals) are in a tricky situation," said Lysa Myers, security researcher at software company Eset. "There are ways in which they're behind the curve in terms of securing information, but they also have it harder. At a bank you're not really sharing people's information. At a hospital it's important to be able to share information quickly and safely. That's not the same as getting it and locking it up."

In October, Gov. Jerry Brown signed legislation requiring hospitals to properly encrypt patient information and notify all affected patients when a breach occurs. The California Department of Public Health can fine hospitals \$25,000 for each person's information breach if they've failed to prevent unauthorized access to data.

In Sacramento, the UC Davis Medical Center and the Sutter Medical Foundation have both suffered data breaches in recent years, each affecting between 1,300 and 2,300 patients. Representatives from both organizations said patient files were not compromised.

"UC Davis Health System has ongoing, multiple defensive layers to continuously prevent, identify and contain cyberattacks at the system and end-user levels," said interim Chief Information Officer John Cook in an email. "These include multiple network, system and data safeguards (firewalls, encryption, intrusion prevention systems, etc.) to detect, prevent and mitigate the effects of an attack."

At Hollywood Presbyterian, all attempts to bring systems back online failed. Finally, the hospital paid \$17,000 in the form of 40 bitcoins – an anonymous digital currency commonly used for laundering, illicit drug purchases and cyberterrorism – to regain access to its records.

Just weeks later, two Prime Healthcare hospitals in the Los Angeles area also had their data taken hostage. In both cases, hospital officials shut down the cyberattacks and regained access to their data without paying ransom. Media reports indicated patients at Hollywood Presbyterian had to wait hours longer for care and suffer other inconveniences.

"The staff at the impacted hospitals switched to the backup paper record system for a period while the situation was being analyzed and controlled," said Prime Healthcare spokeswoman Elizabeth Nikels in an email. "We were able to successfully contain the disruption after a short period and no patients were ever turned away from receiving care."

In addition to ransomware attacks, hospitals are also vulnerable to "back door" hacks. While people launching ransomware attacks don't necessarily use the compromised data, back door hackers seek out the most valuable information a hospital has on file – usually patient medical records – and transfer it to their own computers to sell to people committing medical-identity fraud.

If hackers make their way into main data caches, they can steal millions of patient records at a time and sell them to people seeking to illegally get medication or undergo medical procedures under another identity, Myers said. Such a breach

occurred at the UCLA Health System in July, compromising 4.5 million patient records. At least two patients filed lawsuits seeking class-action status against the system.

"You think about credit card info as the holy grail, but you can cancel a credit card," Myers said. "You can't cancel medical records and start over. They're with someone their entire life. ... Once it's out of the hospital's control, it's really out of their control. There's nothing you can do to put the toothpaste back in the tube."

Hospitals and health insurance companies are particularly at risk of cyberattack because of the unique nature of their operations.

Many hospitals use decades-old specialized medical equipment that aren't equipped with security software, experts said. Hackers often target vulnerable machines as entry points to access other information in the network. Shutting breached devices down can stop the malware in its tracks, but it isn't always an option considering the constant need to provide care.

"A lot of these devices weren't designed to be secured," Klassen said. "Hospitals are not going to shut down a medical device or put things on hold until they know it's safe to proceed."

Doctors also often computer-jump, work in multiple departments and have different levels of security privilege on several devices. That means a cyberattack can spread quickly after someone opens a suspicious link, PDF or Microsoft Word document from an email, and inadvertently releases malicious programs that run code quietly and imperceptibly behind the browser.

"They have a larger attack surface," Klassen said of hospitals. "They're more exposed."

Such facilities also operate on a 24/7 schedule, which means hospitals can't usually go without computers during the hours or even days it takes to install system updates and encryption programs that hide patient data.

"Because the provider doesn't want to take the application offline – stop the presses for a few hours – they don't do it, and that's a vulnerability," Klassen said.

To prevent ransomware attacks, hospitals must have all of their information backed up on a separate network so they can wipe clean the system they've been locked out of and start fresh. Increasingly, hospitals are hiring additional technical staff members and seeking alternative storage solutions, such as off-site "cloud" servers.

"Lately there's been a big emphasis, with the implementation of the electronic medical record, on patient records and how to protect information," said Cheri Hummel, vice president of emergency management and facilities for the California Hospital Association. "It's a very challenging process and an ever-changing process. (Hospitals) need to be vigilant about updating their system, backing up their data

and learning how to maintain care at their facilities in the event their systems are shut down."

World Needs To Follow Our Lead On Cyber Norms

By Greg Otto

[FedScoop](#), April 5, 2016

Leaders from DHS and State say efforts like the NIST framework and the new cyberthreat info sharing law should be examples for the rest of the world to follow.

Even as the U.S. government shores up its own beleaguered cyber defenses, its officials are touting their progress setting cybersecurity standards — saying the rest of the world should follow the U.S. to protect itself online.

Two U.S. officials — Deputy Homeland Security Secretary Alejandro Mayorkas and State Department Coordinator for Cyber Issues Chris Painter — implored a roomful of global cybersecurity experts at the Billington International Cybersecurity Summit Tuesday to examine the various security frameworks and legislation the U.S. has crafted and use it as a model for their home governments.

In remarks at the National Press Club, Mayorkas touted the National Institute of Standards and Technology cybersecurity framework as a document that has lifted cybersecurity awareness in private companies, showing how companies should communicate and build accountability when it comes to mitigating threats.

"I would encourage those of you in the private sector, domestically and internationally to think of this framework as a framework of accountability," he said. "To understand that the cure of one should be the cure for many. When one sees a competitor suffer, one can look at their watch and tick off the seconds until the same harm can be met on the threshold of one's own company."

He also talked about the department's recently launched Automated Indicator Sharing platform, which takes advantage of new information sharing legislation passed as part of the massive omnibus funding deal last year. The new law grants companies liability protection if they share threat indicators. Mayorkas framed this effort as a collaborative one that protects not just various parts of the economy, but the entire online environment.

"The legislation that was passed at the end of this past year will greatly facilitate that effort because it protects liability and provisioning of information," he said. "The sharing of information we advocated ... is critical to the framework of enhancing the security of the cyber ecosystem."

For his part, Painter highlighted progress made in the administration's efforts on a global level, touting President Barack Obama's international strategy for cyberspace as a way for countries to create what he calls a "peaceful cyber environment."

"One of the real transitions I've seen, people thought of [cybersecurity] as a tech issue whereas now it is thought of as a core issue of national policy, a core issue of foreign policy," Painter said.

He also talked about more recent efforts like the planned ICANN transition and the agreement at the November 2015 G-20 meeting that curbed theft of intellectual property as moves toward international standards for behavior on the internet — crafted by the community that runs the global network.

"This is the idea that the internet, for it to do the things that we really want to do, that it's not just on the governments to figure this out, but it's governments, the private sector, civil society, academics, internet wise guys, people who really know these things," Painter said. "That's how the internet has grown up. That's a foreign concept for a lot of governments who are used to controlling this. If governments controlled the internet, we would not have this explosion we've had, we would not have the penetration we have."

Even with the progress that Painter sees, he knows security efforts will have to be fluid if the world is to keep up with ever-changing threats.

"All of these things are non-static. All of these things need to be built on. As much as we have been able to accomplish in the past five years, we have to build on all of that activity," he said.

"This is not an issue that is going to slip off the front page. The threats are going to be there. We also need to make sure we have the policies and we are working together to implement them."

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Chinese National From B.C. Pleads Guilty To Hacking Conspiracy

By Adrienne Tanner

[Vancouver \(CAN\) Sun](#), April 5, 2016

A former Metro Vancouver resident has pleaded guilty in California to hacking into the computer networks of major U.S. defence contractors and sending stolen military data to China.

Chinese citizen Su Bin, who is also known as Stephen Su and Stephen Subin, was arrested on the U.S. charges in Richmond two years ago and launched an unsuccessful B.C. Supreme Court battle against his extradition.

U.S. officials announced Wednesday that Bin, 50, appeared in a Los Angeles courtroom after a plea agreement had been reached.

When he is sentenced in July, he could face five years in prison and a \$250,000 U.S. fine.

In the agreement, Bin admitted to conspiring with two people in China from October 2008 to March 2014 to gain unauthorized access to protected computer networks in the U.S., including computers belonging to the Boeing Company in Orange County, California.

Bin was able "to obtain sensitive military information and to export that information illegally from the United States to China," the agreement states.

Some of the stolen information related to military technical data, including data relating to the C-17 strategic transport aircraft and certain fighter jets produced for the U.S. military.

"Protecting our national security is the highest priority of the U.S. Attorney's Office, and cybercrime represents one of the most serious threats to our national security," U.S. Attorney Eileen Decker said after Bin's plea. "The innovative and tireless work of the prosecutors and investigators in this case is a testament to our collective commitment to protecting our nation's security from all threats."

She said the guilty plea demonstrates "that these criminals can be held accountable no matter where they are located in the world and that we are deeply committed to protecting our sensitive data in order to keep our nation safe."

Bin admitted that he would email his co-conspirators with targets he wanted them to hack. The China-based hackers then sent him detailed file listings they had accessed during the hacks so Bin could pick which files and folders he wanted stolen.

Once Bin had the stolen files, he translated some of them into Chinese.

U.S. authorities said that Bin and his accomplices also wrote reports about "the information and technology they had acquired by their hacking activities, including its value, to the final beneficiaries of their hacking activities."

Bin's plea agreement says that he and partners "intentionally stole included data listed on the United States Munitions List contained in the International Traffic in Arms Regulations."

And Bin also admitted that he engaged in the crime for money and specifically sought to profit from selling the data the he and his conspirators illegally acquired.

Assistant Attorney General John Carlin said Bin "admitted to playing an important role in a conspiracy, originating in China, to illegally access sensitive military data, including data relating to military aircraft that are indispensable in keeping our military personnel safe."

He said his division "remains sharply focused on disrupting cyber threats to the national security, and we will continue to be relentless in our pursuit of those who seek to undermine our security."

Bin is the owner and manager of Lode-Tech, a Chinese-based company focused on aviation technology with an office in Canada.

At the time of his arrest in June 2014, Bin had permanent resident's status in Canada. He told a B.C. judge that he owned a Vancouver home then worth \$1.8 million and said both his children were born in Canada.

Throughout his court appearances in B.C., his wife and Chinese government officials sat in the public gallery.

WhatsApp, The Messaging Service, Announces Full Encryption On All Platforms

By Ellen Nakashima

[Washington Post](#), April 5, 2016

WhatsApp, the world's most popular instant message app with more than 1 billion users, is now fully encrypted on all platforms — Android, iPhone, Blackberry and others.

That's good news for users who care about security and privacy, including journalists and dissidents. At the same time, it represents the intensification of a trend toward ubiquitous encryption that has posed challenges for law enforcement in the United States and around the world.

"The idea is simple: when you send a message, the only person who can read it is the person or group chat that you send that message to. No one can see inside that message. Not cybercriminals. Not hackers. Not oppressive regimes. Not even us," WhatsApp co-founders Jan Koum and Brian Acton wrote in a blog post Tuesday.

Such encryption, in which only the sender and receiver can decrypt messages, makes it virtually impossible for foreign governments and U.S. agencies to intercept instant messages and voice calls, even with a warrant.

WhatsApp, which is owned by Facebook, has frustrated federal investigators in criminal investigations, but the Justice Department has not yet taken the matter to a public court fight in the way it did recently with Apple.

The Apple case involved data stored on an iPhone used by one of the San Bernardino terrorists. By contrast, WhatsApp provides chat, group chat and voice call services to users — or "data in motion."

WhatsApp and Facebook are "great American companies," FBI General Counsel James A. Baker said Tuesday in a moderated discussion at a conference of the International Association of Privacy Professionals. But "this presents us with a significant problem."

If the trend continues, he said, "encryption like that will continue to roll out in a variety of different ways across the technological landscape." Some of it is good, he said, noting that his own personal data has been stolen by hackers a number of times and he wished that data had been encrypted. "But the key thing is, that it has costs."

His boss, FBI Director James B. Comey, has often said that the Islamic State is using encrypted apps to direct people to kill "innocent people" in the United States. And it is hindering investigations in murder, child pornography, organized crime and a range of other crimes, law enforcement officials said.

Still, Comey said at a congressional hearing last month, "It is not our job to tell the American people how to resolve that problem. . . . Our job is simply to tell people there is a problem."

But for WhatsApp and Open Whisper Systems, a group of software developers that has helped the company integrate the so-called "end-to-end" encryption into its platform, the issue is security and privacy. "What we're doing is trying to make private communications simple," not thwart criminal investigations, said Moxie Marlinspike, founder of Open Whisper Systems.

Criminals and terrorists will use encryption regardless of what commercial firms do, he said. Some al-Qaeda-linked groups have released their own encryption platforms.

Koum and Acton said in their blog post: "While we recognize the important work of law enforcement in keeping people safe, efforts to weaken encryption risk exposing people's information to abuse from cybercriminals, hackers, and rogue states."

Koum, who is WhatsApp chief executive, said he has a personal stake in privacy. "I grew up in the USSR during communist rule and the fact that people couldn't speak freely is one of the reasons my family moved to the United States."

Open Whisper Systems developed the encryption protocol for WhatsApp — the same protocol used for an Open Whisper messaging app called Signal, which has millions of users. Over the next year, Open Whisper Systems will continue to work with additional messaging platforms to incorporate strong encryption, the group said.

Read more:

Opinion: Why Trade Secrets Bill Will Deter Cybercrime

By Melanie Teplinsky

[Christian Science Monitor](#), April 5, 2016

In a major step toward deterring cybercrime, the Senate unanimously passed a bill Monday to empower corporate espionage victims to seek damages for computer-enabled intellectual property theft.

The Defend Trade Secrets Act (DTSA) is yet another sign of the US government's growing commitment to deterrence as a key element in the country's cybersecurity strategy. By enabling corporate victims to recover losses from cyberenabled IP theft, the bill encourages victims to pursue perpetrators.

The bill is designed to make cyberespionage more costly for malicious hackers – either acting alone or backed by nation-states – by allowing victims the chance to recover significant monetary damages after an attack.

Until recently the dominant approach to cybersecurity in the US was to batten down the hatches. We almost exclusively focused on reducing our vulnerability to cyberattack and espionage.

This approach didn't work. Adversaries continue to wage successful cyberespionage campaigns despite concerted long-term US efforts to bolster network defenses. The lesson learned: Stronger locks and taller fences by themselves are not enough to stop targeted attacks. That's why deterrence is key.

One of the first public indications that the US government was embracing threat deterrence came in May 2014, when the Department of Justice indicted five Chinese military officers for economic espionage against US companies including Westinghouse Electric and US Steel.

By identifying the Chinese PLA officers involved and providing details of their activities – i.e., by “naming and shaming” the perpetrators – the US sought to deter the activities by increasing the political and diplomatic costs of engaging therein.

The US response to the Sony hack also reflected a shift toward cyberthreat deterrence. Not only did the FBI attribute the hack to the North Korean government, but also President Obama signed an executive order which enabled the Treasury Department to impose targeted sanctions on North Korean agencies and 10 government officials.

That was the first time that the US retaliated for a cyberattack perpetrated against a private company – and the first time that sanctions were used in response to a nation-state sponsored cyberattack. Given the limited extent of US engagement with North Korea, the sanctions – which bar certain commercial relationships – have had a minimal effect.

Still, the US sent a strong signal to other would-be digital adversaries that those sorts of attacks wouldn't be tolerated. As Treasury Secretary Jack Lew said at the time, “These steps underscore that we will employ a broad set of tools to defend US businesses and citizens, and to respond to attempts to undermine our values or threaten the national security of the United States.”

In April 2015, just months after imposing targeted sanctions on North Korea, Mr. Obama issued an executive order establishing a cyber sanctions program modeled on US counterterrorism and nonproliferation sanctions programs.

The cyber sanctions program is designed to penalize those who engage in destructive digital attacks against critical infrastructure and/or engage in commercial cyberespionage. Specifically, it authorizes the US government to freeze assets of foreign nationals responsible for “malicious, cyberenabled activities.”

Now, the Defend Trade Secrets Act is meant to create a private right of action for trade secret misappropriation. As soon as the bill becomes law – it's likely to pass the House and the Obama administration supports it – companies should take action and pursue violators. Going after malicious hackers is key to deterring cybercrime over the long run.

Melanie Teplinsky teaches information privacy law at the American University Washington College of Law as an adjunct professor. She started her career in cybersecurity in 1991 as an analyst at the National Security Agency.

5 Ways To Become A Smaller Target For Ransomware Hackers

By Tami Abdollah

[Associated Press](#), April 5, 2016

WASHINGTON (AP) — Hacking for ransom is on the rise — on pace to beat out last year's figures — and hits people where it hurts, locking them out of files, photos and critical records until they pay hackers a bounty to restore their access. Hackers bait users to click on infected email links or open infected attachments, or they take advantage of outdated and vulnerable systems.

Victims see important files scrambled into encrypted gobbledygook, as an electronic ransom note warns that if they ever want to see those files again in a readable format, they must pay money in virtual currency, known as bitcoin.

Last year's 2,453 reports of ransomware hackings totaled a reported loss of \$24.1 million, making up nearly one-third of the complaints over the past decade. They also represented 41 percent of the \$57.6 million in reported losses since 2005. Such losses are significantly higher than any paid ransoms because companies routinely include remediation costs, lost productivity, legal fees and sometimes even the price of lost data in their estimates.

What's priceless is avoiding the hack altogether.

Here are five tips to make yourself a less likely victim:

MAKE SAFE AND SECURE BACKUPS

Once your files are encrypted, it's nearly always game over. Backups often are out of date and missing critical information.

Ransomware has become increasingly sophisticated and effective at separating users from the contents of their computers. For example, sometimes it targets backup files on an external drive. You should make multiple backups — to cloud services and using physical disk drives, at regular and frequent intervals. It's a good idea to back up files to a drive that remains entirely disconnected from your network.

UPDATE AND PATCH YOUR SYSTEMS

The recent samsam virus-like attack takes advantage of at least two security vulnerabilities on servers, including one discovered in 2007. Updating software will take care of some bad vulnerabilities. Browsers such as Chrome will

automatically update behind the scenes, saving you the time and deterring hackers.

USE ANTIVIRUS SOFTWARE

It's basic but using antivirus will at least protect you from the most basic, well-known viruses by scanning your system against the known fingerprints of these viruses. Low-end criminals take advantage of less savvy users with such known viruses even though malware is constantly changing and antivirus is frequently days behind detecting it.

EDUCATE YOUR WORKFORCE

Basic cyber hygiene such as ensuring workers don't click on questionable links or open suspicious attachments can save headaches. System administrators should ensure that employees don't have unnecessary access to parts of the network that aren't critical to their work. This helps limit the spread of ransomware if hackers do get into your system.

IF HIT, DON'T WAIT AND SEE

When hackers hit MedStar Health Inc., the hospital chain shut down its network as soon as it discovered ransomware on its systems. That action prevented the continued encryption — and possible loss — of more files. Hackers will sometimes encourage you to keep your computer on and attached to the network but don't be fooled.

If you're facing a ransom demand and locked out of your files, law enforcement and cybersecurity experts discourage paying ransoms because it incentivizes hackers and pays for their future attacks. There's also no guarantee all files will be restored. Many organizations without updated backups may decide regaining access to critical files, such as customer data, and avoiding public embarrassment is worth the cost.

The hackers, of course, are counting on that.

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Russia, China Are Greatest Cyberthreats, But Iran Is Growing

By Lolita C. Baldor

[Associated Press](#), April 5, 2016

WASHINGTON (AP) — Russia and China present the greatest cyber security threat to the U.S., but Iran is trying to increase and spend more on its capabilities, the Navy admiral in charge of the military's Cyber Command told Congress Tuesday.

Adm. Michael Rogers told the Senate Armed Services Committee that while the U.S. has more overall military power than the three countries, the gaps are narrower when it comes to cyber warfare.

He said U.S. Cyber Command is making progress building cyber mission teams, and will have 133 fully

operational by September 2018. Already, he said that nearly 100 teams are already conducting cyberspace operations.

Defense Secretary Ash Carter has beefed up the use of offensive cyber warfare in Iraq and Syria and made increasing the department's cyber capabilities a key goal.

As part of that, he is considering elevating Cyber Command to a full, independent military command. Currently U.S. Cyber Command is a sub-unit of the military's Strategic Command.

During testimony on Tuesday, Rogers told senators that being designated a full command would allow his units to "be faster, which would generate better mission outcomes."

He added that it also would give him more input into the budget process and how to prioritize spending.

A senior U.S. official said Tuesday that Carter believes that making Cyber Command a full command would be worthwhile. The official said that while discussions with the White House are ongoing, Carter has not yet sent his final recommendation to the president. Congress would also need to approve such a change.

The official was not authorized to discuss the matter publicly so spoke on condition of anonymity.

During the hearing, Rogers said that his major cybersecurity concerns include attacks against critical infrastructure in the U.S. and the possibility that cyber hackers may begin breaching networks and changing data, rather than just reading it or stealing it. As a result, he said, officials would no longer be able to "believe what we're seeing," including in data that the military need for critical operations.

In addition, he said that there are increasing worries that extremist groups and others may begin to view cyber as a weapons system and "want to use it as a vehicle to inflict pain against the United States and others."

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NATIONAL SECURITY NEWS

Meeting With Generals, Obama Cites Progress Against Islamic State

By Gregory Korte

[USA Today](#), April 5, 2016

WASHINGTON — President Obama met with his top generals for a big-picture overview of the U.S. defense posture Tuesday, but said most of the discussion focused on his "top priority" — defeating the Islamic State.

"ISIL continues to lose ground," Obama told reporters after the meeting at the White House. "But as we've seen from Turkey to Belgium, ISIL still has the ability to launch serious terrorist attacks. One of my main messages today is

that destroying ISIL continues to be my top priority and so we can no longer tolerate the kinds of positioning that is enabled by them having headquarters in Raqqa and in Mosul.”

Obama cited recent progress in severing the highways between those two strongholds in Syria and Iraq, and to target financial networks and oil infrastructure.

Obama also thanked the retiring commander of U.S. Central Command, Gen. Lloyd Austin. The White House had blamed Austin for underestimating the threat from the Islamic State in 2014, when Obama called them the “JV team,” or junior varsity. But on Tuesday, Obama was all plaudits. “He did an outstanding job in every single assignment that he received,” Obama said.

In other areas, Obama said the U.S. was working to beef up defenses in Europe “to reassure NATO allies in the light of particularly increased aggressive actions by Russia.” He said he also spoke to the generals about cooperation in the Pacific Rim, boosting cyber-security, investing in technology and supporting military families.

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Obama Vows To Keep Pressure On Islamic State In Syria, Iraq

By Dave Boyer

[Washington Times](#), April 5, 2016

Trying again to reassure Americans in the wake of terrorist attacks in Europe, President Obama said Tuesday that the U.S.-led coalition will “squeeze” the Islamic State in its strongholds and defeat the extremist group.

“We are working to make sure that we are accelerating the campaign against ISIL in Syria and Iraq,” Mr. Obama said, using an acronym for the group, during a meeting with U.S. military chiefs at the White House. “ISIL continues to lose ground.”

He noted that coalition forces recently severed the main highway between the Islamic State strongholds of Raqqa, Syria, and Mosul, Iraq. He said the renewed pressure is necessary because the Islamic State has shown the ability to launch terrorist attacks such as the ones last month in Belgium and Turkey.

“We are going to squeeze them and we will defeat them,” he said. “We can no longer tolerate the kinds of positioning that is enabled by them having headquarters in Raqqa and in Mosul. We’ve got to keep on putting the pressure on them.”

He said the campaign “is not just a military operation; it is an intelligence and diplomatic effort as well.”

“This will continue to be a difficult fight, but I’m absolutely confident that ISIL will lose, and we will prevail once again,” Mr. Obama said.

Senator Blasts Administration’s Fight Against Islamic State

By Richard Lardner

[Associated Press](#), April 5, 2016

WASHINGTON (AP) – The Obama administration’s fight against the Islamic State is at risk of becoming a “grinding failure for our nation,” an influential Republican senator said Tuesday in a broadside that illustrated the mounting frustrations in Congress with the U.S. strategy to defeat the extremist group.

In a brief but pointed letter to Defense Secretary Ash Carter, Sen. John McCain of Arizona, the chairman of the Armed Services Committee, said U.S. military commanders are being hamstrung by an overly cautious Obama administration.

McCain drew a parallel between the campaign against the Islamic State and the war in Vietnam, a conflict he served in as a Navy pilot.

“As a young military officer, I bore witness to the failed policy of gradual escalation that ultimately led to our nation’s defeat in the Vietnam War,” he wrote. “I fear this administration’s grudging incrementalism in the war against the Islamic State risks another slow, grinding failure for our nation.”

Carter has described the U.S. as making considerable strides against the Islamic State. He told reporters at the Pentagon last month that the U.S. progress in eliminating members of the group’s “cabinet” was hampering its ability to conduct and inspire attacks against the West.

President Barack Obama also has claimed headway in the fighting. The U.S. and its coalition partners have rolled back the Islamic State group’s control of territory, he has said, and a new but fragile government has been formed in Libya.

But McCain said he has talked to military commanders both on the ground and at the Pentagon. Those conversations “have led me to the disturbing, yet unavoidable conclusion that they have been reduced from considering what it will take to win to what they will be allowed to do by this administration,” he wrote.

U.S. service members will pay the price for the absence of a coherent strategy and commitment to winning, McCain said. In Vietnam, the lack of a clear plan of action led to an erosion of public support and America’s eventual withdrawal.

McCain was a prisoner of war in North Vietnam for more than five years, an experience that adds weight to his criticism. In October 1967, during a bombing mission over North Vietnam, a missile struck McCain’s plane, forcing him to eject. He was imprisoned in what become known as the “Hanoi Hilton,” where he was denied medical treatment and tortured by the North Vietnamese. He was released in March 1973.

In the letter to Carter, McCain said his committee needs a full accounting of the current scale and scope of U.S. military operations against the Islamic State. Among the figures he wants are the numbers of U.S. military and civilian personnel in Iraq and Syria, and the length of time needed to retake Islamic State strongholds in both countries.

McCain asked for a response from Carter within the next two weeks.

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How National Security Powers Are Underpinning Some Ordinary Criminal Cases

By Ellen Nakashima

[Washington Post](#), April 5, 2016

RIVERSIDE, Calif. — FBI agents entered Keith Gartenlaub's home in Southern California while he and his wife were visiting her relatives in Shanghai. Agents wearing gloves went through boxes, snapped pictures of documents and made copies of three computer hard drives before leaving as quietly as they had entered.

The bureau suspected that Gartenlaub was a spy for China.

The FBI had obtained a secret search warrant to enter the house, citing national security grounds. The agents were searching for evidence that Gartenlaub, an information technology manager at Boeing, had leaked computer information about the defense contractor's C-17 military transport plane to people acting on behalf of China.

But since the search in January 2014, no spy or hacking charges have been brought against him.

Instead, seven months later, he was charged with the possession and receipt of child pornography. He has denied the charges, but was convicted in December.

Gartenlaub's case highlights how exceptional powers given to the government in recent years to gather information about suspected terrorist or espionage threats without some of the traditional safeguards for a defendant's rights are now being used in more routine criminal cases.

Over the past 15 years or so, the wall between intelligence gatherers and criminal prosecutors has fallen, making it easier to share information, especially to fight terrorism. And under the Foreign Intelligence Surveillance Act (FISA), defendants are generally unable to effectively challenge the warrants that authorized the search or surveillance because they are not permitted to see them or the underlying application on national security grounds.

Gartenlaub's attorneys are troubled that what began as an espionage case — one that resulted two weeks ago in a guilty plea by a Chinese businessman with no connection to their client — morphed into a child pornography prosecution.

In Gartenlaub's case, the government made sealed filings, so neither the defense nor the public were able to see them. Based on the secret filings, the judge held that the government had shown probable cause that the house to be searched belonged to "an agent of a foreign power" or a spy.

"There has, over the last decade-plus, been an erosion of the formerly bright line between foreign intelligence surveillance and investigation for criminal prosecution," said Jennifer Daskal, a former official in the Justice Department's national security division who now teaches law at American University.

In criminal cases, by contrast, a defendant and his attorneys are generally entitled to see an affidavit for a warrant and challenge the grounds for its issuance before a judge. Gartenlaub wants to see the warrant in his case so he can challenge it as based on false information, and therefore invalid.

"The government is increasingly using national security tools to investigate domestic criminal cases, bypassing key constitutional protections," said Patrick Toomey, a staff lawyer with the American Civil Liberties Union. "This problem is only compounded in the digital age, where the FBI is collecting vast amounts of our data for intelligence purposes but then goes sifting through all that information in unrelated criminal investigations."

In a case in Philadelphia last year, for instance, the government used a FISA order to obtain evidence on a Temple University professor that they apparently suspected was sharing technology with China, but they indicted him on wire fraud charges before eventually dropping the case. In 2011, the government used a FISA order to gather information about a Chinese businessman suspected of stealing patented corn seeds from Iowa farm fields. He later was indicted on charges of theft of trade secrets. He pleaded guilty to one count of conspiracy to steal trade secrets earlier this year.

Federal prosecutors in Gartenlaub's case insist that they followed the law.

"The issue of the FISA warrant was the subject of extensive pretrial briefing and an order from the judge finding that the orders were lawfully issued and did not violate the defendant's due process rights," said Thom Mrozek, a spokesman for the U.S. attorney's office in Los Angeles.

The judge specifically found that "the information obtained pursuant to FISA was lawfully acquired" and did not violate the defendant's Fourth Amendment rights, he said. The court also found that "there is no indication of any false statements having been included in the FISA materials."

Mrozek said that the fact that the child pornography case began as a national security investigation does not lessen its severity.

"When law enforcement lawfully obtains evidence of a serious crime, in this case a crime against children, we will pursue further investigation of that crime," he said.

The defense unsuccessfully argued that Gartenlaub could not be linked to identical copies of child pornography videos found on four hard drives in his house. Two of the hard drives had been in a computer that was kept at a beach house where numerous people had access to it, Gartenlaub said.

"They claim I'm a spy and a pervert, and I'm neither one," Gartenlaub said in an interview from his home in Riverside County, which he may not leave without permission.

Jeff Fischbach, a forensic technologist for the defense, said there's no evidence that the child pornography was ever seen by anyone who used the computer, much less Gartenlaub.

The government's own forensic expert, Bruce W. Pixley, said he could not find any evidence of the material being downloaded onto any of the computers, the defense noted. That means it had to have been copied onto the computer — but by whom is unknown.

Prosecutors are seeking a 10-year prison term for Gartenlaub, who has asked Judge Christina A. Snyder of the U.S. District Court for the Central District of California to overturn the verdict or order a new trial. A hearing is scheduled for later this month.

Gartenlaub, 47, was fired in August 2014 and has been unemployed since. His attorney said his defense was hampered by an inability to obtain basic information about how the evidence was obtained and on what specific grounds the warrant was issued.

"We've always cherished the right to confront and cross-examine our accusers and examine the evidence that's used as the basis for a search of our homes," said Mark J. Werksman, Gartenlaub's attorney. "And to be told, 'We went in. We had good reasons. We're not going to tell you why. Trust us,' is alarming. Especially when the case becomes a run-of-the-mill criminal case."

In February 2013, the FBI emailed Gartenlaub that they were investigating a data breach and wanted to talk to him. Over two days at Boeing's facility in Long Beach, Calif., and a third day at the Huntington Beach facility, they interviewed Gartenlaub about the C-17 program; his team of engineers was also questioned. Two agents showed him a copy of an intercepted email. The communication described information on the C-17 that was apparently being sought by the Chinese.

Gartenlaub told them he had no idea who wrote it or why.

The next time he heard about the C-17 was more than a year later, in June 2014, when he saw the news about the arrest of the Chinese businessman, Su Bin. When he

reviewed Su's arrest warrant, he realized that the email excerpt he had been shown 16 months earlier had been sent by Su.

Still, Gartenlaub had no sense that he was a target. "Why would I think I would be under suspicion?" he said.

The only thing he could think was that his wife, who was born in China and became a U.S. citizen and was a member of an Orange County Chinese business association, somehow made the FBI suspicious.

In the affidavit for the warrant for the couple's emails, separate from the national security warrant, agent Wesley Harris stated that Gartenlaub was currently the "nationwide Unix military administrator for Boeing," suggesting that that position would allow him to log into C-17 data, Gartenlaub said.

According to two Boeing colleagues, there is no such job at the company. And Gartenlaub was, in any case, an IT manager. Moreover, they said, the breached files were accessible through operational servers in the field, such as at Air Force bases. These were not servers that Gartenlaub or his team of engineers who supported the plane's designers had access to, they said.

Then on a Monday in late August, two FBI agents came to speak to Gartenlaub at Boeing's Huntington Beach facility. They showed him pictures of himself and his wife with some of her acquaintances whom Gartenlaub couldn't remember.

Two days later, the agents returned. This time they handcuffed him.

During his initial appearance in a federal courthouse in Santa Ana, Calif., the prosecutors indicated a willingness to reduce or drop the child pornography charges if he would tell them about the C-17, his then-attorney said.

"They said what they really wanted was information about the C-17 Chinese hacking situation, recalled Sara Naheedy, who was his attorney at the time.

All along, Werksman said, the government suspected Gartenlaub was working with Su Bin. "They triangulated Keith as the guy at Boeing who would have been Su Bin's inside source," he said.

That suspicion is "ridiculous," Gartenlaub said.

"I've been a good Boeing employee for years. Just because I married somebody from China doesn't mean I'm going to betray my country," he said. "If they think I'm a spy, then charge me with it."

Read more:

Russia Pledges Full Support For U.N.-brokered Syria Peace Talks

[Reuters](#), April 5, 2016

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

Battlefield As Showroom: Russian Arms Gain New Luster After Syria Campaign

By Fred Weir

[Christian Science Monitor](#), April 5, 2016

Moscow — There's nothing quite like a victorious war to change perceptions about a country.

Russia's reduced-but-ongoing military intervention in Syria appears to have already accomplished several of its intended geopolitical goals. But it may also be yielding a surprise windfall: stepped-up orders for the weaponry that starred in the globally televised Syria mission.

Russian media are reporting that arms exports, which were almost \$15 billion last year, might leap by as much as \$6 billion this year as generals, particularly in non-US aligned countries, decide they want some of those strike fighters, attack helicopters, tanks, and other ordnance that is now perceived to be effective. The business daily Kommersant cites inside sources as saying that new orders are coming in from countries like Vietnam, Indonesia, Algeria, and Pakistan, while the official TASS news agency reports that Latin America has become the fastest-growing market for Russian armaments.

"During the Syria operation, quite a few new weapons systems were introduced, and this gave a real impetus for a number of foreign countries to open talks and sign contracts with us," says Igor Korotchenko, director of the independent Center for Analysis of World Arms Trade in Moscow. "Attack aircraft and air defense systems are the core of military operations today, and so this is what is in demand. The more Russia demonstrates its independent capabilities, the more countries will be interested in our exports." Syria as showroom

The brunt of the Syria operation was carried out by old Soviet-era warhorses like the Su-24 and Su-25 ground attack fighters. But the Russians also showcased some of their newest hardware — all available in export versions — including the advanced Su-34 strike fighter, the Su-30 multi-purpose fighter, and the Mi-28 ground attack helicopter.

Moscow also re-equipped the Syrian Army with Russia's new tank, the T-90, one of which was seen in a viral YouTube video surviving a direct hit from a US-made TOW anti-tank missile. Better advertising can't be bought.

Perhaps just to confound Western observers, the Russians also displayed some advanced technology that is not yet for sale, particularly the hitherto unknown Kalibr sea-launched cruise missile, which was fired from warships in the Caspian Sea.

Experts say the main surprise for the West was not so much the technology, but the Russian military's ability to deploy to a distant battlefield and sustain operations at a stiff pace for almost six months.

"Prior to September 2015, most Western analysts of the Russian military believed that Russia was not capable of

conducting a serious military operation away from its borders," says Dmitry Gorenburg, a senior researcher at the Center for Naval Analysis in Washington.

Largely under the radar screen of Western observers, a series of sweeping military reforms over the past decade have transformed at least parts of Russia's dysfunctional Soviet-era armed forces into a highly mobile, professional service. Everybody got a glimpse of its new capabilities with Russia's lightning takeover of Crimea two years ago.

With its performance in the Syria operation, there is clearly fresh respect for the Russian military as well as interest in its equipment.

"What has impressed potential customers is the Russian Air Force's ability to carry out a sustained air campaign in a relatively harsh desert environment," says Mr. Gorenburg. "Just last summer, the main news had to do with the frequency of accidents and crashes among Air Force combat planes. Now the new narrative is about the effectiveness of Russian air operations." The limits on supply

But Russia's military-industrial complex still suffers from a lack of deep infrastructure and has so far been unable to mass produce most of the advanced weaponry displayed in Syria, says Alexander Golts, currently a visiting researcher at Uppsala University in Sweden.

"There is no network of subcontractors to produce all the components, so it has to be done in-house. That's very expensive," Mr. Golts says.

Russia's main producer of air defense systems, Almaz Antey, has had to build a huge complex to make every single part of its famous anti-aircraft and anti-missile weapons. Other producers have to scrounge for parts, may suffer from major bottlenecks, and their products just might not live up to their advertising, Golts says.

"It's all about perceptions. If there was a tendency in the past to underestimate Russia's military capabilities and equipment, there is a danger that the pendulum could swing too far in the other direction," he adds.

Syria: No Real Cease-Fire, No Real Consequences

[Washington Post](#), April 5, 2016

THE CEASE-FIRE in Syria has now nominally lasted more than five weeks, at least in the sense that its death has not been declared by its international sponsors. It arguably has saved hundreds of lives: The Syrian Network for Human Rights counted 623 civilian deaths in the month of March, compared with previous monthly tolls well above 1,000.

It's important to point out, however, what the accord brokered by the Obama administration with Russia has not accomplished. So far, it has not stopped the regime of Bashar al-Assad from continuing offensives against strategic territory held by rebel forces that joined the truce. It also has not

opened corridors for humanitarian aid into those areas, which are occupied by hundreds of thousands of people.

Much of the regime's military activity has been aimed at the suburbs of Damascus, including an area known as Eastern Ghouta. According to reports by the United Nations and Human Rights Watch, the government has continued to block aid to at least six areas in the region, populated by 250,000 people, since the cessation of hostilities began on Feb. 27. Even where humanitarian convoys have gotten through, aid workers say Syrian government forces have stripped them of vital medical supplies, including surgical equipment and antibiotics.

Meanwhile, the bombing continues. Last Thursday, a government airstrike hit the Damascus suburb of Deir al-Asafir, killing 33 people, including at least a dozen children, according to the Syrian Observatory for Human Rights. Last weekend, a government plane bombed a hospital in the rebel-held town of Azaz, near the border with Turkey.

By the end of last week, anti-Assad forces had launched their own offensives south of the city of Aleppo, and in an area north of Latakia. The attacks, aimed at retaking ground that the government gained when it was supported by Russian bombing, were led by the al-Qaeda offshoot Jabhat al-Nusra, which is not a party to the truce, but some elements of the Western-backed Free Syrian Army joined in. Commanders also said they were responding to the regime's violations.

With the truce threatening to break down entirely, a task force set up by Russia and the United States to monitor violations looks virtually useless. With no enforcement mechanism, there has been no response to the attacks or to the blockage of aid. On Monday, State Department spokesman Mark Toner said that "what we have seen is that the Assad regime continues to be the biggest quote-unquote violator." But as for consequences, he conceded: "That has not happened."

As throughout the Syrian conflict, the Obama administration lacks the leverage to force compliance by the regime because of its refusal to take steps such as creating a no-fly zone or providing more military support to rebel forces. It can only hope that sheer jawboning by Secretary of State John F. Kerry with his Russian and Iranian counterparts will persuade them to bring Mr. Assad into line. Mr. Kerry will have to talk fast: At the rate events are moving, what's left of the cease-fire doesn't appear likely to last much longer.

Syrian Rebels Have Long Wanted Anti-aircraft Missiles. Their Wish May Have Been Granted

By Nabih Bulos

[Los Angeles Times](#), April 5, 2016

Syrian rebels operating in the country's northern region shot down a government warplane Tuesday, suggesting that they have been supplied with anti-aircraft weapons.

Government and rebel sources confirmed the strike, and social media accounts associated with the hard-line Islamist group Ahrar al Sham linked to a video depicting a flaming aircraft hurtling toward the orchards of Al Eis village and jubilant onlookers cheering and taking pictures of the plane's wreckage.

Other videos on social media showed a man who appeared to be one of the plane's pilots — identified as Col. Khaled Said by the pro-opposition broadcaster Orient Net — surrounded by rebels grabbing and insulting him.

A pro-opposition activist, Majed Abdul Nour, said that the pilot was taken by militants affiliated with Al Qaeda's branch in Syria, Al Nusra Front.

Another pro-opposition journalist, Moussa Omar, tweeted a picture of what he said was the bloodied corpse of the other pilot.

Earlier in the war, rebel groups managed to obtain some shoulder-fired anti-aircraft missiles from Syrian Army depots and from the government of Qatar. They have long argued that they need a reliable supply of the missiles, known as man-portable air-defense systems.

The United States, Saudi Arabia and other backers have rejected their pleas amid concern that the missiles could fall into the hands of Islamist militants and be used against Western targets.

The rebels' need intensified after last September, when Russian war planes entered the conflict and became instrumental in helping pro-government forces take back territory. Russia recently announced it was scaling back its air missions there.

The Russian state news agency Tass reported that the downed plane was a Sukhoi 22 jet from the Syrian Air Force.

It was not immediately clear how the plane was shot down.

The Syrian state news agency SANA reported that "a warplane was struck by a surface-to-air missile launched by the terrorist organizations while it was on a reconnaissance mission."

That was consistent with social media images posted by opposition activists showing rebels carrying what military experts identified as an SA-7 Strela anti-aircraft missile.

But Abdul Nour and other opposition activists said the plane had been shot down by "heavy machine guns."

"All eye-witnesses in the area said it was shot down by machine gun, and they were cheering the gunner who brought it down," he said.

Syrian warplanes, lacking the "smart" bombs of their Russian counterparts, are often forced to fly at lower altitudes for their sorties, putting them at risk from ground fire.

Al Eis has been the site of violent clashes since last week, when rebel groups working together wrested control of the strategic village from pro-government troops.

The attack comes at a delicate time in the Syrian civil war, which began six years ago and has killed an estimated 250,000 people and turned a third of the Syrian population into refugees.

Recent fighting has frayed a fragile cease-fire that took effect in February, as the government and opposition groups prepare to meet at the end of the week in Geneva for a second round of talks aimed at ending the crisis.

Among the most contentious issues is the fate of Syrian President Bashar Assad. The opposition and its foreign backers insist he can have no role in a future Syria.

But in a news conference last month, Syrian Foreign Minister Walid Moallem said opposition groups should not bother showing up to peace talks if that is their bottom line.

"They must abandon these delusions," he said.

Bulos is a special correspondent.

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Iceland prime minister resigns over Panama Papers revelations

Bangladeshi surfer girls go against the cultural tide

Migrants are removed from Greece and shipped to Turkey under plan to ease crisis

Suspected Islamist Militants Down Syrian Aircraft Near Aleppo Battle Front

By Hugh Naylor

[Washington Post](#), April 5, 2016

BEIRUT — A missile fired from rebel-held areas downed a Syrian reconnaissance plane on Tuesday, Syria's military said, as a partial truce showed further signs of fraying. Activists said the aircraft was targeted by Islamist militants engaged in the ongoing clashes.

The aircraft was hit near the city of Aleppo, a front line in the fighting. The Syrian Observatory for Human Rights, a Britain-based monitoring group, said al-Qaeda-affiliated Jabhat al-Nusra took the pilot captive.

The state-run Syrian Arab News Agency, citing an unnamed military source, reported later that an aircraft on a surveillance mission was brought down with a surface-to-air missile and that the pilot ejected. Jabhat al-Nusra fighters have been suspected of using such missiles in past attacks.

The reports of the plane downing suggest that Jabhat al-Nusra, which is seeking to claim new territory as it remains excluded from the truce, has an edge in firepower compared with other forces fighting the government, including some factions backed by the West. The incident could amplify calls from these rebel groups, which have heavy machine guns and other arms, to expand their arsenal to include such advanced weaponry as anti-aircraft systems.

A video posted on Facebook purported to show the plane's wreckage and a mob surrounding the pilot, who apparently survived. The video's authenticity could not be independently verified.

In November, Turkey shot down a Russian warplane over Syria, an incident that escalated tensions in what has become a volatile proxy conflict involving world powers — with the West and its allies backing the rebels, while Russia and Iran support Syrian President Bashar al-Assad.

Around Aleppo, a major northwestern city, opposition groups have attempted to seize areas from forces aligned with Assad.

In the northwestern Latakia province, which borders Turkey, rebels and Jabhat al-Nusra militants have carried out attacks in recent days. Government forces, in turn, have been accused of numerous violations of the cease-fire, which took hold Feb. 27.

"Our attacks are a response to ongoing regime violations of the truce," said Ahmed Haj Ali, a spokesman for the 1st Coastal Division, a rebel outfit affiliated with the umbrella Free Syrian Army group.

The worsening violence could threaten the momentum of talks in Geneva that resumed last month as part of a renewed international effort, led by Russia and the United States, to end Syria's civil war.

Staffan de Mistura, the U.N. envoy to Syria and mediator for the talks, plans to reconvene with government and opposition delegations in the Swiss city this month.

The cease-fire serves as the basis for the talks and has received firm backing from Russia and the United States.

"We are all surprised at how long this cessation of hostilities has lasted," said Emile Hokayem, a Middle East analyst at the London-based International Institute for Strategic Studies. "But it still contains profound flaws and ambiguities."

Hokayem noted that although violence has been reduced, a task force to monitor violations lacks an enforcement mechanism.

On Monday, a suspected Syrian government warplane bombed a hospital in Azaz, a rebel-held town near the Turkish border.

Last week, government aircraft bombarded a rebel-held suburb of the capital, Damascus, killing more than 30 people, according to monitoring groups and activists. The Syrian Observatory for Human Rights said 12 children and one emergency responder were among those killed in the attack in Deir al-Asafir.

That airstrike drew condemnation from Western powers.

"This attack, which deliberately targeted civilians, including children, shows that the regime is continuing its abuses and violating the truce," said a spokesman from the French Foreign Ministry, Romain Nadal.

Jabhat al-Nusra and the Islamic State militant group are excluded from the cease-fire and have been targeted independently by government forces, rebels and an international military coalition led by the United States.

Late last month, Syrian forces and allied fighters from Lebanon's Hezbollah militia — backed by Russian air raids — captured the ancient city of Palmyra from the Islamic State, dealing a blow to the extremist group.

Zakaria Zakaria in Istanbul and Brian Murphy in Washington contributed to this report.

Rebels Shoot Down Second Syrian Jet In A Month

[Reuters](#), April 5, 2016

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Afghan Spy Agency Arms Villagers To Hold Off Islamic State

By Jessica Donati And Habib Khan Totakhil

[Wall Street Journal](#), April 5, 2016

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

Consolidating Power, Taliban Leader Gives Senior Posts To Skeptics

By Mujib Mashal And Taimoor Shah

[New York Times](#), April 5, 2016

KABUL, Afghanistan — In a compromise bid to unite the ranks after months of infighting, the Taliban's new leader has appointed the brother and son of Mullah Muhammad Omar, the movement's deceased founder, to senior leadership posts, a spokesman for the insurgent group said on Tuesday.

The appointments are the latest move by the supreme Taliban leader, Mullah Akhtar Muhammad Mansour, to publicly consolidate his authority after a leadership struggle last summer.

Facing criticism or outright rebellion from field commanders who distrusted his ties to Pakistan and his handling of the succession, Mullah Mansour brutally quashed breakaway groups and sought to buy the support of other skeptical commanders, all while maintaining a publicity campaign that has portrayed the Taliban as united under his command, according to interviews with Taliban members. They spoke on condition of anonymity to avoid angering Mullah Mansour.

Now, the announcement that he had formally brought two of the most influential skeptics back into the fold — Mullah Abdul Manan, the brother of Mullah Omar; and Mullah Muhammad Yaqoub, the founder's son — was expected to

help bring other dissenters into line right as the Taliban's annual offensive is expected to pick up momentum in Afghanistan.

A Taliban spokesman, Qari Yousuf Ahmadi, said in a phone interview on Tuesday that Mullah Manan and Mullah Yaqoub would both take seats on the Taliban's senior leadership council, widely known as the Quetta Shura, as well as other posts.

"In addition to having membership in the leadership council, the leadership appointed Manan as head of Preaching and Guidance Commission, and Yaqoub as military commander responsible for 15 provinces in Afghanistan," Mr. Ahmadi said.

Both Mullah Manan and Mullah Yaqoub had been critical of what they saw as Mullah Mansour's manipulation of his ascent to supreme Taliban leader last July, accusing him of rigging the selection process that made him the new Amir ul-Momineen, or commander of the faithful. Other Taliban leaders have accused Mullah Mansour of covering up Mullah's Omar's death for at least two years as he consolidated his grip over the movement.

After initial vocal opposition, Mullah Manan and Mullah Yaqoub remained quiet for months as Taliban leaders and religious clerics went back and forth trying to mediate between the camps.

Threats, violence and resource-bullying have also come into play over the past year.

Mullah Mansour Dadullah, a Taliban commander who insisted that he would not accept Mullah Mansour's authority, was killed along with many of his men after heavy fighting in Zabul Province last year. Mullah Rasool, another leader of the splinter group, has reportedly been detained by the Pakistani military, elements of which are seen as having close ties to Mullah Mansour's Taliban.

More recently, Mullah Mansour has extended his crackdown on dissidents into several districts in Helmand Province, according to Mullah Abdul Manan Niazi, a spokesman for Mullah Rasool's breakaway faction.

"For the last three days, some of our people engaged with Mansour's Taliban in Helmand and there were some casualties," Mullah Niazi said. "Mansour is trying to eliminate every single person in his control area that he suspects."

It has helped that Mullah Mansour has long cornered the insurgency's resources, controlling its overseas fund-raising and much of its profits from the opium trade. Some commanders described how Mullah Mansour has threatened to cut off resources to dissenters, bringing many in line.

Last week, another powerful and disenchanted Taliban commander, Mullah Qayoum Zakir, was also reported to have finally pledged allegiance to the new leader. A former head of the insurgent's military commission, Mullah Zakir was long seen as a rival to Mullah Mansour. For months after the leadership announcement, Mullah Zakir refused to pledge

allegiance, though fighters loyal to him continued to fight alongside Mullah Mansour's forces, according to Afghan officials and Taliban commanders.

What probably pushed Mullah Zakir's hand was that in recent months several of his commanders in Helmand felt the scarcity of resources and switched to establishing direct channels to Mullah Mansour, Taliban commanders said.

However, the handwritten letter of allegiance by Mullah Zakir that the Taliban published on their website was reserved in its tone, and suggested that his pledge was conditional and came only after an agreement to fix differences between him and Mullah Mansour that "had Shariah basis" — a reference to Islamic law that seemed meant to slight Mullah Mansour's religious credentials. In another internal letter, Mullah Zakir spelled things out a little more: While Mullah Omar's word had carried unanimous authority, the new leadership needed to lay out clear guidelines for everything under Shariah law, seemingly opening the door for internal dissent on religious principle.

Seeking to shore up his claim to religious leadership of the Taliban, Mullah Mansour has in recent months sent groups of preachers on a special mission to Helmand, according to one commander in Musa Qala district, Mullah Aziz Mutmain. In addition to regular sermons on the sanctity of jihad, Taliban fighters have also been reminded to "obey their superiors and particularly the newly appointed Amir ul-Momineen," he said.

Mullah Mansour's continuing efforts to consolidate power are also being seen by some Afghan officials as another bad sign for the government's efforts to bring the Taliban to peace talks.

The idea of immediate talks is keenly unpopular among many senior Taliban commanders, particularly given their recent success on the battlefield. Even with his recent success in gaining support, Mullah Mansour is unlikely to take a chance on talks anytime soon, Taliban officials said.

Still, the Afghan president, Ashraf Ghani, had declared that new progress on peace talks over the winter was a crucial step to try to head off another disastrous year of fighting against a resurgent Taliban. At the heart of Mr. Ghani's effort was a quadrilateral process, also involving Pakistan, the United States and China, that hinged on persuading the Pakistani military to pressure the Taliban to come to talks. Elements of the military have long sheltered the Taliban's senior leadership, and Mullah Mansour's links to Pakistani military intelligence were seen as instrumental in his rise to power, according to Afghan and Taliban officials.

After the March deadline for face-to-face talks was missed, Mr. Ghani's officials now say they doubt Pakistan took any practical steps.

James B. Cunningham, a former United States ambassador to Afghanistan who is now a senior fellow at the Atlantic Council, said it would be difficult to expect the Taliban

at the table if they continue to have free movement in Pakistan.

"One has to ask what is the best way to convince the Taliban to get into a serious negotiation, to begin to have a discussion about the resolution to the conflict — that is going to be much more difficult to achieve if the Taliban continue to enjoy refuge in Pakistan."

Mujib Mashal reported from Kabul, and Taimoor Shah from Kandahar, Afghanistan. Farooq Jan Mangal contributed reporting from Khost, Afghanistan.

Dutch Referendum Could Cause Trouble For European Union

By Steven Erlanger

[New York Times](#), April 6, 2016

LONDON — A local, nonbinding referendum on a signed-and-sealed European trade deal might not normally make for high political drama. But if the Dutch say no on Wednesday to a two-year-old agreement between the European Union and Ukraine, the vote could cause major headaches for Brussels, the Dutch government and even the British one.

At issue is an association agreement signed in March 2014, just after the Maidan uprising that caused Ukraine's president at the time, Viktor F. Yanukovich, to flee his country. The deal creates a free-trade area between the 28-nation bloc and Ukraine, and points toward a gradual economic convergence with the rest of Europe.

It was the very idea of this arrangement — and Moscow's strong opposition to it — that caused Mr. Yanukovich to change his mind and reject the deal, prompting the uprising that finally deposed him. The current government in Kiev is in favor of the agreement, which the other nations of the European Union have ratified and which, in fact, has been partially fulfilled.

The Netherlands, however, has both a shaky coalition government, with elections due next March, and a new law on referendums. Now, a Dutch euroskeptic social-media group called GeenPeil — which means "not a clue" and is supposed to characterize the European Union — is using the new law to test popular opinion on the agreement.

The group quickly got far more than the 300,000 online signatures required to force a plebiscite, asking the Dutch whether they "support or oppose the ratification of the Association Agreement between the European Union and Ukraine." Given the newness of the law and the heat around the arguments, GeenPeil is confident of getting the required turnout of more than 30 percent of voters to make the referendum valid.

The awkwardness for Prime Minister Mark Rutte is that while the Dutch Parliament has ratified the agreement, an instrument of ratification must be deposited with the

European Union in Brussels for it to be legal. This gives legal space to the referendum, said Rem Korteweg, a Dutch analyst with the Center for European Reform, a London-based research institution.

If Dutch voters oppose the deal against the vote of their duly elected Parliament, as they are currently expected to do, Mr. Rutte “will have to find a middle road,” Mr. Korteweg said. After all, he noted, the Netherlands currently holds the rotating presidency of the European Council.

But a “no” vote would be awkward, given that Geert Wilders, the fiercely anti-Brussels opposition politician, is again doing well in opinion polls and is neck and neck with Mr. Rutte’s party. That is one reason Mr. Rutte has kept a certain distance from the referendum, only recently doing media interviews to support ratification, because he does not want to alienate the euroskeptics — even those within his own party — while also trying not to anger his European partners.

A trend toward more “popular democracy” is visible in Europe, with other countries, like Hungary, flirting with referendums. Such direct votes are likely to follow on other issues, meaning European Union decision-making, already complicated, could become even harder, especially if the decisions of democratically elected governments and parliaments cannot be considered binding and final.

Any further public support of euroskepticism would cause concern for Prime Minister David Cameron’s government in Britain, which faces its own fiercely fought referendum on June 23 on whether to stay in the European Union, which Mr. Cameron favors.

The usual problem with referendums is that voters tend to vote emotionally on what bothers them, not necessarily on the merits of the question asked. The European Union is out of favor and so is Ukraine, which remains fairly corrupt even after the Maidan revolution and democratic elections.

Nor will new revelations in the Panama Papers about offshore accounts held by the current Ukrainian president, Petro O. Poroshenko, help those who want to defeat the referendum.

But those revelations could cut both ways, since they also suggest that President Vladimir V. Putin of Russia, through close friends and intermediaries, has even more money stashed away offshore. Mr. Putin is hardly popular in the Netherlands, given that 193 Dutch passengers were killed in 2014 when Malaysia Airlines Flight 17 was shot down by a Russian-made missile fired by Russian-backed Ukrainian separatists. The Dutch public was strongly behind the European Union’s imposing sanctions on Russia for its actions in Ukraine.

Mr. Putin is watching the referendum carefully, since a “no” vote “feeds into his agenda because it shows disunity in Europe on Ukraine policy,” Mr. Korteweg said. Mr. Putin is eager both to keep Crimea, which Russia annexed, and get

the European Union to remove the sanctions on Russia. The Italian government, for example, has already questioned whether those sanctions might be reviewed when they are up for renewal in July.

But even the GeenPeil organizers say that the referendum has more to do with anger at the European Union than with Ukraine or Russia. The “yes” campaign is pressing that issue, warning that a “no” would give Mr. Putin what he wants. So whatever the intention of the referendum, the results are likely to be judged differently.

As Carl Bildt, the former Swedish foreign minister, said, “The Dutch referendum on Ukraine tomorrow might be a joke, but one that could have very serious consequences.”

Iran Not Gaining Access To U.S. Financial System

By Patricia Zengerle

[Reuters](#), April 5, 2016

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U.S. Will Block Sale Of Russian Su-30 Fighter Jet To Iran, Official Says

By Kellan Howell

[Washington Times](#), April 5, 2016

A U.S. official confirmed Tuesday that Washington would not allow Russia to sell its Su-30 fighter jets to Iran.

Thomas Shannon, the U.S. Under Secretary of State for Political Affairs, said the U.S. would use its veto power in the U.N. Security Council to block the sale of any of the warplanes to Iran.

“We would block the approval of fighter aircraft,” he told a U.S. Senate Foreign Relations Committee hearing, noting that any such sale would have to be approved by the Security Council, Reuters reported.

The Su-30 is an advanced fighter aircraft built for all-weather, air-to-air and air-to-surface deep interdiction missions.

Mr. Shannon said that the purchase of Su-30 is prohibited under the U.N. Security Council resolution, which endorsed the nuclear deal between Iran and five world powers in July.

But some diplomats say the resolution, which blocks Iran from taking any actions to build up its ballistic missile program, does not prohibit the Islamic Republic from buying fighter jets.

The United States Must Not Aid And Abet Iranian Money Laundering

By Ed Royce

[Washington Post](#), April 5, 2016

The writer, a Republican from California, is chairman of the House Foreign Affairs Committee.

Iran has yet to see the economic growth it wants from President Obama's nuclear deal, and it's demanding additional concessions — above and beyond the agreement — in return for nothing. Specifically, Ayatollah Ali Khamenei wants the United States to end sanctions aimed at curbing Iran's funding for terrorism and illicit weapons so Iran can gain access to the U.S. financial system, where the majority of international business is conducted.

At a news conference Friday, Obama walked back reports that Iran would be allowed direct access to the U.S. dollar, saying, "That's not actually the approach that we're taking." He did not, however, explicitly close the door to other steps that would give the regime access to U.S. dollars through offshore clearinghouses. In other words, Iran would be allowed to launder dollars while the administration looked the other way.

This is an alarming departure from the Obama administration's position just months ago. Indeed, when selling the nuclear deal to the American people last year, the administration repeatedly stressed to Congress that key terrorism, missile and human rights sanctions against Iran would continue to be vigorously enforced.

Take Treasury Secretary Jack Lew, for example. Last summer, in testimony to Congress, Lew vowed, "Iranian banks will not be able to clear U.S. dollars through New York, hold correspondent account relationships with U.S. financial institutions, or enter into financing arrangements with U.S. banks." As the secretary made clear, "Iran, in other words, will continue to be denied access to the world's largest financial and commercial market."

Yet when I questioned Lew just two weeks ago about whether he stood by this testimony, he refused to give a direct answer. And so this appears to be just the latest in a long pattern of concessions to protect the president's "legacy" deal. In recent months, the administration gutted a new law to strengthen the visa waiver program to please the Iranians and has imposed only minimal sanctions on Iran's missile program — even as Iran launches missiles stamped with the words "Israel must be wiped off the face of the earth."

Iran claims it wants an end to these sanctions, and in turn greater access to the world's financial systems, to spur economic growth. But countries that want to attract international investment shouldn't shovel cash to terrorists while accelerating production of the delivery vehicle for a nuclear weapon. Nor should they threaten neighbors with annihilation.

Allowing a belligerent Iran access to the U.S. dollar poses real dangers to our country and economy. In February, the Financial Action Task Force — an organization comprising nearly 40 nations — warned that it is "exceptionally concerned about Iran's failure to address the

risk of terrorist financing and the serious threat this poses" to the world's financial system. That's why I'm working with colleagues on both sides of the aisle on legislation to put in place strict statutory prohibitions to keep Iran from receiving the benefits of accessing the U.S. financial system.

Iran has seen what Obama will do to preserve his nuclear deal, and it's taking full advantage. The United States cannot cave again. Congress should make clear that until the Iranian regime drops its illicit missile program and funding of terrorism, it won't receive another dime of sanctions relief.

Read more:

Jennifer Rubin: Obama's dangerous concession to Iran keep on coming

Jennifer Rubin: Backlash over Iran concessions: Has Congress had enough?

Charles Krauthammer: Legacy or bust

Juan Zerate and Chip Poncy: Using financial sticks to control Iran

David Ignatius: Despite the nuclear deal, Iran continues its economic sabotage

North Korea Can Put Nuclear Warhead On Mid-range Missile: South

By Jack Kim

[Reuters](#), April 5, 2016

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

In Foreign Bribery Cases, Leniency Offered To Companies That Turn Over Employees

By Matt Zapotosky

[Washington Post](#), April 5, 2016

Justice Department officials on Tuesday unveiled a pilot program that they hope will encourage companies to reach out to prosecutors when they find evidence their employees bribed foreign government officials.

Assistant Attorney General Leslie R. Caldwell, who heads the department's Criminal Division, said the initiative is meant to help federal prosecutors learn of international corruption more quickly and build more cases against individuals — even if that means giving cooperating companies a break.

In some cases, Caldwell said, companies that self-report wrongdoing and surrender their ill-gotten gains will be able to avoid prosecution altogether. Others will receive financial penalties at half the level that federal guidelines call for or be allowed to forego having a federal monitor oversee their activities, she said.

Employees at the companies, however, will be squarely in federal prosecutors' crosshairs — consistent with a recent memo from Deputy Attorney General Sally Quillian Yates

reminding prosecutors in corporate matters to “maintain a focus on the responsible individuals.”

“The individuals get nothing,” Caldwell said. “If the individuals are culpable and we’re able to prosecute them, that’s what we intend to do.”

The new program is narrowly tailored to Foreign Corrupt Practices Act cases, where businesses bribe foreign government officials to gain a competitive advantage. Caldwell said it is unlikely to be expanded to U.S. financial fraud cases.

Andrew Weissmann, chief of the Justice Department’s Fraud Section, said the new guidance draws a “clear distinction” between companies that report their own wrongdoing and those that cooperate after they’re caught, and the companies that come forward unprompted will receive more benefits.

The Justice Department has beefed up its focus on foreign bribery in recent months, assigning 10 new prosecutors to work exclusively on Foreign Corrupt Practices Act cases, while the FBI has created three new squads dedicated to international corruption. The Amsterdam-based telecommunications company VimpelCom recently reached a deferred-prosecution agreement with U.S. prosecutors that required it to pay a criminal penalty of more than \$230 million to the United States.

The Foreign Corrupt Practices Act has faced criticism for being unclear, and Caldwell said she hopes the new program will “increase transparency” about the Justice Department’s efforts. She said that the new guidance is “not a lenient program” — even if it means some companies might be able to avoid prosecution — and that the Justice Department will monitor it closely to see if it is encouraging companies to come forward.

Caldwell declined to comment on how the program might be impacted by the Panama Papers — leaked documents that seem to reveal a vast network of offshore accounts — other than to say, “We’re reviewing the reports that we saw.”

Iceland’s Prime Minister Sigmundur David Gunnlaugsson Resigns After Release Of ‘Panama Papers’

Leader is first major casualty of scrutiny into offshore accounts sparked by release of millions of documents from Panamanian firm Mossack Fonseca

By Charles Duxbury, David Gauthier-Villars And Matthias Verbergt

[Wall Street Journal](#), April 5, 2016

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

Iceland’s Leader Is First Victim Of Offshore Holdings Leak

By Jill Lawless And David Mchugh

[Associated Press](#), April 5, 2016

LONDON (AP) — The leak of millions of records on offshore accounts claimed its first high-profile political casualty Tuesday as Iceland’s prime minister stepped aside amid outrage over revelations he had used such a shell company to shelter large sums while Iceland’s economy was in crisis.

Icelandic leader Sigmundur David Gunnlaugsson is the first major figure brought down by the publication of the names of rich and powerful people linked to the leaks, dubbed the Panama Papers.

China and Russia, meanwhile, took the opposite approach, suppressing the news and rejecting any allegations of impropriety by government officials named in the leak of more than 11 million financial documents from a Panamanian law firm.

Officials in Ukraine, Argentina and other countries are also facing questions about possibly dubious offshore tax-avoidance schemes.

The reports are from a global group of news organizations working with the Washington-based International Consortium of Investigative Journalists. They have been processing records from the Mossack Fonseca law firm that were first leaked to Germany’s Sueddeutsche Zeitung newspaper.

The announcement that Gunnlaugsson was stepping down as leader of Iceland’s coalition government came from his deputy, Sigurdur Ingi Johannsson, who is also the country’s agriculture minister. It followed the refusal by Iceland’s president to dissolve parliament and call a new election, and after thousands of Icelanders protested outside the parliament building in Reykjavik.

No replacement has yet been named, and President Olafur Ragnar Grimsson did not immediately confirm that he had accepted the resignation. Late Tuesday, a government statement said Gunnlaugsson had suggested Johannsson take over as prime minister for “an unspecified amount of time,” while Gunnlaugsson would stay on as leader of his center-right Progressive Party.

Gunnlaugsson has denied any wrongdoing and said he and his wife have paid all their taxes. He also said his financial holdings didn’t affect his negotiations with Iceland’s creditors during the country’s acute financial crisis.

The leaked documents allege that Gunnlaugsson and his wife set up a company called Wintris in the British Virgin Islands with the help of the Panamanian law firm. Gunnlaugsson is accused of a conflict of interest for failing to disclose his involvement in the company, which held interests

in failed Icelandic banks that his government was responsible for overseeing.

Iceland, a volcanic North Atlantic island nation with a population of 330,000, was rocked by a prolonged financial crisis when its main commercial banks collapsed within a week of one another in 2008.

Since then Icelanders have weathered a deep recession and been subjected to tough capital controls – another reason the prime minister's offshore holdings rankle many.

China, on the other hand, dismissed as “groundless” reports that the Panamanian law firm had arranged offshore companies for relatives of at least eight present or past members of the Communist Party's Politburo Standing Committee, the apex of power in China.

Among those named in the leaked documents was the brother-in-law of President Xi Jinping. State media have ignored the reports and searches of websites and social media for the words “Panama documents” were blocked.

China's Foreign Ministry spokesman Hong Lei said he would not discuss the reports further and declined to say whether the individuals named would be investigated.

“For these groundless accusations, I have no comment,” Hong told reporters at a regularly scheduled news conference.

Meanwhile, Ukraine's president was accused of abusing his office and of tax evasion by moving his candy business offshore, possibly depriving the country of millions of dollars in taxes.

Shell companies aren't in themselves illegal. People or companies might use them to reduce their tax bill legally, by benefiting from low tax rates in countries like Panama, the Cayman Islands and Bermuda. But the practice is frowned upon, particularly when used by politicians, who then face criticism for not contributing to their own countries' economies.

Because offshore accounts and companies also hide the names of the ultimate owners of investments, they can be used to illegally evade taxes or launder money.

Mossack Fonseca says it obeys all laws relating to company registrations and does not advise people how to evade taxes.

The firm said in a statement that “our industry is not particularly well understood by the public, and unfortunately this series of articles will only serve to deepen that confusion.

“The facts are these: While we may have been the victim of a data breach, nothing in this illegally obtained cache of documents suggests we've done anything wrong or illegal, and that's very much in keeping with the global reputation we've worked hard to build over the past 40 years of doing business the right way.”

Members of the Group of 20 – which includes China – have agreed on paper to tighten laws relating to shell

companies and make sure authorities can find out who the real owners are. Actual legislation at the national level has lagged behind the promises, however.

The appearance of offshore accounts in political scandals is far from new. Shell companies played a role in the corruption scandal involving the Petrobras oil company in Brazil. The U.S. Justice Department said in an indictment last year that offshore accounts were used to mask the transfer of bribes to officials at FIFA, the global soccer federation.

Sueddeutsche Zeitung, working with Germany's NDR and WDR public television stations, reported Monday that 14 German banks had used Mossack Fonseca's services to set up 1,200 letterbox companies for clients.

The report said use of offshore company registrations had spiked after the European Union introduced regulations in 2005 requiring countries to exchange tax information on individual people, but not for companies. Many of the accounts, however, have since been closed.

The EU has since tightened its rules on offshore companies under its Fourth Anti-Money Laundering Directive, which is being phased in as national governments pass local laws to comply by June 26, 2017. The new rules tighten requirements for companies to keep accurate information on their real owners and to make that available to authorities.

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Iceland Prime Minister Resigns Following Protests Over Panama Papers

By Tim Johnson

[McClatchy](#), April 5, 2016

The first political casualty of the offshore investments scandal known as the Panama Papers occurred Tuesday: The embattled prime minister of Iceland resigned.

Prime Minister Sigmundur David Gunnlaugsson tendered his resignation following the largest anti-government protests in modern times in Iceland, a sign of the public anger over his family's offshore holdings.

Iceland's fisheries minister announced that Gunnlaugsson had stepped down, according to state broadcaster RUV.

Gunnlaugsson became the first global leader to see his grip on power fail because of revelations in the Panama Papers, a massive leak of records from a Panama law firm that is a global leader in setting up and maintaining offshore companies and trusts.

McClatchy reporters and journalists from 76 other countries sifted through the records in recent months as part of the largest global collaborative investigation ever undertaken. The probe found that 12 current or former world leaders and scores of other politicians and family members

had links to offshore entities through the Mossack Fonseca law firm.

McClatchy and other news organizations continue to release findings of the lengthy investigation each day this week, but barely a day after learning of their prime minister's offshore holdings, Icelanders decided they'd had enough.

The prime minister's resignation came hours before thousands of Icelanders planned for a second day to gather in front of parliament to demand the ouster of Gunnlaugsson, who came to office in 2013, riding a wave of anti-bank anger over the collapse of the nation's top financial institutions in the global banking crisis of 2008.

Gunnlaugsson owned an offshore company, Wintris, with his wife. The company was set up in the British Virgin Islands, a major offshore haven.

Gunnlaugsson sold his share of Wintris in 2009 to his wife for a symbolic payment of \$1.

But he never disclosed to the public that the company held millions of dollars in bonds of the three major collapsed banks, even as he negotiated the paying off of bank creditors while serving as prime minister.

Iceland PM Resigns Amid Pressure Over Panama Papers

By Kim Hjelmggaard And Jessica Durando
[USA Today](#), April 5, 2016

Iceland's prime minister became the first high-profile casualty over the leaked Panama Papers, offering his resignation Tuesday, a cabinet minister said.

The documents that became public Sunday revealed that Sigmundur David Gunnlaugsson, 41, owned an offshore company with his wife in the British Virgin Islands.

Gunnlaugsson recommended that the vice chairman of his Progressive Party serve as prime minister for "an unspecified amount of time," a government statement said.

Agriculture Minister Sigurdur Ingi Johannsson told Icelandic broadcaster RUV that Gunnlaugsson was stepping down, the Associated Press reported.

Gunnlaugsson was expected to face a no-confidence vote in Parliament Thursday, Icelandic news site Vísir reported.

Earlier, Gunnlaugsson denied any wrongdoing and told parliament he would not resign.

"I have not considered quitting because of this matter nor am I going to quit because of this matter," Gunnlaugsson told parliament Monday. "It is important that the government can finish its work," he said, referring to Iceland's economic recovery.

The move comes a day after thousands protested outside the parliament building in the capital Reykjavik over the disclosure of his offshore holding, which posed a conflict of interest for him: Gunnlaugsson negotiated a deal for

Iceland's bankrupt banks at a time when he was a claimant in those banks.

Gunnlaugsson and his wife allegedly set up the company with help from Mossack Fonseca —the Panama law firm at the heart of the leak.

The documents revealed Gunnlaugsson and his wife bought the offshore company in 2007, which he didn't declare when entering parliament in 2009. The offshore company was used to invest millions of dollars of inherited money. Gunnlaugsson sold his 50% share of the company to his wife for \$1 eight months later, the documents allege.

Iceland Prime Minister Offers To Resign Amid 'Panama Papers' Fallout

By Brian Murphy
[Washington Post](#), April 5, 2016

Iceland's prime minister offered to resign Tuesday amid street protests and political outrage after leaked files from a Panama law firm showed his wife owned an offshore company with links to some of the country's collapsed banks.

Prime Minister Sigmundur Gunnlaugsson asked the country's president to dissolve Parliament, which would likely lead to new elections in the most dramatic fallout to date from the disclosures known as the Panama Papers.

The move to step down also could avoid a showdown in Parliament over Gunnlaugsson's government. Opposition lawmakers had sought a confidence vote as thousands of protesters gathered in Iceland's capital, Reykjavik, demanding Gunnlaugsson's resignation.

The crowds at times pounded drums and banged pots and pans — harking back to demonstrations during the country's fiscal meltdown in 2009. Other protesters pelted the Parliament building with yogurt and eggs.

It was not immediately clear how the current political showdowns would unfold.

Parliament was not scheduled to meet Tuesday, and the president, Olafur Ragnar Grimsson, said he wanted further talks with political leaders and others before making the formal decision to accept the resignation and dissolve Parliament.

But Gunnlaugsson appeared to seal his fate by promising to step aside, retreating from his earlier pledge to stick it out.

A member of Gunnlaugsson's government, Agriculture Minister Sigurdur Ingi Johannsson, told Icelandic broadcaster RUV that the prime minister is resigning, the Associated Press reported.

Gunnlaugsson has claimed that his wife's overseas assets were taxed in Iceland and insisted there was no fiscal wrongdoing.

But critics said the findings of the Panama Papers report raise questions about conflicts of interest and other

possible improprieties nearly eight years after the island nation's banking system collapsed amid the global financial crisis.

A government spokesman said the company owned by Gunnlaugsson's wife, Anna Sigurlaug Palsdottir, held bonds totaling more than \$4.1 million in some of Iceland's collapsed banks. The leaked documents have led to accusations of possible conflicts by Gunnlaugsson, who oversaw negotiations with the banks' creditors.

The Panama Papers stem from a year-long collaboration among Germany's *Süddeutsche Zeitung* newspaper, the International Consortium of Investigative Journalists and more than 100 media outlets. Their report claims to expose "a cast of characters who use offshore companies to facilitate bribery, arms deals, tax evasion and drug trafficking."

The report does not make specific allegations of wrongdoing, but it raises questions about the need for hard-to-trace offshore accounts and other tax havens set up by a Panama-based law firm, Mossack Fonseca.

Prominent figures in China, Russia and other countries have been named in the report.

Iceland's Prime Minister Resigns After Panama Papers Leaks

[Reuters](#), April 5, 2016

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

Panama Papers Scandal Brings Down Iceland's Prime Minister

By Steven Erlanger And Stephen Castle

[New York Times](#), April 5, 2016

LONDON — The prime minister of Iceland submitted his resignation on Tuesday, according to his deputy, succumbing to political pressure two days after an enormous leak of documents from a secretive Panamanian law firm about offshore shell companies and tax shelters.

The resignation of the prime minister, Sigmundur David Gunnlaugsson, was the first prominent political fallout from the document leaks known as the Panama Papers, which have shed a harsh light on the private financial activities of many rich and powerful people.

Officials around the world, from Europe to Asia to the Americas, were scrambling on Tuesday to contain the fallout — particularly in Britain, where Prime Minister David Cameron, who has portrayed himself as a champion of financial transparency, was battling revelations in the leaks that British-governed territories are vast havens of hidden wealth, including for members of his own family.

The leader of Britain's opposition Labour Party, Jeremy Corbyn, called for an independent investigation into the tax affairs of all Britons linked to the Panama revelations — including Mr. Cameron's family — and for Britain to impose direct rule on its overseas territories and dependencies, if necessary, to get them to comply with British tax law.

"The government needs to stop pussyfooting around on tax dodging," Mr. Corbyn said.

Mr. Gunnlaugsson's resignation was announced on television by Sigurdur Ingi Johannsson, a government minister and the deputy chairman of his Progressive Party, and was greeted with celebration by Icelanders who have been protesting against him.

The move still requires the formal approval of both Mr. Gunnlaugsson's junior coalition partner, the right-wing Independence Party, and Iceland's president, Olafur Ragnar Grímsson. It was not immediately clear how the country's other parliamentary parties would react. Early elections in Iceland, a tiny island nation of 323,000 still recovering from the global financial crisis eight years ago, could still be a possibility.

The leaked Panama Papers consist of more than 11.5 million documents, involving nearly 215,000 companies and 14,153 clients of the Panamanian law firm Mossack Foneca, according to the German newspaper *Süddeutsche Zeitung*. It shared the information with the International Consortium of Investigative Journalists, a nonprofit group, which helped analyze the data and shared it with a number of other newspapers, which began reporting the findings on Sunday.

The politicians, celebrities and sports figures identified in the leaks included close associates of President Vladimir V. Putin of Russia; President Petro O. Poroshenko of Ukraine; Prime Minister Nawaz Sharif of Pakistan; current and former members of China's ruling Politburo; and FIFA, the worldwide association for soccer. It has also emerged that Mossack Fonseca worked with 33 people or companies that were the subject of international sanctions, including a relative of the Syrian president, Bashar al-Assad.

Mr. Gunnlaugsson had insisted on staying in office after the leaked documents revealed that he and his wealthy partner, now his wife, had set up a company in 2007 in the British Virgin Islands through Mossack Fonseca. The documents also suggested that he sold his half of the company to her for \$1 on the last day of 2009, just before a new law went into effect that would have required him as a member of Parliament to declare his ownership as a conflict of interest.

Mr. Gunnlaugsson had said that the leak contained no news, adding that he and his wife, Anna Sigurlaug Palsdottir, had not hidden their assets or avoided paying taxes.

But the company, Wintris Inc., lost millions of dollars as a result of the 2008 financial crash, which crippled Iceland, and the company is claiming about \$4.2 million from three

failed Icelandic banks. As prime minister since 2013, Mr. Gunnlaugsson was involved in reaching a deal for the banks' claimants, so he was accused of a conflict of interest.

In Britain, repercussions centered on Mr. Cameron's late father, Ian, a stockbroker and investment manager, who was among those named as having used the Panamanian law firm to set up a company based offshore in the British Virgin Islands, a British overseas territory.

While there was no suggestion of illegal activity, the overseas investment fund paid no British tax, and the opposition Labour Party wants to know if Prime Minister Cameron retained any interest in the offshore fund, which he denies, and wants him to publicize his tax returns.

In a further embarrassment to Mr. Cameron, who has claimed leadership in the global fight to crack down on tax havens, the documents also reveal that Britain's self-governing overseas territories, especially the British Virgin Islands, proved a favored location for companies handled by Mossack Fonseca.

According to the International Consortium of Investigative Journalists, 113,000 of the nearly 215,000 companies Mossack Fonseca is known to have arranged were set up in the British Virgin Islands. A further 3,000 were set up in other British jurisdictions, including British Anguilla, Jersey, the Isle of Man and Britain itself, according to The Guardian, which also has access to the leaked documents.

The economy of the British Virgin Islands is largely based on such secrecy, with just over half of all government revenues coming from incorporation fees. More than 950,000 offshore companies have been incorporated there.

With economic inequality a growing political issue in Britain, Mr. Cameron's privileged upbringing and personal wealth make him vulnerable to such attacks, particularly at a time when his government is reducing spending on welfare payments to the poor.

The political temperature over the leaked documents has been rising in Britain since Monday, when, asked whether Mr. Cameron's family still had money offshore, his official spokeswoman, Helen Bower, described this as a "private matter." Mr. Cameron's denial came only on Tuesday.

Holding money offshore would not be illegal, providing interest earned was declared to the authorities. Despite saying that he is "very relaxed" about calls to publish his tax return, Mr. Cameron has not done so.

Reports about the Cameron family's Panamanian connections first surfaced in 2012 when it emerged that Ian Cameron was a director of a fund established in Panama in 1982 called Blairmore Holdings, named after a family mansion in Scotland.

Though there is no suggestion of illegality, the leaks have shown how the company used bearer shares, which do

not identify owners by name, to conceal who was investing in Blairmore Holdings.

Mr. Cameron said: "I own no shares, no offshore trusts, no offshore funds, nothing like that." His office said later that neither he, his wife nor his children benefit from "any offshore funds."

Sewell Chan contributed reporting from London, and Rick Gladstone from New York.

Chinese Censors Curb Panama Papers Coverage

By Roger Yu

[USA Today](#), April 5, 2016

China moved swiftly in reacting to reports and online chats about the Panama Papers leak, largely banning the topic and other related search terms at news organizations and social media channels in the country.

A group of more than 100 news organizations around the world – coordinated by the International Consortium of Investigative Journalists – published stories Sunday about the inner workings of Panamanian law firm Mossack Fonseca, which helps politicians, businessmen, athletes and celebrities create offshore accounts for untraceable funds.

The political fallout from the consortium's investigative stories, based on 11.5 million documents that were leaked anonymously, continued this week as Iceland's Prime Minister Sigmundur David Gunnlaugsson resigned Tuesday amid pressure.

Several prominent Chinese names also appear in the documents, according to the ICIJ's report.

"The files reveal offshore companies linked to the family of China's top leader, Xi Jinping," the report said. "Family members of at least eight current or former members of China's Politburo Standing Committee, the country's main ruling body, have offshore companies arranged through Mossack Fonseca. They include President Xi's brother-in-law, who set up two British Virgin Islands companies in 2009."

The revelation will not be easy to find online for Chinese readers, as censors prevented the country's top news outlets from reporting the topic. Internet censors also blocked the stories by the ICIJ's and several of its publishing partners, including Spain's El País, France's Le Monde, Süddeutsche Zeitung in Germany, the Canadian Broadcasting Corp., and the U.K. and U.S. editions of The Guardian, according to ICIJ, citing reports from news organizations and analytics by GreatFire.org, which monitors web censorship in China.

The People's Daily, an official daily newspaper of the Chinese Communist Party, and state broadcaster China Central Television also have not reported on the affair, according to The Wall Street Journal. A search for "Panama" on the website of the China Daily, an English daily in China, renders one wire story — written by Agence France-Presse

— related to the investigation. Five stories related to the Panama Papers appeared on Xinhua's English website, but they referred to the scandals abroad in Iceland, Spain and New Zealand.

Others mentioned in the Panama Papers include associates of Russian President Vladimir Putin, several FIFA officials, actor Jackie Chan, and at least 33 people and companies blacklisted by the U.S. government because of links to wrongdoing.

Mossack says it “does not foster or promote illegal acts.”

The Panama Papers’ Sprawling Web Of Corruption

[New York Times](#), April 5, 2016

The first reaction to the leaked documents dubbed the Panama Papers is simply awe at the scope of the trove and the ingenuity of the anonymous source who provided the press with 11.5 million documents — 2.6 terabytes of data — revealing in extraordinary detail how offshore bank accounts and tax havens are used by the world’s rich and powerful to conceal their wealth or avoid taxes.

Then comes the disgust. With more than 14,000 clients around the world and more than 214,000 offshore entities involved, Mossack Fonseca, the Panama-based law firm whose internal documents were exposed, piously insists it violated no laws or ethics. But the questions remain: How did all these politicians, dictators, criminals, billionaires and celebrities amass vast wealth and then benefit from elaborate webs of shell companies to disguise their identities and their assets? Would there have been no reckoning had the leak not occurred?

And then the core question: After these revelations, will anything change? Many formal denials and pledges of official investigations have been made. But to what degree do the law and public shaming still have dominion over this global elite? A public scarred by repeated revelations of corruption in government, sports and finance will demand to know.

It took scores of reporters convened by the German daily *Süddeutsche Zeitung*, the recipient of the leaked cache, and the International Consortium of Investigative Journalists, with whom it shared the data, more than a year to sort through the information, and it will take governments, commissions and prosecutors a long time to determine what laws have been violated, what taxes have been avoided and what remedial steps must be taken.

The fallout from the revelations has already begun. The prime minister of Iceland, Sigmundur David Gunnlaugsson, linked in the papers to a secret account, on Tuesday became the first public official forced to resign. Britain and Germany, among others, have announced that they are investigating whether citizens named in the papers avoided paying taxes.

Americans do not figure prominently in the data trove, though that should not excuse the United States government from joining in a thorough investigation.

Offshore banking is not in itself illegal, and not all those named should be presumed to have done wrong. But it is clear that the secrecy of the sort Swiss banks formerly provided and now lawyers in Panama offer is a magnet for ill-gotten fortunes and tax evaders.

The papers chronicle a global industry developed to enable an international elite enriched by corrupt or illegal means to conceal its wealth and dealings from taxation, prosecution and public wrath. They expose the questionable riches that public officials have concealed, whether in Iceland, Russia, China, Saudi Arabia or Malaysia. President Xi Jinping of China and President Vladimir Putin of Russia have already clamped down on the media for shining an unwelcome light on the shady financial dealings of their cronies and family members.

Above all, the Panama Papers reveal an industry that flourishes in the gaps and holes of international finance. They make clear that policing offshore banking and tax havens and the rogues who use them cannot be done by any one country alone.

Lost tax revenue is one consequence of this hidden system; even more dangerous is its deep damage to democratic rule and regional stability when corrupt politicians have a place to stash stolen national assets out of public view.

Armenia And Azerbaijan Halt Fighting On Border

By Andrew Kramer

[New York Times](#), April 6, 2016

JABRAYIL, Azerbaijan — Armenians and Azerbaijanis agreed on Tuesday to a cease-fire after four days of fighting along the border of a disputed region, putting to rest, at least for now, fears that the outbreak of ethnic strife might spiral into a wider war.

With almost palpable relief, mediators, including the United States, France and Russia, issued statements commending the halt in clashes along the line of contact of the Nagorno-Karabakh region, an ethnic Armenian enclave in Azerbaijan.

By Tuesday evening, the truce seemed to hold, though the Karabakh military reported isolated instances of mortar and tank fire from the Azerbaijani side.

In a statement, Azerbaijan’s Defense Ministry said that “on the basis of mutual agreement, the military actions on the contact line between Armenia and Azerbaijan are halted.”

Russia’s president, Vladimir V. Putin, called President Ilham Aliyev of Azerbaijan and President Serzh Sargsyan of

Armenia to urge both to fully adhere to the truce, a Kremlin statement said.

"Expressing serious concern in connection with the wide-scale military clashes that led to multiple victims, Putin called on both sides to immediately support a full halt in combat actions," the statement said, the Interfax news agency reported.

With the cease-fire in place, this latest bloody flare-up in the quarter-century Nagorno-Karabakh conflict appeared to end as it had begun, with the adversaries at or close to their previous positions but no nearer to a final settlement.

After four days of battle, Azerbaijan's military said 16 of its soldiers had been killed, while the Karabakh army said it had lost 29 soldiers. In addition, 101 were reported wounded, and 28 were missing in action.

A war between the two former Soviet States over Nagorno-Karabakh, a highland region of mountains, alpine meadows and small villages, halted in 1994 with an earlier cease-fire but no political resolution. That war killed more than 20,000 people and displaced thousands of others. The majority ethnic Armenian population declared an independent state that Azerbaijan rejects.

The weekend fighting seemed pregnant with the risk of a wider war. Russia has backed mostly Christian Armenia, while Turkey, at odds with Russia as the two countries back opposite sides in the Syrian civil war, has supported Azerbaijan.

A mediating organization known as the Minsk Group, led by Russia, the United States and France and operating under the auspices of the Organization for Security and Cooperation in Europe, issued a statement praising the cease-fire. It said it welcomed diplomats' "plans to undertake direct consultation with the sides as soon as possible."

The European Union's foreign policy chief, Federica Mogherini, issued a statement calling for observance of the cease-fire and saying that "a large-scale conflict is in the interest of no one."

Characteristic of the fighting of the past days, and its risks in an unsteady region, Iran reported stray shells had landed on its territory near the south of the disputed region, which borders Iran.

In this region, the mountains taper into an area of rolling, grassy hills eerily dotted with the ruins of Azerbaijani villages, their inhabitants long ago dead or driven away as refugees from the last war.

Some of the clashes seesawed over these same ruins this time, however little there seemed left to fight over; all that remained were heaps of brick and tipped-over stones of Muslim graveyards, overgrown with thistles.

The Karabakh military escorted reporters to the area to see an impact from a stray rocket, a large so-called Smerch ground-to-ground rocket that had landed in one such ruined village, about a mile from the border with Iran.

"The policy of our country is aimed at a peaceful settlement," Col. David Davidsyan, with the Karabakh military, said in an announcement of the cease-fire. "But the Karabakh army is ready to solve this question by force if needed."

"Any truce is temporary," one soldier, Pvt. Never Grigoryan, said in an interview at a Karabakh artillery position outside a ruined village, Marjalu. He stood amid a heap of empty, green wooden boxes that had held artillery shells.

"We will be ready," he said.

Cease-fire Announced In Nagorno-Karabakh Amid Diplomatic Efforts

By Andrew Roth

[Washington Post](#), April 5, 2016

MOSCOW — Amid strident calls from world leaders for restraint, Azerbaijan and the Armenian-backed breakaway republic of Nagorno-Karabakh on Tuesday announced an immediate cease-fire to halt the worst outbreak of violence over the disputed territory in decades.

At least 50 people have died since heavy fighting resumed Saturday on the front lines of one of the former Soviet Union's most intractable ethnic conflicts, pitting Christian Armenians against Muslim Azeris. The cease-fire was declared at noon Tuesday by officials from Azerbaijan and from the unrecognized republic of Nagorno-Karabakh, an ethnic Armenian enclave that is formally a part of Azerbaijan but has its own government with military and financial support from the Armenian government.

News reports from the front lines on Tuesday said that the fighting, which included tanks, heavy artillery and aircraft at its peak, had indeed died down. But it was unclear how long the temporary halt in hostilities would hold, as officials from the United States, France and Russia planned trips to the region later this week to mediate between the sides of the conflict.

Backed by Armenia, Nagorno-Karabakh declared independence from Azerbaijan as the Soviet Union collapsed, and the bloody war that followed left about 30,000 dead and an unclear future for the territory. A cease-fire was signed in 1994, but years of negotiations under the Organization for Security and Cooperation in Europe have failed to yield a long-term political solution to the conflict. Sporadic fighting has continued along the "line of contact" between the two sides, though never with the ferocity seen this week.

"Everyone understands that the status quo is not only unacceptable, but also unsustainable, and it cannot last for another two decades like it has been," said Azerbaijani ambassador to the United States Elin Suleymanov in a telephone interview. The Azerbaijani government is frustrated with the slow pace of the negotiations for a political settlement, he said, and wants to see a complete withdrawal of ethnic Armenian forces from Nagorno-Karabakh.

The cause of this week's violence is disputed. Officials from Armenia and the Nagorno-Karabakh territory said that Azerbaijan launched a broad offensive on Saturday, prompting a counter-attack. Suleymanov said that Azerbaijani forces were forced to seize strategic heights in the disputed territory to protect themselves from shelling attacks. In coming negotiations, he said, it would be an "absurd proposition" and a "major non-starter" for Azerbaijan to cede control of that land.

As both sides announced a break in the fighting, Western and Russian officials prepared a series of high-level visits to Azerbaijan, Armenia and Nagorno-Karabakh, to seek a more stable peace. The three countries are the co-chairs of the OSCE Minsk Group, which is tasked with mediating peace talks between the sides.

Richard Giragosian, director of the Regional Studies Center, an independent think tank in Armenia, called this week's fighting a "near death experience" for the cease-fire line, adding that there are no assurances that the cessation of hostilities will hold through the flurry of diplomatic activity.

"There is very little in terms of deterrence or even leverage to prevent a repeat of renewed hostilities," said Giragosian, noting that the cease-fire does not have "external security backing or any real supervision."

Early Tuesday evening, the Nagorno-Karabakh government claimed that Azerbaijani artillery had violated the cease-fire several times during the day and claimed that its forces had not returned fire. It was not immediately possible to verify that report.

Russia has begun attempts at shuttle diplomacy. On Tuesday evening, Russian President Vladimir Putin spoke with Azerbaijani President Ilham Aliyev and Armenian President Serzh Sargsyan, urging "both sides as a matter of urgency to ensure the full cessation of hostilities and compliance with a cease-fire regime," according to a Kremlin statement. Russian Prime Minister Dmitri Medvedev will travel to Yerevan, the capital of Armenia, on Thursday, while Foreign Minister Sergei Lavrov will travel to Azerbaijan.

A wider conflict in Nagorno-Karabakh is seen as having the potential to drag in Russia, which shares a defense alliance with Armenia, and NATO-member Turkey, which has said it will back the Azerbaijani government in the clashes. Tensions have soared between the two countries since Turkey downed a Russian jet over the Syrian border last year, an incident in which the pilot and a marine sent on a rescue mission were killed. Russia has accused Turkey of supporting the Islamic State and other terrorist groups and has imposed sanctions against Turkish goods and travel to Turkish resorts. On Tuesday, Turkish Foreign Minister Mevlut Cavusoglu called for a peaceful resolution to the conflict that maintains Azerbaijan's territorial integrity.

Both sides have claimed to have killed hundreds of opposing soldiers, while reporting losses of their own in the

dozens. The first day of fighting was the bloodiest, with Azerbaijan reporting 12 soldiers killed and Karabakh officials reporting 18 dead. A 12-year-old boy was also reported killed during the fighting. On Tuesday, Azerbaijan said that 16 soldiers had been killed in the last two days of fighting before the cease-fire was announced.

Family Of Slain Activist Asks U.S. To Cut Off Aid To Honduras

By Franco Ordoñez

[McClatchy](#), April 5, 2016

The 25-year-old daughter of slain Honduran environmental leader Berta Cáceres traveled 1,800 miles to Washington this week to press the Obama administration for help investigating her mother's murder.

Bertha Zúniga said she has little faith in her government's ability to find and hold responsible the people who killed her mother.

"The government had an interest in stopping her fight," Zúniga said. "But they've also demonstrated a series of inconsistencies and irregularities in how they've gone about their investigation."

Cáceres, co-founder of the Council of Indigenous Peoples of Honduras (Copinh), had faced death threats from Honduran authorities and private security forces, her family said, because of her fight against the construction of a hydroelectric dam planned along a river that's sacred to the indigenous Lenca people – a fight for which she won the prestigious Goldman Environmental Prize last year.

On March 3rd, she was at home in La Esperanza when two men reportedly forced themselves inside and shot her multiple times.

This is what my mother fought and died for.

Bertha Zúniga, daughter of Berta Cáceres

Cáceres' family has struggled to get answers from Honduran authorities over the most basic questions about her death, including a copy of the autopsy report and access to Cáceres' personal belongings.

The family has meetings planned with members of the Senate and House, including the House Committee on Foreign Affairs, to press their case. They're also working to arrange meetings with State and Treasury department representatives as well as World Bank.

They're calling on the United States to cut off millions in aid to Honduras until human rights defenders receive proper protection. Cutting the purse strings, they hope, would force the Honduran government to accept an independent international investigation into Cáceres' murder.

The U.S. ambassador in Honduras, James D. Nealon, already has condemned what he described as a "despicable crime."

"The United States of America calls for a prompt and thorough investigation into this crime and for the full force of the law to be brought to bear against those found responsible," he said in a statement on the day of the shooting.

Without international pressure, the case has little chance of being resolved, said Silvio Carillo, Cáceres' nephew, who also traveled to Washington.

This is what my mother fought and died for.

Bertha Zúniga, daughter of Berta Cáceres

Honduras, which has the world's highest homicide rate, was among the leading sources of a wave of tens of thousands of families and unaccompanied minors who in the past two years rushed to the United States from Central America, fleeing violence and poverty. According to the Pew Research Center, more than 60 percent of the estimated 573,000 Honduran immigrants in the United States are here illegally.

Fewer than four percent of all murder cases in Honduras result in a conviction, a statistic the State Department cited in its 2013 Human Rights Report on Honduras. Many of those killings are the work of security forces or organized criminal elements, the report said.

"Among the most serious human rights problems were corruption, intimidation, and institutional weakness of the justice system leading to widespread impunity," the 2013 report states.

Since 2009, more than 100 environmental activists, more than 30 journalists, and more than 30 trade unionists have been murdered in Honduras, according to congressional staff.

EDITORS: STORY CAN END HERE

More must be done to guarantee that the investigation into Ms. Cáceres' death does not end in impunity.

U.S. Sen. Ben Cardin, D-Maryland

Dozens of members of Congress have joined efforts calling for an independent investigation, including 11 senators who urged Secretary of State John Kerry to place a hold on any U.S. assistance that goes to police or military personnel implicated in human rights violations.

"More must be done to guarantee that the investigation into Ms. Cáceres' death does not end in impunity," U.S. Senator Ben Cardin, D-Maryland, the ranking member of the Senate Foreign Relations Committee, wrote in a letter to Kerry signed by 10 other Democratic senators.

Zúniga said her family is struggling not knowing what happened to her mother. She thinks the men who shot her mother were likely just pawns in a greater conspiracy to silence her mother. But Zúniga said she and the rest of her family will continue her mother's work.

"This is what my mother fought and died for," Zúniga said. "This is the real justice. It's been a long battle for my

mother. She always involved us. And now we have even more reason to continue."

Libya's Tripoli-Based Government Says Will 'Cease Duties'

By Sami Mohammed

[Associated Press](#), April 6, 2016

TRIPOLI, Libya (AP) — One of Libya's rival governments resigned on Tuesday, a step that helps efforts by a new, U.N.-brokered unity government to assert itself in the capitol, Tripoli, despite opposition from some local militias.

In a statement, the Tripoli-based National Salvation Government said it would "cease duties" as executive authority, and therefore absolve itself of responsibility for the country's fate.

"We put the interests of the nation above anything else, and stress that the bloodshed stop and the nation be saved from division and fragmentation," the statement read.

Western nations view the new government as the best hope for ending Libya's chaos and uniting all factions against an increasingly powerful Islamic State affiliate, which has seized the central city of Sirte. Another government, based in the eastern city of Tobruk, still opposes the U.N.-backed body.

Libya has been dominated by an array of militias since the 2011 uprising that toppled and killed longtime dictator Moammar Gadhafi.

Tuesday's move came after the European Union slapped sanctions on three Libyan officials, including Prime Minister Khalifa Ghweil of the Islamist-backed government in Tripoli, for what it described as hindering the new unity government from beginning its work. The others sanctioned are Agilah Saleh, parliament head in Tobruk, and Nuri Abu Sahmain, who leads the outdated General National Congress.

Hassan al-Sgear, the head of Ghweil's office, said Tuesday's decision came after discussions between his office and the Cabinet on ways to stop the bloodshed in Libya's civil war.

The head of the new government, Fayez Serraj, arrived in Tripoli by sea last week to set up a temporary seat of power in a naval base despite threats from competing factions, which prevented him from arriving by air.

U.S. Secretary of State John Kerry has welcomed Serraj's arrival, as did the U.N. envoy to Libya, Martin Kobler, who was in Tripoli on Tuesday and said he received a warm welcome by a population tired of war.

The U.S. and its European allies hope the U.N.-backed government can unify the country and serve as an ally against IS. U.S. special forces have been on the ground, working with Libyan officials, and U.S. warplanes have carried out airstrikes.

Libyan officials say small teams of French, British and Italian commandos are also on the ground helping militiamen battling IS in the eastern city of Benghazi, though those three countries have not confirmed their presence.

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Libya's Self-Declared National Salvation Government Stepping Down: Statement

By Ahmed Elumami

[Reuters](#), April 5, 2016

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

Italian Official Warns Egypt Over Inquiry Into Student's Death

By Declan Walsh And Nour Youssef

[New York Times](#), April 5, 2016

CAIRO — The foreign minister of Italy said Tuesday that his government would take “immediate and proportional” measures against Egypt if it failed to help uncover the truth behind the death of an Italian graduate student in Cairo two months ago.

“We will stop only when we will find the truth, the real one,” Foreign Minister Paolo Gentiloni told Parliament, adding that he would not accept any “fabrication.”

The threat by Mr. Gentiloni came the day before a team of Egyptian investigators was scheduled to land in Rome for meetings on the case of the student, Giulio Regeni, 28, a doctoral candidate, whose brutalized body was discovered on a roadside in February in Cairo.

A slow-moving investigation into the killing, hampered by troubled cooperation between the Italian and Egyptian police, has prompted Italian accusations of an Egyptian cover-up.

Five Egyptian investigators and prosecutors were scheduled to meet with their Italian counterparts on Thursday in Rome. The Italians are demanding data from Mr. Regeni's cellphone and footage from surveillance cameras in the Cairo neighborhood where he disappeared on Jan. 25.

Mr. Regeni's body was found nine days later bearing signs of torture, including cigarette burns, broken bones and head wounds that were consistent with forms of abuse associated with the Egyptian security forces.

Egyptian officials claimed a breakthrough last month in the investigation of the death of Mr. Regeni after police officers shot dead five men they said were part of a gang that kidnapped foreigners.

Officers later said they found Mr. Regeni's passport and student card at an apartment linked to the slain suspects.

The explanation elicited scorn and disbelief in Italy, where members of Mr. Regeni's family and the Italian government suspected that the Egyptian government, already under fire for its poor human rights record, was seeking to divert attention from the possibility that Mr. Regeni had been killed by members of Egypt's security forces. Last week Mr. Regeni's mother, Paola, said that her son's body had been so disfigured that she could only recognize him by the tip of his nose. “I won't tell you what they had done to him,” Mrs. Regeni said. “I saw all the evil of the world in that.”

Mrs. Regeni threatened to release graphic photographs of her son's body if his killers were not found.

Although the Egyptian news media and some officials have for weeks floated lurid theories about how Mr. Regeni died, many Egyptians are becoming increasingly vocal about their alarm over the case.

The mother of Khaled Said, a young Egyptian whose death at the hands of two police officers in 2010 was seen as a motivating factor in public protests that led to the ouster of President Hosni Mubarak in early 2011, released an emotional video addressing Mrs. Regeni. “I feel for you and feel your pain,” said the mother, Laila Marzouk. “I will continue the journey of your son.”

On Sunday, the editor in chief of Al Ahram, Egypt's top state newspaper, published an unusually sharp denunciation of the government's handling of Mr. Regeni's case. The officials' lack of understanding of “the value of truth, to say nothing of the priority given to human rights in European societies, places the Egyptian state in an embarrassing and extremely grave predicament,” said the editor, Mohammed Abdel-Hadi Allam, in a front-page article.

Others raised questions about the theory that Mr. Regeni had been killed by a gang of kidnappers.

Relatives of the five men killed by the police, apparently in a shootout at a checkpoint in a Cairo suburb, said they believed that they had in fact been executed. Moamen Tawfeeq said the body of his 21-year-old nephew, which he had identified in a morgue, had just one bullet wound to the head. “He was killed in cold blood,” Mr. Tawfeeq said.

A police spokesman, Abu Bakr Abdel Karim, could not be reached for comment on the case.

Egypt's president, Abdel Fattah el-Sisi, has repeatedly dismissed suggestions that the allegations of police brutality represent a broader trend. But in recent months, his government has imposed a harsh crackdown on journalists, human rights activists and aid groups that document torture, disappearances and other rights abuses.

On Tuesday, officials moved to close down the Nadeem Center for the Rehabilitation of Victims of Violence and Torture, the most prominent Egyptian organization tracking patterns of police abuse.

The authorities had been threatening to close the organization for months, ostensibly for a health violation, in

what was widely seen as part of a broader assault on independent associations that monitor government abuse.

But health official sent to close the building left after employees refused to leave, said Aida Seif al-Dawla, one of the group's founders.

"I don't know what will happen next," Ms. Seif al-Dawla said. "I am expecting anything."

Gaia Pianigiani contributed reporting from Catania, Italy, and Kareem Fahim from Cairo.

Italy Demands Egypt Provide More Information On Researcher's Murder

Italy's Foreign Minister Paolo Gentiloni criticizes Egyptian cooperation with investigation

By Giada Zampano

[Wall Street Journal](#), April 5, 2016

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

NATIONAL NEWS

U.S. Treasury Rules Put Pfizer-Allergan Deal In Question

By Caroline Humer And Ransdell Pierson

[Reuters](#), April 5, 2016

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

Pfizer To Walk Away From Allergan Deal

Dissolution to be announced Wednesday after Pfizer board voted to kill deal

By Jonathan D. Rockoff

[Wall Street Journal](#), April 5, 2016

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

Obama: Companies That "denounce" U.S. Citizenship For Lower Taxes Are "insidious"

By Renae Merle

[Washington Post](#), April 5, 2016

President Obama made a forceful case for stopping corporations from moving their headquarters overseas in order to avoid taxes, saying they are taking advantage of the American economic system and saddling the middle class with the bill.

These companies "renounce their citizenship, but get all of the rewards of being an American company," Obama said at a press conference Tuesday.

Obama pointed to new regulations issued by the Treasury Department late Monday to make more difficult

these so-called inversions, in which U.S. companies combine with foreign firms to reduce U.S. taxes.

The new rules could imperil Pfizer's plan to join Botox-maker Allergan and move its headquarters to Ireland in order to lower its tax bill, according to several corporate tax experts.

The inversion was expected to lower the pharmaceutical giant's tax rate to 17 percent to 18 percent and save it about \$35 billion in taxes. But the rules announced late Monday could make the tax savings less profitable.

Pfizer has said it is reviewing the new rules, but has not addressed whether it would go ahead with the deal.

"We await formal comments from the companies but at this point we believe it is unlikely the deal will close," Credit Suisse analyst Vamil Divan wrote in a research note sent out early this morning.

Currently, in order to escape some of the restrictions that Congress and Treasury have put in place to stop inversions, the shareholders of the U.S. company must own less than 60 percent of the combined company. Pfizer's shareholders would own 56 percent of the combined company, for example. But that is in part because Allergan has completed previous acquisitions of U.S. companies that have increased its size.

Under the new rules, stock that Allergan has issued within the past three years to acquire U.S. companies wouldn't be included in the calculations.

Applying the new Treasury Department rule, Americans for Tax Fairness estimates that Pfizer shareholders could own about 70 percent of the new foreign company, well above the 60 percent threshold, said Frank Clemente, executive director of the advocacy group.

"It appears that the Treasury Department has issued a rule with respect to serial inverters, such as Allergan, that will wipe out the expected tax breaks Pfizer was counting on," Clemente said.

Pfizer's stock was up about 1 percent Tuesday, but Allergan's shares fell more than 15 percent.

The new Treasury Department rules come as the Obama administration has struggled to stem the tide. The regulations announced Monday were the administration's third attempt to address the issue. In addition to rules potentially affecting Pfizer, the department also issued regulations aimed at one of the most attractive parts of an inversion — earnings stripping.

Using this strategy, the U.S. subsidiary of the inverted company can take on a loan from its foreign parent company. The interest payments on that debt can then be deducted from the U.S. company's taxable income and is taxable at a low rate in the country in which the inverted firm is based. The Treasury Department wants to make the process more onerous.

Despite these new rules, Obama administration officials have continued to argue that stopping inversions will require congressional action. And business groups say that inversions will continue to make financial sense as long as the U.S. corporate tax rate, 35 percent, remains the highest in the developed world.

Read More:

Giving up its U.S. citizenship could save Pfizer \$35 billion in taxes

How U.S. companies are avoiding \$695 billion in taxes

Pfizer's tax-avoiding megamerger with Allergan sparks outcry

Obama Urges Congress To Take Action On Corporate Tax Reform

By Lindsay Dunsmuir

[Reuters](#), April 5, 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 Hails Rules To Thwart Companies Moving Abroad To Cut Tax Bills

By Michael de la Merced And Leslie Picker

[New York Times](#), April 6, 2016

WASHINGTON — President Obama on Tuesday said that new federal rules would help prevent American companies from using complicated arrangements called “inversions” to lower their tax bills by buying foreign counterparts and moving operations overseas.

The president told reporters that new rules the Treasury Department announced on Monday would prevent some of the most egregious uses of the practice, when foreign companies complete multiple deals with American companies in a short period, becoming what the Internal Revenue Service calls “serial inverters.”

The president said the rules would help prevent “one of the most insidious tax loopholes out there, fleeing the country just to get out of paying their taxes.”

Mr. Obama added that by effectively renouncing its corporate citizenship, a company that makes an inversion deal “sticks the rest of us with the tab, and it makes Americans feel like the deck is stacked against them.”

The new rules could have an impact on one of the biggest proposed inversions, a \$150 billion proposed takeover of Allergan by Pfizer, one of the largest pharmaceutical companies in the United States. Allergan is a drug maker based in Dublin.

The rules announced this week would also affect companies that use complicated internal loans, called “earnings stripping,” that effectively transfer United States-

based profits overseas. Mr. Obama said the use of such tactics is an offensive use of legal approaches.

“A lot of it’s legal, but that’s exactly the problem,” Mr. Obama said. “It’s not that they’re breaking the law. It’s that the laws are so poorly designed.”

He called on Congress to outlaw fully the practice of inversions, something he said members of both parties should be able to agree on. Continue reading the main story

Obama Executive Actions Targets Companies Seeking Lower Taxes Abroad

[The Blaze](#), April 5, 2016

The Obama administration took executive action to shutter tax loopholes on companies incorporating abroad to escape high corporate tax rates in the United States.

President Barack Obama’s tax inversion proposal have failed to gain support in Congress, but the White House has consistently stated executive actions could be on the way to take a more limited approach to address loopholes.

“Americans deserve to know big corporations aren’t playing by a different set of rules,” President Barack Obama told reporters Tuesday at the White House.

According to the Treasury Department, the new rules will, “limit inversions by disregarding foreign parent stock attributable to recent inversions or acquisitions of U.S. companies.” This is meant to curb a larger U.S. company from merging with smaller foreign company for the purposes of paying taxes in that country with lower tax rates.

“I’ve been working for years to eliminate some of the injustices in tax systems, especially companies fleeing the country just to get out of paying taxes,” Obama continued.

Obama said the companies that use the loopholes get the benefits of a U.S. customer base and workforce without paying for it.

“They renounce their citizen and declare somewhere else but get all the rewards of being an American company without paying taxes,” the president added.

This could likely affect pending mergers, such as the plan for U.S.-based Pfizer to acquire Irish-based Allergan for \$150 billion.

Obama said the billions in unpaid taxes takes away money the federal government can spend on education and infrastructure.

“When companies exploit loopholes it makes it harder to invest in future,” Obama said. “A lot of these loopholes come at the expense of middle class families.”

Another rule would address earnings stripping, which involves an American company borrowing from the foreign parent company then using the interest payments on the loan to offset profits on financial statements.

“These actions took away some of the economic benefits of inverting and helped slow the pace of these

transactions, but we know companies will continue to seek new and creative ways to relocate their tax residence to avoid paying taxes here at home,” Treasury Secretary Jacob J. Lew said in a statement. “Today, we are announcing additional actions to further rein in inversions and reduce the ability of companies to avoid taxes through earnings stripping. This will have an important effect, but we cannot stop these transactions without new legislation. I urge Congress to move forward with anti-inversion legislation this year.”

Obama Calls Inversions ‘Insidious,’ Praising New Treasury Rules

By Toluse Olorunnipa

[Bloomberg Politics](#), April 5, 2016

President Barack Obama said he’s “very pleased” with new steps that the Treasury Department has taken to discourage corporate inversions, which could thwart a planned \$160 billion merger between Pfizer Inc. and Allergan Plc.

“I’ve been pushing for years to eliminate some of the injustices in the tax system,” Obama said at the White House Tuesday, a day after Treasury announced the rules, which he said target “one of the most insidious loopholes out there.”

The Treasury Department announced rules Monday that would limit companies’ ability to participate in inversions if they’ve already done them within the past 36 months. Allergan has been involved in several such transactions in that time frame. In a corporate inversion, a U.S. company adopts a foreign tax address, often as a result of a merger.

Obama has previously said inversions result from an “unpatriotic tax loophole” that Congress should act to close. The Obama administration announced the rule just as Republican and Democratic voters prepared to go to the polls in Wisconsin, where presidential candidates from both parties are in close races in the state’s primary.

Republicans in Congress have called for addressing inversions in the context of broader tax reform. But in the absence of legislative momentum, inversions have become a political flash point in Republican and Democratic presidential primary campaigns, which each feature populist themes.

The Treasury Department’s move comes less than three weeks after Senator Bernie Sanders sent a letter calling on Lew to “take action to block the corporate inversion planned by the pharmaceutical giant Pfizer.”

At a rally in New York on Monday, after the new rules were announced, Democratic front-runner Hillary Clinton said she would “slap” companies leaving the U.S. to invert with an “exit tax.”

Speaking to voters in Wisconsin on Tuesday, Republican Donald Trump said the Obama administration has been unable to stop companies from leaving the U.S.

“We have so many companies leaving us, it is disgraceful,” he said. “The politicians don’t know how to stop it. They don’t have a clue.”

In a statement released Monday, Pfizer and Allergan said they are reviewing the Treasury’s actions and wouldn’t “speculate on any potential impact.”

Since the announcement Monday evening, Allergan shares have dropped more than 16 percent to \$230.69 as of 11 a.m. in New York Tuesday. While Treasury Secretary Jack Lew said the measure would address “serial inverters,” he didn’t name any specific companies or transactions, and Treasury officials have said the rules aren’t targeted at any specific companies.

Also Monday, the Treasury announced new rules that would make it more difficult to engage in a tax strategy known as “earnings stripping,” which enables U.S. subsidiaries of multinational companies to reduce their tax bills by issuing debt to their foreign parents.

Under those rules, which would apply to related-party transactions after April 4, certain securities of at least \$50 million that were previously considered debt will be at least partially treated as stock. That would make it more difficult for foreign companies to load their U.S. units with related-party debt, according to a Treasury news release.

Jack Lew’s Corporate Tax Ambush

Another lawless attempt to scapegoat business in an election year.

[Wall Street Journal](#), April 5, 2016

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

Obama Targets Tax Dodgers Amid Treasury Updates, ‘Panama Papers’ Scandal

By Andrew Soergel

[US News & World Report](#), April 5, 2016

President Barack Obama uncharacteristically delved into the weedy subject of tax avoidance on Tuesday – only hours after the Treasury Department unveiled new inversion regulations and only days after a group of international journalists released an enormous data cache that could end up implicating more than 100 global politicians and thousands of others in the use of ethically questionable overseas tax havens.

“Tax avoidance is a big global problem,” Obama said in remarks delivered Tuesday from Washington. “A lot of it’s legal, but that’s exactly the problem. It’s not that they’re breaking the laws, it’s that the laws are so poorly designed.”

Obama said he had “been pushing for a long time” for the Treasury to take aim at corporate tax dodging, in particular. Those efforts appeared to have paid off Monday night, when the Treasury unveiled an exhaustive update to existing policies aimed specifically at curbing corporate

inversion – or what Obama described as what happens when “big corporations acquire small [international] companies and then change their address to another country on paper in order to get out of paying their fair share of taxes here at home.”

The concept of corporate inversion has repeatedly worked its way into headlines and onto presidential debate stages in recent months as politicians on both sides of the aisle have condemned corporate tax avoidance practices.

But inversion rhetoric picked up demonstrably when Pfizer pharmaceutical company expressed interest in acquiring Dublin-based Allergan Plc in a move that would allow Pfizer to reincorporate off of U.S. soil, effectively dodging America’s steep corporate earnings taxes. The Treasury’s newest regulations, however, could complicate that merger. Though it’s as of yet unclear exactly how – or even if – Pfizer and Allergan will adjust their plans, investors on Tuesday seemed significantly less bullish about merger prospects than they did only a day earlier. Allergan’s stock was down more than 15 percent in midday trading.

But tax avoidance isn’t unique to major corporations. The so-called Panama Papers released earlier this week implicate high-profile business leaders, athletes and other influential individuals in using shell companies and overseas tax havens to shield vast amounts of cash from taxation. The information held within these papers has been particularly damning to politicians and world leaders, eliciting a critical response from Russia’s state spokesman and ultimately contributing to the prime minister of Iceland’s Tuesday resignation.

“There is no doubt that the problem of global tax avoidance in general is a huge problem. It’s been brought up in G7 meetings. It’s been brought up at G20 meetings,” Obama said Tuesday. “There’s always going to be some illicit movement of funds all over the world, but we shouldn’t make it easy.”

It’s expected that even more names will be released in the coming days, but already the likes of Russian President Vladimir Putin, soccer star Lionel Messi and movie star Jackie Chan have been swept up in the scandal.

Obama Calls For International Tax Reform Amid Panama Papers Revelations

By Rupert Neate

[The Guardian \(UK\)](#), April 5, 2016

Barack Obama has called for international tax reform in the wake of the revelations contained in the Panama Papers. “There is no doubt that the problem of global tax avoidance generally is a huge problem,” he told reporters at the White House on Tuesday. “The problem is that a lot of this stuff is legal, not illegal.” The US president said the leak from Panama illustrated the scale of tax avoidance involving

Fortune 500 companies and running into trillions of dollars worldwide. “We shouldn’t make it legal to engage in transactions just to avoid taxes,” he added, praising instead “the basic principle of making sure everyone pays their fair share”. Obama described the Panama revelations as “important stuff” and highlighting the impact upon ordinary citizens, added that “a lot of these loopholes come at the expense of middle-class families, because that lost revenue has to be made up somewhere. “Alternatively, it means that we’re not investing as much as we should in schools, in making college more affordable, in putting people back to work rebuilding our roads, our bridges, our infrastructure, creating more opportunities for our children.”

Obama spoke in favour of his administration’s new rules to close corporate inversions, by which companies move their headquarters overseas to avoid taxes. He described the practice as “one of the most insidious tax loopholes out there”.

His unscripted remarks came as he made a rare and unscheduled appearance in the White House press briefing room and follows confirmation that US authorities are reviewing an international offshore law firm, exposed for helping the wealthy and powerful avoid US sanctions against regimes in Syria, North Korea, Russia and Iran. Obama administration officials confirmed that they are examining reports based on the leak of millions of documents from the Panama-based law firm Mossack Fonseca that were given to the International Consortium of Investigative Journalists (ICIJ) and a large network of international partners, including the Guardian and the BBC. “We are aware of the reports and are reviewing them. While we cannot comment on the specifics of these alleged documents, the US Department of Justice takes very seriously all credible allegations of high-level, foreign corruption that might have a link to the United States or the US financial system,” said Peter Carr, spokesman for the DoJ. The White House spokesman, Josh Earnest, said in remarks on Monday there “should be greater transparency in international financial transactions”. High-end property sales linked to offshore accounts are likely to be one area of interest for US authorities. The documents link offshore accounts to buyers of high-priced property in Miami, one of a number of cities to have experienced a property boom fuelled by buyers with offshore accounts.

The papers link one \$3m cash purchase of a Miami apartment to Paulo Octávio Alves Pereira, a Brazilian developer and politician now under indictment for corruption in his home country. Earlier this year federal agents announced a crackdown on corrupt foreign officials and criminals snapping up high-priced real estate in the US in cities including Miami and New York.

Mossack Fonseca has operations in Nevada, the Guardian can disclose, which could create another area of difficulty for the firm. According to the leaked papers Mossack

Fonseca's employees attempted to "obscure" documents and "clean" computer logs after it was issued a subpoena by a federal court in Las Vegas. Internal emails show that a Mossack Fonseca employee travelled from Panama to the Nevada office. "When Andrés came to Nevada he cleaned up everything and brought all documents to Panama," reads a 24 September 2014 email. Another email from 2014 said it was important that any links between the company's computers in Panama and Nevada "has to be obscure to the investigators". The destruction of documents with the intent to impede or obstruct an investigation is a crime punishable by up to 20 years in jail under US law.

Mossack Fonseca said it "categorically" denied destroying any documents. "Let us be clear that it is not our policy to hide or destroy documentation that may be of use in any ongoing investigation or proceeding," a spokesman for the company said. Eric LeCompte, executive director of the Jubilee USA Network, a Washington-based faith advocacy group, said: "These actions demonstrate how important this leak is and how many people desperately wanted to stop it from coming to light. Nevada is a hub for financial secrecy in the United States. Nevada-based shell companies have been used to scam US military personnel, churchgoers and the elderly. The US must pass legislation that shines a light on these secretive shell companies."

Another leaked email from a Mossack Fonseca partner said: "Ninety-five percent of our work coincidentally consists of selling vehicles to avoid taxes." The company denies any wrongdoing. The creation and use of an offshore company to avoid tax is not against the law. The revelation that a company engaged in industrial-scale offshore tax avoidance, even on US soil, comes after Barack Obama has repeatedly spoken out against companies and the super-rich exploiting the US tax code. Soon after he took office in 2009, Obama outlined plans to crack down on offshore tax havens and return more than \$200bn in unpaid taxes to the US. "I want to see our companies remain the most competitive in the world. But the way to make sure that happens is not to reward our companies for moving jobs off our shores or transferring profits to overseas tax havens," he said. However, eight years on little has changed and indeed the US itself has emerged as a popular venue for tax avoidance.

The US states of Nevada, Wyoming and South Dakota have been promoted as new hot markets to avoid tax and stash cash secretly, because the US has been resisting international disclosure reforms. Last year the Tax Justice Network, an activist research group, ranked the US third in its annual financial secrecy index, citing its "wide array of secrecy and tax-free facilities for non-residents". How ironic – no, how perverse – that the USA, which has been so sanctimonious in its condemnation of Swiss banks, has become the banking secrecy jurisdiction du jour," Peter Cotorceanu, a lawyer at the Swiss law firm Anafor AG said

in a recent legal journal, according to Bloomberg. "That 'giant sucking sound' you hear? It is the sound of money rushing to the USA." Among the revelations contained in the leak of 11.5m Mossack Fonseca files are the financial dealings of Vladimir Putin; Pakistan's prime minister, Nawaz Sharif; Ayad Allawi, former vice-president of Iraq; Petro Poroshenko, president of Ukraine; Alaa Mubarak, son of Egypt's former president; and the prime minister of Iceland, Sigmundur Davíð Gunnlaugsson.

Obama Calls On Congress To End U.S. Tax Loopholes For Wealthy

By Dave Boyer

[Washington Times](#), April 5, 2016

President Obama used a burgeoning scandal about offshore tax havens Tuesday to call on Congress to enact tax fairness measures that he said would benefit middle-class taxpayers.

The president said the so-called "Panama Papers" scandal, in which foreign heads of state and other wealthy individuals have avoided paying taxes at home, is proof that "tax avoidance is a big global problem."

"There are loopholes that only powerful individuals and corporations have access to," Mr. Obama said, turning his attention to the U.S. tax code. "They are gaming the system."

Pointing to the Treasury Department's action Monday to prevent U.S. firms from avoiding domestic taxes, Mr. Obama said, "These loopholes come at the expense of middle-class families. Those revenues have to be made up somewhere."

"We should keep building an economy where everybody has a fair shot," he said.

The Treasury Department imposed new limits on so-called "corporate inversions" Monday, surprising Wall Street and throwing into doubt a proposed \$150 billion merger between Pfizer Inc. and Allergan PLC.

The new rules, the third in a series of administration actions against inversions, will make it harder for companies to move their tax addresses out of the U.S. by merging with foreign firms and shift their profits to lower-tax countries using an accounting maneuver called "earnings stripping."

Republican presidential front-runner Donald Trump said Tuesday that inversions are "a big problem."

"We have so many companies leaving us. It is disgraceful and I'll stop it," Mr. Trump said while campaigning in Wisconsin. "The politicians don't know how to stop it. They don't have a clue."

The top Republican tax writers in the House and Senate criticized the administration's move.

"Instead of unveiling commonsense policies to help American employers compete globally and create new jobs for our workers, the Obama administration just announced punitive regulations that will make it even harder for American

companies to compete and will further discourage businesses from locating and investing in the United States,” said House Ways and Means Committee Chairman Kevin Brady, Texas Republican.

Senate Finance Committee Chairman Orrin G. Hatch, Utah Republican, said the action could limit incentives for companies to move their addresses, but won't stop them from restructuring for tax purposes.

“The administration continues to tinker along the regulatory edges with unilateral proposals to address the symptoms of inversions, but not the disease,” Mr. Hatch said.

Obama Praises Treasury Steps To Deter ‘Tax Inversions’

By Darlene Superville

[Associated Press](#), April 5, 2016

WASHINGTON (AP) – President Barack Obama on Tuesday championed federal steps to deter a corporate financial practice known as “tax inversions” and called on Congress to close the loophole “for good.”

Obama called it “one of the most insidious tax loopholes out there” because it shortchanges the country. He said less tax revenue means the government can't fully spend on schools, transportation networks and other things to keep the economy strong. He said the practice also hurts middle-class Americans because “that lost revenue has to be made up somewhere.”

He commented one day after the Treasury Department announced a series of steps to make inversions less financially appealing.

Inversions happen when U.S. companies relocate their business interests on paper to take advantage of lower tax rates. Their use has sparked a political outcry.

“When companies exploit loopholes like this it makes it harder to invest in the things that are going to keep America's economy going strong for future generations,” Obama said at the White House. “It sticks the rest of us with the tab and it makes hard-working Americans feel like the deck is stacked against them.”

He said steps the Treasury Department announced late Monday build on what the administration has already done to make the tax system fairer. The new regulations, the third round from Treasury on the issue of inversions, seek to limit internal corporate borrowing that shifts profits out of the United States.

Obama said the regulations will make it more difficult and less lucrative for companies to exploit the tax code in this manner. But the regulations also would not make the practice illegal, something Obama has advocated for some time. Only Congress can outlaw the practice. Obama called on its Republican leaders to “end this kind of irresponsible behavior” by enacting comprehensive tax reform.

“Only Congress can close it for good,” he said, referring to the inversions loophole.

Last November, drug companies Pfizer and Allergan announced a \$160 billion deal that could save New York-based Pfizer hundreds of millions of dollars in U.S. taxes annually by moving its headquarters for tax purposes to Ireland, where Allergan is based. The companies said in a joint statement late Monday that they are reviewing the new Treasury rules and would not speculate on their potential impact.

Obama said a massive leak of 11.5 million documents from a Panama-based law firm that shed light on a world in which wealthy individuals can shelter their wealth from tax authorities are another reminder that “tax avoidance is a big global problem.”

He said the so-called Panama Papers demonstrate that leaders should do more to tighten tax laws and crack down on individuals and companies that use tax shelters. He said the U.S. and other countries should “lead by example” in closing loopholes and provisions.

“A lot of its legal, but that's exactly the problem,” he said.

AP Economic Writer Martin Crutsinger and Associated Press writer Kathleen Hennessey contributed to this report.

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Obama Calls For Congress To Close Corporate Tax Loopholes

By Naomi Jagoda

[The Hill](#), April 5, 2016

President Obama on Tuesday called for the Republican-controlled Congress to close corporate tax loopholes such as those that allow U.S. companies to reincorporate overseas to lower their taxes.

A good way to close the loopholes would be through business tax reform, but so far Republicans haven't taken action, the president said during a White House press briefing.

“My hope is they start getting serious about it,” Obama said.

The president's comments come the day after the Treasury Department announced new actions that are

designed to limit corporate inversions. These are transactions in which a U.S. company merges with a foreign company and reincorporates the combined company overseas to lower its tax burden. Inversions have frequently been criticized by lawmakers and presidential candidates.

Obama said that when companies exploit loopholes like inversions, it hinders investment in the United States.

"It sticks us with the rest of the tab," he said.

Americans should be able to know that "big corporations aren't playing by a different set of rules," Obama said.

The Treasury released temporary regulations this week that would reduce the tax benefits for serial inverters. The department also proposed rules that are designed to limit "earnings stripping," one of the major tax benefits for companies that invert.

This is the third round of guidance Treasury has issued on inversions, following announcements in September 2014 and November 2015.

Many Democratic lawmakers are pleased that the Treasury took further action and called for Congress to take up the issue.

The liberal-leaning Americans for Tax Fairness said Tuesday that the new guidance would deny tax breaks to U.S. pharmaceutical giant Pfizer that it has expected to get through its planned merger with Irish-based Allergan. The \$160 billion merger would be the largest inversion to date.

But top Republican congressional tax writers criticized the Treasury's approach, saying that inversions need to be addressed through tax reform rather than regulations and that the guidance could make it more difficult for foreign companies to invest in the United States.

In Wake Of Panama Papers, Obama Calls On Congress To Fix Tax 'Inversions'

By Gregory Korte

[USA Today](#), April 5, 2016

President Obama hailed new Treasury Department rules cracking down on corporate tax inversions Tuesday, calling the practice of merging with a foreign company to escape U.S. taxes "one of the most insidious tax loopholes out there."

Highlighting the actions his administration is taking on overseas tax avoidance, Obama also made a connection to widespread revelations of tax evasion, money laundering and sanctions violations in the recently released Panama Papers.

"We've had another reminder in this big dump of data coming out of Panama that tax avoidance is a big, global problem. It's not unique to other countries," Obama said. "A lot of it is legal, but that's exactly the problem. It's not that they're breaking the laws, it's that the laws are so poorly designed."

Corporations who can afford the accountants and lawyers to arrange the tax deals are "gaming the system," he said.

Obama called on Congress to overhaul the corporate tax system, saying the abuse of tax breaks was costing middle-class families.

"When companies exploit loopholes like this, it makes it harder to invest in the things that are going to make the American economy strong for generations to come. It sticks the rest of us with the tab, and it makes hardworking Americans feel like the deck is stacked against them," he said.

The Treasury Department on Monday announced the latest in a series of new regulations designed to restrict the inversions, in which a U.S. company agrees to be acquired by a foreign company simply to avoid paying the higher corporate income tax rate in the United States. "They effectively renounce their citizenship. They declare that they're based somewhere else," Obama said.

"It erodes the American tax base, undercuts businesses that play by the rules and ultimately leaves the middle class and small businesses to pay the tab," White House Press Secretary Josh Earnest said in a statement Monday. "Business decisions should be driven by genuine business strategies and economic efficiencies, not accounting gimmicks that game our broken tax system."

Obama decided to lead off a regular White House press briefing by Press Secretary Josh Earnest — "homing in on Josh's time just for a hot second" — to highlight the issue, saying it should be getting attention outside of the financial press.

The new Treasury regulations announced Monday are specifically aimed at what Treasury Secretary Jack Lew called "serial inverters."

"They acquire multiple U.S. firms in stock-based transactions over a short period of time. This increases their size and reduces the negative tax consequences of a subsequent inversion," Lew said. In other words, by structuring the acquisitions a certain way, a company can get around restrictions preventing a smaller foreign company from acquiring a larger American one.

The new rule creates a three-year window during which a foreign company would not be allowed to count newly acquired companies toward its foreign ownership percentage.

But Obama also acknowledged that his administration is limited in how far it can go without new legislation from Congress. "I want to be clear, while the Treasury Department actions will make it more difficult and less lucrative, only Congress can close it for good," he said.

Rep. Kevin Brady, R-Texas, the chairman of the tax-writing House Ways and Means Committee, said the Treasury actions were "punitive regulations that will make it even harder for American companies to compete."

Obama Administration Cracks Down On Companies Moving Abroad For Lower Taxes

By Olivia Lowenberg

[Christian Science Monitor](#), April 5, 2016

The Obama administration wants to make sure American corporations are paying American taxes.

On Monday, the Treasury Department announced several regulations designed to make it more difficult for US companies to buy up foreign firms and move their headquarters overseas, a move known as corporate tax inversion. Notably, the rules could impact pharmaceutical giant Pfizer's plans to acquire Botox-maker Allergan and move operations to Dublin, Ireland.

In a press briefing in Washington Tuesday, President Obama said the new rules would stop companies from taking advantage of "one of the most insidious tax loopholes out there, fleeing the country just to get out of paying their taxes."

Some of the new rules will make it more difficult for companies to invert and reduce their opportunities to "strip" their earnings. Like teenagers, companies looking to reduce their tax burden will sometimes issue tax debt to their foreign parents, a strategy known as "earnings stripping." Additionally, Mr. Obama said Tuesday, the regulations will help prevent foreign companies, or so-called "serial inverters," from completing several such deals in a short period of time.

In a press release, US Treasury Secretary Jacob J. Lew said, "Today, we are announcing additional actions to further rein in inversions and reduce the ability of companies to avoid taxes through earnings stripping. This will have an important effect, but we cannot stop these transactions without new legislation. I urge Congress to move forward with anti-inversion legislation this year."

The Treasury has made several attempts discourage corporate inversions, which have become a popular way for US companies to reduce their tax burden. In November 2015, the Treasury introduced a new set of inversion regulations, after a past set of regulations released in September 2014 did little to impact the practice. That same month, however, Pfizer and Allergan, which is based in Dublin, announced a \$160 billion merger deal.

Under the terms of the merger, one of the largest inversion deals in history, Pfizer would move its corporate tax residence to Ireland, a step that would reduce its tax liability by about 8 percent.

Companies invert by acquiring either one or sometimes several foreign companies. The practice is extremely detrimental to the US economy, Secretary Lew noted, because when companies invert, they still enjoy all of the benefits of the US economic and political system, without paying their fair share of taxes.

However, many companies argue that the US tax rate is so high that it prevents them from being globally competitive. In 2014, Burger King merged with Canadian coffee-and-doughnut chain Tim Hortons and moved north to Canada, Tim Horton's home base, under the new name Restaurant Brands International.

"A lot of it's legal, but that's exactly the problem," Obama said. "It's not that they're breaking the law. It's that the laws are so poorly designed."

Pfizer and Allergan issued a joint statement in response to the new regulations from the Treasury, saying, "We are conducting a review of the U.S. Department of Treasury's actions announced [Monday]. Prior to completing the review, we won't speculate on any potential impact."

Yet the Treasury's move has led to some doubt on whether the planned Pfizer-Allergan merger will, in fact, go through. Allergan shares fell after the Treasury regulations were announced. Allergan shares were trading down, while Pfizer shares traded slightly up. These stock market indicators offer a hint that the Treasury Department regulations have a chance at preventing the merger from happening. John Colley, a Professor of Practice in the Strategy and International Business Group at Warwick Business School, writes in an e-mailed comment to The Christian Science Monitor.

"The move to limit tax inversions by the US government has wiped \$20 billion off the share price of Allergan which broadly equates to the tax benefit arising from Pfizer merging with Allergan," he explains. "In effect this ruling is casting doubt on the proposed merger." He added that the merger appeared to provide more of a benefit to Pfizer for the tax and growth prospects Allergan has to give.

Pfizer has been set on creating an inversion for years, and its CEO believes that the merger with Allergan will be beneficial to advancing research and rescuing the drug industry. If it isn't able to acquire Allergan, its investors may push Pfizer to break up, splitting its R&D into new drugs and established drug brands into two companies.

Inversions Might Actually Create Jobs In The USA: Former Best Buy CEO

By Brad Anderson

[USA Today](#), April 5, 2016

Yesterday, the U.S. Treasury announced new regulations aimed at stopping tax inversions, where U.S. companies merge with foreign counterparts and headquarter abroad, saving big on their tax bill. And today, the president reiterated his call for Congress to pass legislation preventing them. We've seen this news before. This marks the third set of new inversion regulations put forth by the Treasury in the last 19 months.

It's understandable why the Treasury has been so active on this issue. More than a dozen inversions have been announced over the past year and half, many involving high-profile American companies.

This year, Milwaukee-based industrial and auto parts supplier Johnson Controls merged with Ireland-based Tyco. The combined company will headquarter in Ireland and take advantage of its tax system, saving it, at least, \$150 million annually that can be used on research, expansion, and employee compensation. Also this year, Chicago-based rare drug manufacturer Baxalta was taken over by Dublin-based Shire.

Last November, American drug giant Pfizer announced a planned merger with Irish drug company Allergan. Also last year, Medtronic, one of the world's largest medical technology developers, merged with Covidien. These companies also chose to headquarter in low-tax Ireland.

American companies pursue foreign mergers, which may lead to inversions, not only to better service customers and shareholders but also to make them more robust to ward off takeover attempts.

At the moment, American companies can be takeover targets for foreign counterparts because of the United States' burdensome corporate taxation that artificially devalues their market capitalization. Shareholders looking for the best returns, which could accrue from a takeover, trump the wishes of management who want to stay independent. So, in a defensive move, companies like Johnson Controls, Pfizer, and Medtronic can preempt such takeovers by pursuing their own mergers.

No matter how stringent the inversion regulations, business owners will always try to protect themselves from being taken over and do what's best for their customers, employees and shareholders, many of whom are pensioners and retirees. Given the competitiveness of the global economy, this is not only a prerogative but also an imperative.

To truly protect American companies from foreign takeovers and stop them from moving overseas in tax inversions, American corporate taxes must be brought in-line with international norms.

Sensible corporate tax reform would reduce the U.S. corporate tax rate of 35% — the highest in the developed world — and end double taxation by moving to the "territorial" system used by other countries where companies only pay taxes on their domestic earnings.

At the moment, American companies that do business outside the country are taxed twice, once in the country where the profits are earned and then again at home. (Companies receive a rebate for the amount of tax paid abroad.)

Requiring American companies to pay taxes on their worldwide earnings before they can invest at home puts them

at an unfair disadvantage with their foreign competitors, which can invest their worldwide earnings in the U.S. tax-free. Not exactly a tax system that looks after its own.

Ironically, then, inversions put companies in a better position to invest in the U.S. While the academic and business literature on the connection between inversions and U.S. job creation is thin, the anecdotal evidence is strong. Perhaps the best evidence comes from the big consulting firms Accenture and PricewaterhouseCoopers, which inverted to Bermuda in 2001 and 2002, respectively. U.S. jobs at these companies have skyrocketed in the intervening years — from 32,300 at Accenture and 29,100 at PricewaterhouseCoopers in 2009 to 44,000 and 37,500 in 2015.

Tim Hortons (the Canadian version of Dunkin Donuts), which was based in the U.S. as part of Wendy's before repatriating to Canada in 2009, doubled its number of U.S. stores from 563 in 2009 to 1,107 in 2011, creating thousands of American jobs in the process. TE Connectivity, an industrial manufacturer that incorporated in Switzerland after a 2007 spinoff, increased its workforce in the Americas from 23,000 to 26,000 between 2010 and 2013.

POLICING THE USA: A look at race, justice, media

And fashion icon Michael Kors Ltd., which expatriated to Hong Kong in 2003 when it had zero stores in the U.S., now has hundreds of U.S. locations employing thousands of Americans. Such anecdotal evidence suggests that inversions put companies in a better competitive position to invest and grow in the U.S.

On the other hand, U.S. companies are holding approximately \$2.1 trillion overseas to avoid the double taxation that would occur if they were to reinvest it at home. This incentivizes companies to use this offshore income to invest in jobs, facilities and research in foreign markets rather than at home.

Rather than demonizing inverting American companies, which are looking for better ways to invest in the U.S. and bring more value to their customers, as — in Treasury Secretary Jack Lew's words — lacking in "patriotism," it's time to pursue fair corporate tax reform. Such reform would level the playing field for American companies, protect them from foreign takeovers and keep them in America. That would be truly patriotic.

Brad Anderson is the former CEO of Best Buy and a member of the Job Creators Network.

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Mitch McConnell: Senate Will Begin Spending Process Without Budget In Place

GOP revolt put the FY2017 blueprint on ice

By Tom Howell Jr.

[Washington Times](#), April 5, 2016

The Senate will take up annual spending bills this month that rely on funding levels the parties agreed to last fall, GOP leaders said Tuesday, pledging to plow ahead despite failing to pass a fiscal 2017 budget amid a conservative revolt in the House.

Majority Leader Mitch McConnell said he is banking on Senate Democrats to support the effort, instead of reaching for yet another last-minute deal to keep federal agencies open.

Senate Republicans were forced last month to postpone consideration of its budget, a nonbinding document that serves as an outline Congress follows as it writes a dozen appropriations bills that fund most basic operations of government.

"The budget issue has yet to be determined over here, but we're going to go forward and approve as many appropriations bills as we possibly can, consistent with the number we agreed to last fall," Mr. McConnell, Kentucky Republican, said after senators broke for their weekly party lunches.

Budget upheaval began earlier this year, when House conservatives revolted against spending levels written by departing Speaker John A. Boehner and President Obama last year.

That means Republicans are almost certain to miss the April 15 deadline set by law for approving a fiscal 2017 blueprint, delivering a black eye to GOP leaders who wanted to return to "regular order" and tackle the basics of governing in a topsy-turvy election year.

Senate Minority Leader Harry Reid, Nevada Democrat, said he is ready and willing to help Republicans shepherd bills that adhere to last year's agreement.

"Amen, sister, it sounds good to me," he said, adding he had no qualms about bypassing the budget process.

"They don't have one, so there's nothing to ignore," he said of Senate Republicans.

House Speaker Paul D. Ryan has said he still wants Congress to pass a budget, but the conservative rebellion may have killed those chances, forcing him to forge ahead with the annual spending bills so his appropriators are "not caught flat-footed."

GOP leaders had written a budget and even earned enough votes to get it through the Budget Committee on a 20-16 vote.

But conservatives have vowed to sink it if it comes to the House floor, saying they want to see an additional \$30 billion in cuts to undo the spending deal President Obama and GOP leaders reached last fall.

Factions such as the House Freedom Caucus have said the cuts need to be part of a bill that will be signed into law.

Democrats, meanwhile, have fumed over spending cuts and policy prescriptions in the plan, meaning Republican leaders cannot rely on them to make up the deficit of support from within the GOP.

No. 3 At Justice Department Is Stepping Down

By Matt Zapotosky

[Washington Post](#), April 5, 2016

The third highest-ranking official at the Justice Department is stepping down.

Acting Associate Attorney General Stuart Delery — who oversees a broad swath of operations in the Justice Department including all the civil lawsuits, civil rights cases and antitrust matters — said in an interview that he will vacate his post April 14 and return to the private sector. He gave no specific reason, other than he wants to spend more time with his 15-year-old and 11-year-old sons.

"It seems like, all things considered, a good time for this," Delery said. "I've had a great experience here."

In a statement, Attorney General Loretta Lynch said Delery "has been an indispensable source of wisdom, leadership, and inspiration at the Department of Justice, working relentlessly to make the ideals of equal opportunity and equal justice a reality for all."

"We can all take pride in the many ways he has helped to make this country more fair, more equal, and more just," Lynch said.

A source familiar with the selection process said the Attorney General is expected to elevate Assistant Attorney General William J. Baer, who heads the antitrust division, to take Delery's place.

Delery, 47, who lives in the District, joined the Justice Department in 2009 from the WilmerHale law firm and headed the department's civil division before his appointment as associate attorney general in September 2014. He is the highest-ranking openly gay person to serve in the Justice Department and has made a point to thank his husband and children in public remarks.

"They have sacrificed a lot for much longer than they expected," he said.

During his time at Justice, Delery personally defended the department's position on Obamacare, the Defense of Marriage Act and the NSA's bulk collection of Americans' phone records. He spearheaded an initiative designed to protect service members' rights, and he was involved in implementing revamped federal policies for same-sex couples.

"That was certainly a highlight of my time here," he said.

Though he was confirmed previously by the Senate as head of the Justice Department's civil division, Delery will

leave office without ever having receiving the same affirmation as associate attorney general. Senators held a hearing on his confirmation in November but never voted.

At the hearing, Delery was grilled by Republican presidential candidate Sen. Ted Cruz (R-Tex.) about a Department of Justice initiative known as Operation Chokepoint, which was meant to ferret out fraud, but which Republicans alleged unfairly affected industries disfavored by the administration, including firearms sellers. An investigation of the operation by the Department of Justice's Office of Professional Responsibility found no misconduct.

Delery said that though he was never confirmed, he felt "privileged to have had the opportunity to do this job." He said he was not sure yet where in the private sector he would work.

White House Senses 'Sea Change' On Supreme Court Pick

[Roll Call](#), April 5, 2016

White House officials sense a "sea change" among Senate Republicans as more lawmakers agree to meet with Supreme Court nominee Merrick Garland.

Minutes after Sen. Kelly Ayotte, R-N.H., announced she intended to sit down with Garland, White House Press Secretary Josh Earnest said she and her colleagues are finding it increasingly hard to remained aligned with Senate Majority Leader Mitch McConnell.

The Kentucky Republican wasted little time after the February death of Justice Antonin Scalia to proclaim his party would not consider any nominee submitted by President Barack Obama in his final months in office.

But as more Republicans agree to meet with Garland, it is a sign of "some visible discomfort" inside the GOP caucus as senators, especially ones in tight re-election races, hear from voters who support a confirmation process, Earnest said.

That means one-on-one meetings, a confirmation hearing before the Judiciary Committee and an up-or-down vote. Earnest referenced polls showing a majority of voters, and many Republicans, want just that.

Obama administration officials believe "we've made some important progress," Earnest told reporters. "I think there's been a sea change when it comes to meetings."

Garland, the chief judge for the United States Court of Appeals for the District of Columbia Circuit, is far from a judicial liberal. Some senior Republicans have called him a strong high court candidate when past vacancies occurred.

"Now that the president has nominated someone with impeccable credentials," Earnest said of Senate Republicans, "it makes their position even more difficult to defend."

But Ayotte, who plans to meet with Garland next week, said she is sticking with GOP leaders who are standing firm in their plan to not consider him.

"I will meet with the president's nominee out of courtesy and respect," Ayotte said in a statement. "And I also plan to explain my view that the people should have a voice in this important nomination through their votes in November."

Late Monday, Grassley spoke with Garland by phone, according to a committee aide, and invited the jurist to meet him over breakfast, though the place and time remain to be determined.

Grassley, a prominent voice against considering the nomination as his committee weighs such appointments, previously said he would talk with Garland this spring. His decision to meet with him now gives political cover to more Republicans to do the same.

Conservative activists have put enormous pressure on Republicans to stick to their guns on Garland. Democrats also have launched a public effort – the #DoYourJob campaign – over the just-concluded spring recess.

Only Mark S. Kirk, has outright called for a vote, while another, Susan Collins, has said his nomination should be considered. John Boozman of Arkansas, like Ayotte, believes the Senate should not go any further.

The Rothenberg-Gonzales Political Report/Roll Call rates Ayotte's race in the Granite State as Tilts Republican. Boozman's seat is rated safe Republican this year, while Kirk is in a tough race in Illinois. Collins is not up for re-election but is a moderate voice in the Senate.

Niels Lesniewski contributed to this report.

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Republican Has Glowing Praise For Obama's High Court Choice

[Huffington Post](#), April 5, 2016

WASHINGTON – One of the few Republican senators who has agreed to meet with President Barack Obama's Supreme Court nominee expressed her admiration for appeals court judge Merrick Garland after talking with him Tuesday, and called for her colleagues to sit down with him as well.

Sen. Susan Collins (R-Maine) met with the long-serving jurist from the District of Columbia Circuit for more than an hour, and told reporters afterward that it only reinforced her belief that the Senate should do its job by holding hearings on the nominee to the nation's highest court.

Obama nominated Garland after Justice Antonin Scalia's death in February.

Senate Majority Leader Mitch McConnell (R-Ky.) declared almost immediately after Scalia's death that Obama should not bother with a nominee because Senate Republicans would refuse to hold hearings and a vote, regardless of who it was.

Collins disagreed with her colleagues, and offered high praise after actually meeting Garland.

"I found Judge Garland to be well-informed, thoughtful, impressive, extraordinarily bright and with a sensitivity that I look for [regarding the] appropriate roles that the Constitution assigns to the three branches," she said.

Some more hard-line Republicans and conservative activist groups have tried to paint Garland as an unrestrained liberal, but Collins did not seem to get that impression.

"The meeting left me more convinced than ever that the process should proceed," she said. "The next step in my view should be public hearings."

Sen. Chuck Grassley (R-Iowa), the chairman of the Senate Judiciary Committee, initially backed McConnell by saying he'd refuse to hold meetings and hearings with Garland. But after facing pressure from voters in Iowa and from Democrats, he has now agreed to talk to the judge.

Collins declined to predict whether the growing momentum to sit down with the Supreme Court nominee would lead to hearings, but suggested that Grassley's new willingness to meet with Garland was a sign.

"Let's see if after that meeting, Sen. Grassley still holds to the position that there should not be hearings," Collins said.

Sen. John Boozman (R-Ark.) is meeting with Garland later Tuesday. That comes after Sen. Mark Kirk (R-Ill.) met with him last week, which makes it a total of three GOP senators who will have met with Obama's court pick thus far.

White House press secretary Josh Earnest said Tuesday that he expects more Republicans to agree to at least sit down with Garland.

"I would anticipate that there will be additional meetings with additional Republican senators over the next couple of weeks," Earnest said during his daily briefing. "There are still a dozen or so other senators ... who have also indicated an openness to a meeting."

Earnest said it's becoming increasingly uncomfortable for certain GOP senators not to meet with Garland. Since Boozman is meeting with Garland today, for example, it puts pressure on fellow Arkansas Republican Sen. Tom Cotton to do the same.

"Is he not going to show that same old-fashioned Southern hospitality to Chief Judge Garland?" asked the White House spokesman. "It certainly begs that question now that his colleague from the great state of Arkansas has agreed to meet with Chief Garland."

Cotton doesn't seem that stressed about it.

"Sen. Cotton has no plans to meet with Judge Garland," said his spokeswoman, Caroline Rabbitt.

McConnell didn't change his tune Tuesday when asked about possible cracks in his ranks concerning Garland. "It's safe to say there will not be hearings or votes," he said.

Pressed on the growing number of Republicans like Collins who have held or plan to hold meetings with Garland, Senate Majority Whip John Cornyn (R-Texas) said leadership hasn't changed their mind.

"What you're seeing is different approaches with regard to meetings, which won't lead to a hearing, which won't lead to a vote," Cornyn told reporters. "All I got back home was essentially a reinforcement of our current position."

Republicans who believe GOP leaders should meet Garland have noted that the next president – whom McConnell has decided should fill the vacancy – could well be another Democrat working with a more Democratic Senate, and could pick a more liberal replacement.

"It would be ironic if the next president happens to be a Democrat and chooses someone who is far to Judge Garland's left," Collins said. "We don't really know what's going to happen in this very strange political year, so I think what we should do is follow the normal process with the nominee that has been sent up by the president."

The Maine senator would not predict whether her position would prevail, but suggested that more meetings with Garland could convince senators to ensure that a moderate judge takes Scalia's spot, instead of someone who is more liberal.

"I am not optimistic that I will be changing minds on this issue, but I think if more of my colleagues sit down with Judge Garland, they will be impressed with him," Collins said.

This story has been updated to include comments from Earnest, Cotton, McConnell and Cornyn.

Jennifer Bendery and Laura Barron-Lopez contributed reporting.

Senators Offer Praise But No Vote For Obama's Supreme Court Nominee

By Lisa Mascaró

[Los Angeles Times](#), April 5, 2016

The Republican blockade of President Obama's Supreme Court nominee shows no signs of cracking, even as senators who have met with Judge Merrick Garland find little not to like in the seasoned jurist.

On Tuesday, Republican Sen. Susan Collins of Maine heaped praise on Garland after an hourlong private session in which they discussed the 2nd Amendment, executive reach and the role of the court.

"The meeting left me more convinced than ever the process should proceed," Collins said outside her office. "I

think if more of my colleagues sit down with Judge Garland, they're going to be impressed with him."

But neither confirmation hearings nor a Senate vote are expected. It's a strategy engineered by Republican leaders to deny Obama's influence on the court, but that also risks dragging the confrontation battle into the election year, when voters will decide which party controls the Senate.

Republican senators are under enormous pressure from conservative activists to prevent the court's balance, now split 4-4, from tilting toward a Democratic nominee following the sudden death of Justice Antonin Scalia.

But polls show most Americans disapprove of the blockade, which will probably keep the court short-handed well into 2017.

As lawmakers returned to Washington on Tuesday following their spring break, Senate Majority Leader Mitch McConnell (R-Ky.) noted that all but two GOP senators – referring to Collins and Mark Kirk of Illinois – are backing his strategy to leave the vacancy for the next president to fill.

"It is safe to say there will be no hearings or votes," McConnell said.

The political strains of the Senate's inaction, though, have begun to show on some senators.

One other Republican, Sen. Jerry Moran of Kansas, had joined Collins and Kirk in calling for consideration of Garland's nomination, only to scale back his position in the face of political pushback that could include a primary challenge.

Sen. Charles E. Grassley (R-Iowa), chairman of the Senate Judiciary Committee, has faced repeated questions about his refusal to convene hearings. This week, he announced that he has invited Garland to a breakfast meeting.

The White House has always envisioned a long-game strategy that nudges senators first to take meetings, then to hold hearings and, eventually, to cast a confirmation vote.

But Democrats acknowledged Tuesday the tough road ahead as most Republican senators have been willing to stick with McConnell's no-vote approach.

"Sadly, so far, it seems to be working," said Sen. Patty Murray (D-Wash.).

They pointed to the situation in Kansas, home base for the powerful Koch brother, whose network funds many conservative causes, as influencing senators.

"They're being reeled in, one by one, and that's too bad," said Sen. Harry Reid (D-Nev.), the minority leader.

So far 14 senators have met with Garland, including three Republicans – Collins, Kirk and, on Tuesday, John Boozman of Arkansas, who is up for reelection in the fall.

Collins acknowledged the difficulty of swaying her colleagues; but she also gave nod to both the quality of the nominee – whom she called "extraordinarily bright" – and the fluctuating nature of the political season that could leave

Republicans in an even tougher position if a Democrat wins the White House and picks a more liberal nominee.

"We really don't know what's going to happen in this very strange political year," she said, "so I think what we should do is follow the normal process with the nominee that has been sent up by the president, and that to me is the best way to proceed."

A Second Republican Senator, Susan Collins, Meets With Merrick Garland

By Emmarie Huetteman

[New York Times](#), April 5, 2016

WASHINGTON — Senator Susan Collins of Maine on Tuesday became the second Republican to meet with Judge Merrick B. Garland, saying their conversation had further convinced her that the Senate should hold hearings on President Obama's Supreme Court nominee.

"The meeting left me more convinced than ever that the process should proceed," she told reporters after their meeting. "The next step, in my view, should be public hearings before the Judiciary Committee so that the issues that we explored in my office can be publicly aired and so that senators can have a better opportunity to flesh out all of the issues that we discussed."

Ms. Collins said she found that Judge Garland had given her "very thorough, impressive" answers behind closed doors. Although she said it was too soon to say whether she would support him if his nomination came to a vote, she said she believed more of her Republican colleagues should sit down with him as well.

"I am not optimistic that I will be changing minds on this issue, but I think if more of my colleagues sit down with Judge Garland that they are going to be impressed with him," she said.

Ms. Collins and Judge Garland met for about an hour Tuesday morning. Ms. Collins, a moderate, has broken with her party on a number of issues, including her support for Mr. Obama's stimulus bill. From the beginning she has refused to back Senator Mitch McConnell, Republican of Kentucky and the majority leader, in his effort to block the president's Supreme Court nominee.

With Senator Mark S. Kirk of Illinois, who is among the most endangered Republican incumbents this election year, Ms. Collins is one of just two Republicans who have openly supported granting Judge Garland full consideration, including confirmation hearings. Every Republican on the Senate Judiciary Committee — led by Senator Charles E. Grassley of Iowa, the committee's chairman — signed a letter vowing not to hold hearings.

Judge Garland's sit-down with Ms. Collins came as Senate Democrats continued to hammer Republicans for not agreeing to at least grant him a hearing.

Senator Harry Reid of Nevada, the Democratic leader, railed against Republicans on the Senate floor for about 15 minutes on Tuesday morning, criticizing in particular Senators Jerry Moran of Kansas and Lisa Murkowski of Alaska for reversing their support for holding hearings last week.

"I hope the remaining Republican senators who were open to a meeting will stand firm," Mr. Reid said. "I hope they will meet with Judge Garland and then take the next step in the process: hold confirmation hearings."

Judge Garland is scheduled to have three more meetings with senators on Tuesday, including one with Senator John Boozman of Arkansas, a Republican who has said he will not support the nomination. To date, 17 Republican senators have said they are open to meeting with Judge Garland, though most say they would do so as a courtesy and still oppose him.

Mr. Grassley called Judge Garland on Monday to invite him to breakfast, where he said he would explain why the committee did not intend to hold hearings for him. The breakfast has not yet been scheduled, Mr. Grassley's office said.

Ms. Collins said she believed that even Mr. Grassley could be swayed by his face-to-face meeting with Judge Garland, the chief judge of the United States Court of Appeals for the District of Columbia Circuit.

"Let's see if after that meeting Senator Grassley still holds to the position that there shouldn't be hearings," she said.

Supreme Court nominees usually do not talk to the press. But reporters were granted a rare chance to hear the voice of Mr. Obama's nominee Tuesday as he exchanged small talk with Ms. Collins during a brief photo session before their meeting.

Last week Judge Garland sat silently as Mr. Kirk answered reporters' questions by his side, with White House aides interrupting when one journalist tried to ask the judge how he felt about Mr. Kirk's coming to his defense against his Republican colleagues who refuse to even meet with him.

"It would be ironic if the next president happens to be a Democrat and chooses someone who is far to Judge Garland's left," Ms. Collins said. "But we really don't know what's going to happen in this very strange political year, so I think what we should do is follow the normal process with the nominee that has been sent up by the president, and that to me is the best way to proceed."

Susan Collins Meets With Obama's Supreme Court Nominee

By Eric Russell

[Portland \(ME\) Press Herald](#), April 5, 2016

U.S. Sen. Susan Collins emerged from her meeting Tuesday with U.S. Supreme Court nominee Merrick Garland

"more convinced than ever" that confirmation hearings should be held, although she acknowledged that possibility "seems remote."

"It was an excellent meeting. We met for more than an hour in my office," Collins said in a telephone interview Tuesday afternoon. "I was able to raise a host of questions and issues with him ranging from his judicial philosophy to his view of separation of powers and executive overreach to Second Amendment cases."

Collins said despite her positive impression of Garland, who was nominated last month by President Barack Obama to replace Justice Antonin Scalia, she was not ready to commit her support. She explained that she never takes a position on any nominee prior to public hearings, something that may not happen in this case.

"I will certainly concede that possibility of public hearing seems remote right now, but there has been a huge change in the number of senators who are willing to sit down with Judge Garland," the senator said. "Prior to recess, there were only two. Now there are more than a dozen. That is a good sign because I believe that those who do sit down and discuss issues will find he is impressive."

Collins is the second Senate Republican to meet with Garland. Sen. Mark Kirk, R-Illinois, met him last week and then criticized his senate colleagues for not at least considering Garland.

Collins was not as critical of fellow Senate Republicans, but she did express concern that the voting public may lose sight of any accomplishments of the Republican-led Senate because of the fight over Garland.

The Obama administration and Senate Democrats have ratcheted up the pressure on Republicans, particularly Majority Leader Mitch McConnell and Senate Judiciary Chairman Chuck Grassley, to fulfill their constitutional obligation and consider his nominee to replace Scalia, the conservative icon who died unexpectedly in February.

Many Democrats have cited strong public support. A Washington Post-ABC News poll released last week showed 63 percent of Americans support holding hearings while just 32 percent said the next president should get to chose a new justice.

According to a tracking of Republican senators by The Washington Post, 16 have said they are willing to meet with Garland but only two actually support confirmation hearings – Collins and Kirk. Only three would support a lame-duck session of Congress – Collins, Kirk and Jeff Flake of Arizona.

Two other Republicans – Jerry Moran of Kansas and Lisa Murkowski of Alaska – had previously supported hearings but have since flip-flopped under pressure from McConnell and other conservative groups.

One of those groups, FreedomWorks, has been vocal about Senate Republicans holding firm and has sent more

than a million messages from activists to senators, including Collins.

The group's CEO, Adam Brandon, slammed Maine's senator in a statement late Tuesday, saying she was out of touch with grass-roots activists and playing into the hands of the Obama White House.

"We just can't trust Susan Collins' judgment," Brandon said.

Filling a seat on the nine-member U.S. Supreme Court begins with a nomination by the president. Typically, that nomination then goes to the Senate Judiciary Committee, which is currently made up of 11 Republicans and nine Democrats. The committee vets the candidate and hosts hearings, during which time the nominee can address questions or concerns. The committee then takes a vote. Even if a majority of members opposes the candidate, the nominee traditionally has gone to the full Senate for an up or down vote.

Only a simple majority is needed to confirm. Since Republicans hold a 54-seat majority in the Senate, that means five Republicans would need to support Garland — assuming all 44 Democrats and two independents vote to confirm.

Garland, 63, is considered a moderate. He hails from Chicago but went to college at Harvard in Boston. He was a clerk for former Supreme Court Justice William Brennan. For much of his career, Garland worked in the Justice Department and supervised high-profile cases, including the prosecution of Timothy McVeigh and Terry Nichols, the Oklahoma City bombers.

President Bill Clinton nominated Garland to the U.S. Court of Appeals for the District of Columbia in 1997. He became that court's chief judge in 2013.

Collins is among seven current Republican senators who voted in 1997 to confirm Garland to his current seat.

She said Tuesday that it would be ironic if the Republican-controlled Senate refuses to consider Garland only to have the next president, if he or she is a Democrat, nominate someone more liberal.

Republican Collins' Call For Garland Hearings Spurned

By Richard Cowan

[Reuters](#), April 5, 2016

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

Senator Susan Collins Urges Colleagues To Meet Judge Merrick Garland

Republican lawmaker hasn't said whether she would confirm the Supreme Court nominee

By Kristina Peterson

[Wall Street Journal](#), April 5, 2016

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

Collins Breaks From Senate GOP On Garland Hearings, But McConnell Boasts Strong Opposition

By Dave Boyer

[Washington Times](#), April 5, 2016

Supreme Court nominee Merrick Garland met Tuesday with more senators on Capitol Hill, including the Republican who is most receptive to his nomination, while GOP leaders boasted that the liberal media pressure campaign for President Obama's nominee is failing.

Judge Garland met with Sen. Susan M. Collins of Maine, a moderate Republican who told reporters that he had given her "very thorough, impressive" answers in private.

"The meeting left me more convinced than ever that the process should proceed," she told reporters. "The next step, in my view, should be public hearings before the Judiciary Committee so that the issues that we explored in my office can be publicly aired and so that senators can have a better opportunity to flesh out all of the issues that we discussed."

But Senate Majority Leader Mitch McConnell, Kentucky Republican, said the unity of his party colleagues isn't cracking under progressives' pressure and that the Senate won't hold a confirmation hearing during this presidential election year.

Mr. McConnell praised Senate Judiciary Committee Chairman Chuck Grassley, Iowa Republican, for not backing down after progressives targeted him at town hall meetings over the two-week Easter recess.

"The left is all in a stew," Mr. McConnell said on the Hugh Hewitt radio show. "They're out there running ads and have paid people to show up at Chairman Grassley's town hall meetings to try to harass him. But he's been the Rock of Gibraltar."

Asked whether cracks were emerging in the Republican opposition, Mr. McConnell said, "I don't see any. We had a couple of our members in blue states that have a contrary view, but there's ... 52 others who are very comfortable with no hearings or no votes."

At least 17 Republican senators, including Mr. Grassley, have agreed to meet with Judge Garland. But only two — Ms. Collins and Sen. Mark Kirk of Illinois — are advocating a confirmation hearing. Sen. Jerry Moran of Kansas has backed down from his support for a hearing.

Judge Garland also met Tuesday with Sen. John Boozman, Arkansas Republican, who said he told the nominee that "the next president should fill the vacancy."

"My position is firm," Mr. Boozman said in a statement. "That means I will not advocate for hearings or a vote, nor will I support filling the vacancy with President Obama's pick after the election."

On the Democratic side, Sen. Jeanne Shaheen of New Hampshire met with the nominee and praised his "extensive legal career."

"It's time for the Republican majority to schedule hearings and a vote," said Ms. Shaheen.

As the Senate returned to work in Washington this week, the White House and its allies are getting more personal in the targeting of individual Republican senators in the nomination battle.

White House press secretary Josh Earnest singled out Sen. Tom Cotton, wondering aloud why the Arkansas Republican refused to meet with Judge Garland while his colleague Mr. Boozman had done so.

"Is he not going to show that same old-fashioned Southern hospitality to Chief Judge Garland?" Mr. Earnest asked.

Senate Minority Leader Harry Reid, Nevada Democrat, criticized Mr. Moran and Sen. Lisa Murkowski of Alaska on the Senate floor for reversing their support for hearings. "I hope the remaining Republican senators who were open to a meeting will stand firm," Mr. Reid said.

Sen. Richard J. Durbin, Illinois Democrat, said Republican senators know "in their hearts" that Mr. McConnell's position against hearings is wrong.

"In unguarded moments back home, they tell their constituents they represent what they really feel," Mr. Durbin said. "And then they face the music."

He said the backlash takes the form of a call from Mr. McConnell, who criticizes them for breaking ranks, and then admonishment from the conservative activist network funded partly by the billionaire Koch brothers and super PACs.

"And pretty soon, they're quiet again," Mr. Durbin said.

Mr. Obama will make another public pitch for the nomination Thursday during a visit to the University of Chicago law school.

Judge Garland also found himself in an unusual position for a Supreme Court nominee Tuesday — as the target of a judicial misconduct complaint by an activist conservative lawyer.

Ty Clevenger, who describes himself as "a gun-owning, pro-life, meat-eating Republican," sent a letter of complaint to Judge Garland and a copy to the Judicial Council of the U.S. Circuit Court of Appeals for the D.C. Circuit. It accuses Judge Garland of failing to act promptly on Mr. Clevenger's earlier misconduct complaint against a colleague, District Judge Ellen Huvelle, and "creating an overwhelming appearance of impropriety."

In his complaint, Mr. Clevenger said he is facing possible disbarment because of his actions as a

"whistleblower" against Judge Huvelle, who presided in a case pertaining to the dissolution of a law partnership. Mr. Clevenger's client was on the losing side of that case.

GOP Senator 'more Convinced Than Ever' That Garland Should Get Hearing

By Mike Debonis

[Washington Post](#), April 5, 2016

The second Republican senator to meet with Supreme Court nominee Merrick Garland exited her sit-down with the appeals court judge Tuesday declaring that she was "more convinced than ever that the process should proceed."

"The next step, in my view, should be public hearings before the Judiciary Committee so that the issues that we explored in my office can be publicly aired," Sen. Susan Collins (R-Maine) told reporters who staked out the hour-long morning meeting on Capitol Hill.

Those words were music to the ears of Senate Democrats and White House officials who are hammering away at the blockade established by top Republican leaders. But there is a big catch: Collins supported hearings even before the meeting, and 14 other Republicans who have agreed to meet with Garland say they will tell him they are opposed to election-year action on his nomination.

Garland's meeting with Collins kicked off a whirlwind round of Tuesday sit-downs, part of the charm offensive that White House officials hope will force Republicans to take up his confirmation.

Later in the day, Garland met with two Democrats — Jeanne Shaheen of New Hampshire and Joe Manchin of West Virginia — as well as another Republican, John Boozman of Arkansas.

Boozman, a more conservative senator than Collins representing a more conservative state, was expected to be a much tougher nut for Democrats to crack, and he handled his meeting with Garland much differently than Collins or Mark Kirk (R-Ill.), who invited reporters and photographers into their offices to document the visits.

Boozman did not emerge to greet Garland in front of cameras, and the meeting — which did not last much longer than 10 minutes — was considerably shorter than Garland's other recent Senate meetings.

He issued a brief statement afterward, explaining that he "conveyed to Judge Garland my position, which is that the next president should fill the vacancy."

"My position is firm," he said. "That means I will not advocate for hearings or a vote, nor will I support filling the vacancy with President Obama's pick after the election."

Other key meetings with Republicans are coming together in the weeks ahead: Senators Kelly Ayotte (N.H.) and Rob Portman (Ohio), who are up for reelection in November and have been subjected to special pressure, will

meet with Garland separately on April 14. And in a Monday phone call, Senate Judiciary Committee Chairman Charles E. Grassley invited Garland to have breakfast at a time and place to be announced.

Carrie Severino, chief counsel for the Judicial Crisis Network, which has organized conservative opposition to Garland's confirmation, said those senators will act more like Boozman than Collins.

"These meetings are non-events, no matter how badly the White House wishes the opposite were true," she said in a statement. "The only reason we hear anything about these courtesy meetings is that the White House is desperate to spin every act of political theater into a sign of life for the nomination."

Collins said Tuesday that it was "premature" to say whether she would support Garland in a floor vote but said she "found the judge to be extremely straightforward" during a lengthy conversation that touched on the Second Amendment, the limits of executive power and the role of the court in American life.

"He gave very thorough, impressive responses to all of my questions," she said.

Asked about the blockade favored by Grassley and Senate Majority Leader Mitch McConnell (R-Ky.), Collins said the Senate is "best served by following the regular order" but added that she was "not optimistic that I will be changing minds on this issue."

She added: "It would be ironic if the next president happens to be a Democrat and chooses someone who is far to Judge Garland's left."

Meanwhile, Democrats kept up the pressure in other ways Tuesday. A liberal activist group, Center for American Progress Action, organized a group of more than 30 advocates from key states represented by Republicans who are opposed to Garland's confirmation. The advocates, who include former judges, current and former elected officials, and military veterans, met with their home-state senators throughout the day.

Meanwhile, Senate Minority Leader Harry M. Reid (D-Nev.) used his daily floor remarks to renew his attacks on Republicans. He took special aim at Jerry Moran of Kansas, who told a home-state crowd that he favored hearings on Garland last month before reversing himself Friday after fierce attacks from conservative activists.

Reid, citing a Kansas newspaper report, accused Moran of succumbing to influential conservative donors, including the Koch brothers. One brother, Charles Koch, lives in Wichita and is a major political force in the state.

"He dared to do his job," Reid said of Moran. "Regrettably, Senator Moran is just the latest Republican senator to allow himself to be pushed around, to be intimidated by money. Instead of caving to the Republican

lender, the Koch Brothers, it is time for the Republican members to take a stand."

While no new GOP senators have joined Collins and Kirk in calling for hearings, Reid said at an afternoon news conference that he was confident the Republican siege would ultimately crumble. He did not rule out using procedural maneuvers to force a vote on Garland's confirmation.

"Certainly, we've got that arrow in the quiver to do that and other things if we choose," he said. "But right now, I think we're in a good place."

GOP Senator Meets With Garland, Says Hearings Should Be Held

By Mary Clare Jalonick

[Associated Press](#), April 5, 2016

WASHINGTON (AP) — A Republican senator said Tuesday she is "more convinced than ever" that there should be hearings on President Barack Obama's Supreme Court nominee after meeting with Judge Merrick Garland.

But Senate Majority Leader Mitch McConnell, R-Ky., made clear he is not budging, telling reporters, "I think it's safe to say there will not be hearings or votes."

Maine Sen. Susan Collins sat down with Garland on Capitol Hill for more than an hour. She is one of two GOP senators to call for hearings on Garland's nomination after McConnell said there would be no hearings or votes, leaving the decision to the next president after voters have their say in November.

"He has a humility about him," Collins said immediately after the meeting. "He has clearly thought very deeply about the issues confronting the courts, there was not any question he could not handle and he has a long record of accomplishment."

Collins acknowledged that she is unlikely to change anyone's mind on the issue. McConnell and Senate Judiciary Committee Chairman Charles Grassley of Iowa have held firm that they will block Garland, a move that conservative activists have cheered. Those two GOP leaders have the backing of 50 other GOP senators this election year.

Not long after Collins made her comments, McConnell addressed reporters after meeting behind closed doors with fellow Republicans. He said that Democrats' attempts to pressure Republicans on the issue during the Senate's just-completed spring recess had failed.

"The situation when we broke for the recess two weeks ago was that there were 52 Republican senators who didn't think we needed either a hearing or a vote in committee. And today two weeks later we have 52 Republicans who think we don't need either a hearing or a vote in committee," McConnell said. "I think it's safe to say there will not be hearings or votes. I think it is also safe to say the next

president, whoever that may be, is going to be the person who chooses the next Supreme Court justice.”

Democratic senators took turns Tuesday railing against the GOP stance, accusing Republicans of failing to complete their constitutional duties because of pressure from conservative groups and the billionaire donor Koch brothers. Senate Minority Leader Harry Reid suggested Democrats might pursue procedural maneuvers to try to force a vote on the nominee, saying, “Certainly we’ve got that in our arrow quiver to do that and other things if we choose.”

But another member of the Senate Democratic leadership, Patty Murray of Washington, acknowledged of the conservative strategy: “Sadly so far it seems to be working. Republicans who started to listen to their constituents are backing away and other Republicans are seeing what happens to anyone who even talks about doing their job.”

Another Republican who met with Garland Tuesday, Arkansas Sen. John Boozman, said he used the meeting to reiterate McConnell’s position.

“I really wanted to convey in person my position that the next president should be the person that fills the vacancy,” Boozman said in an interview with The Associated Press after the meeting. “That’s what we talked about and the fact that my position is firm, I’m not supporting going forward with hearings or a vote or anything of that nature.”

Boozman last week said he believed Garland would be too liberal for the Supreme Court, accusing the judge of siding too often with federal agencies in his rulings.

Garland has several more meetings this week, all with Democrats. Close to 20 GOP senators have said they are willing to meet Garland, though most, like Boozman, oppose letting the confirmation process progress. Collins and Sen. Mark Kirk of Illinois are the only two who have called for hearings. Kansas Sen. Jerry Moran had also said he thought there should be hearings, but reversed that position after conservative backlash.

Grassley’s office said Monday that he invited the judge to breakfast, though reiterated that he would not change his mind on the issue. Collins noted that the Iowa senator had at least extended that courtesy.

“Let’s see if after that meeting Sen. Grassley still holds to the position that there should not be hearings,” she said.

Collins said Garland is well-informed and thoughtful and that her colleagues would be impressed with him. She has spoken out at caucus meetings to try to convince others to have meetings and support hearings.

“It would be ironic if the next president happens to be a Democrat, and chooses someone who is far to Judge Garland’s left,” she said.

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Republicans Duck And Run From Merrick Garland

By Dana Milbank

[Washington Post](#), April 5, 2016

Merrick Garland is an oppo researcher’s nightmare.

Those who oppose President Obama’s Supreme Court nominee have been digging for dirt to justify opposition by 52 of the 54 Senate Republicans to granting him a hearing. But about the worst thing anybody has come up with: an allegation that Garland crossed lanes in a relay race. In summer camp. Fifty years ago.

“I began to chase Merrick down, narrowing the lead to about five yards with about 70 yards to go,” Fred Eisenhower, who went to day camp with Garland, wrote recently in the Chicago Tribune. “Merrick cut to the left in front of me before veering back on course. I staggered to avoid crashing into him” and never caught up.

The accuser acknowledged that the “adult leader” did not disqualify Garland’s relay team. But still: “Did Merrick Garland get away with something during that relay race?” Eisenhower asked. “Was it intentional?”

It may be time to empanel a select committee.

The relay race scandal — a sign that Garland opponents are coming up empty — helps to vindicate Obama’s choice: With Republicans refusing even to consider a nominee, the president chose somebody so anodyne, so beyond reproach, that those who won’t grant him a hearing look peevish and petty. I’m not convinced it’s the best strategy (Garland is too moderate to inspire Democratic voters, and Republicans won’t confirm him anyway), but Democrats believe the unobjectionable nominee will make Republicans up for reelection vulnerable to the criticism that they aren’t doing their jobs.

At the very least, Garland is making them squirm. Endangered Ron Kirk (Ill.) joined Susan Collins, a Maine moderate, as the only two GOP senators calling for hearings. Two other Republican senators up for reelection — Jerry Moran of Kansas and Lisa Murkowski of Alaska — said that Garland should get a hearing, before conservative pressure coerced them to recant.

Other Republican senators facing voters in November — Judiciary Committee Chairman Chuck Grassley (Iowa), Pat Toomey (Pa.), Kelly Ayotte (N.H.), Rob Portman (Ohio) and Ron Johnson (Wis.) — have said they would be sit down with Garland — even if they aren’t considering hearings. “If I can meet with a dictator in Uganda, I can surely meet with a decent person in America,” Grassley reasoned.

Now what the heck Idi Amin by that?

Democratic senators, returning to Washington after a two-week recess, picked up the Garland drumbeat Tuesday. Minority leader Harry Reid and minority whip Dick Durbin

began the day with floor speeches denouncing the refusal to consider Garland.

They got support in that position from Collins, who met with Garland for an hour Tuesday morning, while 50 photographers and journalists waited outside. "The meeting left me more convinced than ever that the process should proceed" with hearings, Collins said after the session.

Collins said she wasn't optimistic that her GOP colleagues would change their minds. "But I think if more of my colleagues sit down with Judge Garland that they are going to be impressed with him," she said, singling out Grassley.

The Republican National Committee has gamely tried to sully the nominee but has come up with nothing more damaging than saying "Judge Garland was viewed as liberal enough by the Obama administration to be considered for attorney general." House Republicans, Politico reported, want to investigate Garland's decision to recuse himself from a complaint against a colleague who was accused of rape.

But the Republican senators' various dodges suggest they don't feel comfortable opposing hearings for Garland. Grassley is scheduling a private breakfast with the nominee so he likely won't be photographed in the act. Similarly, Sen. John Boozman (R-Ark.) scheduled an unannounced meeting with Garland at his office Tuesday afternoon, without cameras.

The Post's Mike DeBonis and other colleagues canvassed all 54 Senate Republicans and found that at least 16 plan to meet with Garland, while three said they would support a confirmation vote on Garland during a lame-duck session after the election if a Democrat wins the presidency, and another 20 didn't rule out a lame-duck vote.

But they may not get that chance. If Hillary Clinton wins the presidency, and if GOP intransigence on Garland helps Democrats retake the Senate, there will be pressure from the left to drop Garland and to have Clinton name a much more liberal candidate.

"It would be ironic," Collins said Tuesday, "if the next president happens to be a Democrat and chooses someone who is far to Judge Garland's left."

The good judge could consider it delayed payback for what he did in that relay race 50 years ago.

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Editorial: Dear GOP: Stop playing politics and give Garland a hearing

Chris Cox: Why the NRA opposes Merrick Garland's nomination

David Cole: The next Supreme Court justice pick matters less than you think

Jerry Moran Threatened With Primary After Supreme Court Remarks

By Henry C. Jackson

[Politico](#), April 5, 2016

The GOP establishment had some advice for Rep. Mike Pompeo on Tuesday: Don't even think about running against incumbent Sen. Jerry Moran.

In an unusual statement on Monday, Pompeo (R-Kan.) mocked Moran for finally coming around to the party's position against taking up Supreme Court nominee Merrick Garland. Pompeo accused Moran of adopting a "liberal Democrat talking point" in saying he was trying to do his job.

Then his campaign told the Hays Daily News on Tuesday that Pompeo is not ruling out a run against Moran in a GOP primary on Aug. 2.

The National Republican Senatorial Committee took notice. In an interview on Tuesday, National Republican Senatorial Committee Chairman Roger Wicker of Mississippi said the GOP election arm is prepared to protect Moran if Pompeo moves toward running. Moran himself was head of the NRSC during the 2014 election cycle.

"I would hope he would not run. I would hope that Rep. Pompeo would make a decision to stay in the House of Representatives," Wicker said, calling Moran a "champion for not only Kansas values but also conservative Kansas values."

Republicans on Capitol Hill Tuesday said the party would go to similar lengths to protect Moran as they did in 2014 when they rallied behind Kansas Sen. Pat Roberts and Mississippi Sen. Thad Cochran against conservative challengers. Those efforts to protect incumbents were led by Moran, and helped the GOP capture the Senate even as it made the Kansas incumbent something of a lightning rod for criticism on the right.

Moran incensed conservatives over the two-week Easter recess when he told constituents that the "process should go forward" and that he has his "job to do" in considering Garland. His remarks were just the kind of response Democrats have been trying to elicit with their "Do Your Job" messaging campaign.

"Senator Moran's original position failed to recognize that denying consent to a Supreme Court nominee — the Senate's prerogative under the Constitution — is doing one's job every bit as much as holding the hearing, to which Senator Moran was publicly committed just three days ago," Pompeo said on Monday. "Voters forced Senator Moran to reconsider his position on Judge Garland, which is, for now, consistent and known by all."

The affable Moran insisted he's ready to take on a tough primary challenger. In addition to Pompeo, Milton Wolf, who lost to Roberts, has also made some noise about possibly taking on Moran.

Though Pompeo called him out 14 times in a press release, Moran would not respond directly.

"I'm not sure what [Pompeo's] motivation was," Moran said. "We've always planned for an opponent, you always hope that you don't have one. But we've always expected one . . . This is the best position I've ever been in in a campaign I've run for office."

Asked if the NRSC is prepared to rally around Moran and fend off a challenger, be it Pompeo or Wolf, Wicker responded with an "emphatic yes."

"Our committee's charter is to protect incumbent candidates. And beyond that, Jerry Moran has done a stellar job of representing his constituents," Wicker said.

Senate Majority Leader Mitch McConnell (R-Ky.) declined to address questions about the conservative backlash against his members such as Moran and Sen. John Boozman of Arkansas, who met with Garland Tuesday. Instead, McConnell stressed that both before and after the Senate recess, only two senators in his 54-member conference supported moving forward on Garland's nomination.

"I think it's safe to say there will not be hearings or votes," McConnell said Tuesday. "I think it is also safe to say the next president, whoever that may be, is going to be the person who chooses the next Supreme Court justice."

Reid Won't Rule Out Move To Force Garland Vote

By Seung Min Kim
[Politico](#), April 5, 2016

Senate Democrats aren't ruling out using a rare procedural maneuver to force a confirmation vote for Supreme Court nominee Merrick Garland — an option that's been recently floated by Senate Judiciary Committee Chairman Chuck Grassley.

Minority Leader Harry Reid (D-Nev.) said Tuesday that a so-called motion to discharge, which is meant to allow Garland's nomination to essentially circumvent Grassley's committee and bring a vote straight to the floor, is "certainly" one option in the Democrats' arsenal.

"There are many procedural things we can do. That's one thing we can do," Reid told reporters on Tuesday. "Certainly, we've got that arrow quiver to do that and other things if we choose. But right now, I think we're in a good place."

During his town halls in Iowa over the congressional recess, Grassley raised the prospect of such a procedural vote — which would be difficult to pull off, but possible, under Senate procedure. The Judiciary Committee chairman said despite the GOP's refusal to allow Garland's nomination to proceed, he believed Democrats would force the Republicans' hands by triggering the parliamentary option.

Though Democrats aren't ruling out the idea, they clearly want to keep pressure on Republicans in this first phase of the fight to confirm Garland to the Supreme Court. Reid stressed that for now, Democrats were focused on getting Republicans to relent on their Supreme Court blockade.

"I think what Sen. Grassley should do is tend to his own business and leave ours alone," Reid said. "We feel comfortable where we are. The obligation is for them to hold hearings and to have a vote."

Reid: Rare Procedural Tactic An Option To Move Supreme Court Nominee

By Alexander Bolton
[The Hill](#), April 5, 2016

Democrats say they may force Merrick Garland, President Obama's Supreme Court nominee, onto the Senate floor for a vote with an unusual procedural tactic known as a discharge resolution.

"There are many procedural things we can do. That's one thing we can do. Certainly we've got that in our arrow quiver, to do that and other things," Senate Democratic Leader Harry Reid (Nev.) told reporters on Tuesday.

The tactic has not been tried in recent memory, so few Senate insiders know how it would work.

Essentially, Reid or another Democrat would offer a motion to proceed to a resolution to discharge Garland from the Judiciary Committee.

That would first require Democrats to win a simple majority vote to move into executive session. If achieved, Democrats would have to overcome a 60-vote hurdle to move to consider the motion to discharge.

All in all, they would need to keep their ranks unified and persuade 14 Republicans to vote with them to pull Garland out of committee, an unlikely scenario.

Republicans control 54 seats while Democrats have 46.

Reid emphasized, however, that he's not in a rush to file such a resolution anytime soon.

He and his Democratic colleagues want to keep the pressure on Republicans to hold hearings on Garland, believing the public relations battle will earn them points with voters.

"The obligation is for them to hold hearings and to have a vote. That's in the Constitution," Reid said. "Right now, we think we're in a good place. The pressure's on them, not on us."

A senior Democratic aide described the discharge resolution as "a last resort."

Only two Republicans, Sens. Susan Collins (Maine) and Mark Kirk (Ill.), support holding hearings for Garland, a well-regarded jurist with nearly two decades of service on the D.C. Court of Appeals.

The number of Republican senators supporting a hearing was initially four, but two, Sens. Lisa Murkowski (Alaska) and Jerry Moran (Kan.), reversed themselves after getting strong pushback from GOP leaders and conservative activists.

The Democrats' public pressure campaign appears to have stalled, but Reid insisted Tuesday that Democrats still have the momentum.

"We feel we're making progress," he said, noting that nearly 20 editorials have been written in Iowa criticizing Senate Judiciary Committee Chairman Chuck Grassley's (R-Iowa) decision not to hold hearings.

He added that Grassley now has a more competitive re-election race.

"No one thought he would have a race," he added. "This is a real drag on the Republicans."

Reid noted that more than a dozen Senate Republicans have agreed to meet with Garland, although most of them have made clear they would do so only as a courtesy.

Biden Challenges College Students To Intervene, Prevent Campus Sex Assaults

By Chris Potter And Michael A. Fuoco

[Pittsburgh Post-Gazette](#), April 5, 2016

Speaking to nearly 1,000 students in the lobby of the University of Pittsburgh's Petersen Events Center, Vice President Joe Biden said that a college campus "should be the safest place in the world."

"You'd think the last place you'd have to worry about dropping off your beautiful son or daughter off would be on campus," he said.

But Mr. Biden cited statistics suggesting that as many as one in five women are sexually assaulted in college. And too often, he said, survivors don't notify proper authorities. Instead, he said, 68 percent of victims tell a roommate. "They don't go to the cops, they don't go to the chancellor."

"Help her," he urged the crowd. "Help her. Intervene. Engage."

Mr. Biden's visit was part of a tour to build support for "It's on Us," a White House initiative to raise awareness of sexual abuse on campus. It urges educators and students "to make a personal commitment to step off the sidelines and be part of the solution to campus sexual assault."

Since the effort launched in September 2014, more than 350,000 people have taken a pledge to "intervene in situations where consent has not or cannot be given" and "create an environment in which sexual assault is unacceptable and survivors are supported." Some 4,000 Pitt community members also signed pledges on a paper chain in February, and Mr Biden led the crowd in the pledge today.

"Everybody has an obligation to speak out," he said. "Ask yourself — and I mean this sincerely — ask yourself are

you doing enough? Are you doing enough to change a culture that asks all the wrong questions" by focusing on how assault victims were behaving.

Mr. Biden also noted that the Department of Education had initiated investigations of some 174 colleges of school districts based on their handling of assault cases. "Many of (the schools) are the most prestigious in our nation," he said. "It's bad publicity, man."

Schools that have been investigated include Point Park University and Carnegie Mellon University. Pitt is not among them, and has been hailed for its work on this issue. Chancellor Patrick Gallagher said Mr Biden's visit was a "powerful symbol of how important this issue is to our community," but said "We still have growing and changing to do."

Next week marks Sexual Assault Awareness Week, which the University of Pittsburgh will mark with a series of campus discussions and a self-defense class, capped by a student-led April 15 march.

Mr. Biden was joined by Gov. Tom Wolf and actor Matt McGorry, best known for his roles on the Netflix prison comedy/drama series "Orange is the New Black" and ABC's "How to Get Away With Murder."

Addressing men in the crowd, Mr. McGorry said, "It's time to step up.... It's not a women's responsibility to not be raped or assaulted: It's a man's responsibility not to rape or assault."

Mr. Biden connected the fight against assaults on campus to a quarter-century fight that, for him, began with his efforts to pass 1994's Violence Against Women Act. Early on, he said, even women's groups were wary of the issue.

"Good people knew it was going on," he said, "but didn't want to get involved." He praised the "truly brave women who would come forward in 1993 and 1994 and tell what happened to them."

But even today, he said, "Buried deep in our psyche as a culture is the idea that if it wasn't stranger rape, somehow the woman must have done something to encourage" the assault.

Students on hand to hear Mr. Biden's speech came away impressed.

"I thought he was incredible," said Iris Matijevic, a Pitt senior from Shaler after the address. "He's an excellent speaker. There were points where I got chills."

"You could see his passion in every word he was saying. And this isn't something he started yesterday."

She said she was lucky not to know anyone personally who had been abused.

"But I know friends of friends who have. He sees that it's a big deal that 1 on 5 have been abused, which is very crazy when you think about it."

"You look around when you're in a group of five girls and you could be one of them."

Pitt sophomore Courtney Brunch said she knows people on the Pitt campus and on other campuses who have been abused. She said she skipped a class to hear Mr. Biden.

"It was great to hear a high politician care about what's happening to students not just here but on other campuses nationwide," she said.

"He spoke so highly about a topic that is so important to him personally."

Unfortunately, not everyone on hand was able to hear Mr. Biden's message. Some ticket-holders were disappointed when they were denied access to the event. Pitt spokesman John Fedeles said the school overbooked.

"Frequently, people given free tickets do not claim them, or show up for the event. We had to cut off the attendance due to fire regulations," he said in an email.

Mr. Biden's day in Pittsburgh began when the vice president's plane landed at the 171st Refueling Wing at Pittsburgh International Airport at 10:41 a.m.

After disembarking into chilly but sunny 25-degree temperatures, Mr. Biden was greeted by Allegheny County Executive Rich Fitzgerald, Democratic U.S. Senate candidate Katie McGinty, United Steelworkers President Leo Gerard and other dignitaries.

Mr. Biden wore a dark blue jacket, a light blue shirt and a blue and gold tie — Pitt's colors — and sunglasses as his motorcade departed for Pittsburgh.

But first, the motorcade took a quick detour to Pamela's in the Strip District. The restaurant, known for its pancakes, is a favorite of President Barack Obama.

Waiting inside the restaurant, Nancy Givens and Jan Cummings of New Wilmington in Lawrence County were excited and couldn't believe their luck.

"I love him! I love him!" Ms. Givens said. "I'm just so happy to be here. I hope I get a picture with him."

When the vice president and Ms. McGinty entered the restaurant, the 16 diners applauded.

"I hope you all are supposed to be here because of all the cameras," he quipped about the media pool.

He then circled the entire room, shaking hands, patting backs, giving hugs and accepting smooches — and asking them to vote for Ms. McGinty on the April 26 primary. She followed him around, shaking hands and asking for support.

When he got to the table being shared by Ms. Givens and Ms. Cummings, he shook their hands and asked their names and sat with them. And then he posed for a picture with Ms. Givens, fulfilling her earlier wish.

"How about you?" he said to Ms. Cummings with a big smile to Cummings before posing for another photo.

It was a light-hearted moment before Mr. Biden left for Oakland to tackle the more serious subject of sexual assault. The Pittsburgh stop — Mr. Biden left the city shortly before 3:30 p.m. — is part of multi-city tour that is expected to take

Mr. Biden to the University of Nevada in Las Vegas and the University of Colorado in Boulder next week.

First Published April 5, 2016 11:19 AM

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Joe Biden Coming To Santa Fe On Saturday

By Michael Coleman

[Albuquerque \(NM\) Journal](#), April 5, 2016

Vice President Joe Biden and House Minority Leader Nancy Pelosi will attend Rep. Ben Ray Lujan's second annual Democratic issues conference in Santa Fe this weekend.

Lujan is hosting the event, scheduled for Friday through Sunday, in his role as chairman of the Democratic Congressional Campaign Committee.

"I look forward to welcoming Leader Pelosi, Vice President Biden, and my colleagues to New Mexico for this opportunity to show off the state and all the great things New Mexico has to offer," Lujan said in a statement today. "From our entrepreneurs to our famous chile, from our world class art to the majestic landscapes, our home is truly the Land of Enchantment."

Biden will speak to attendees, including Democratic members of Congress and congressional candidates from around the country, on Saturday.

"Over the course of the day, members of Congress will speak to the audience about different issues that they specialize in, and that are also of top concern to voters," a DCCC aide told me in an email.

The weekend's festivities begin on Friday evening with a Taste of Santa Fe reception at the Gerald Peters Gallery. On Saturday evening, the group will attend a reception at the New Mexico Museum of Art. The events are closed to the public. You can read about last year's Democratic Issues Conference here.

Biden Schedules Weekend Trip To Santa Fe

[Santa Fe \(NM\) Reporter](#), April 5, 2016

Vice President Joe Biden and US House Minority Leader Nancy Pelosi are headed to Santa Fe this weekend. They'll join Democratic Congressional Campaign Committee Chair Ben Ray Lujan and other members at the group's annual conference.

This is the second year that Lujan, who was named the group's chairman by Pelosi in November 2014, has hosted the event in Santa Fe. A spokesperson for the DCCC said details haven't been finalized, so it's still unclear which hotel venue will be used or if the vice president will have any public events while he's in town.

The news comes on the heels of the announcement from the White House that First Lady Michelle Obama plans to visit Santa Fe to deliver the commencement address at the Santa Fe Indian School on May 26.

Last year, the group's agenda included panel discussions on legislative policies and strategies, but with the general election just months away, it's a good bet that the Democrats will be discussing ways they can regain control of the House after losing their majority status in 2010, when the Republicans picked up 63 seats.

The Democrats have said they would need several election cycles to shrink the Republican majority, but with the prospect of Donald Trump winning the GOP nomination in Cleveland this summer, the Ds now believe they have a shot at retaking control this fall.

To make it a reality, the group will need to raise millions in campaign donations to fund key races around the country, and efforts are already underway. Last weekend, Luján and Pelosi attended a fundraising dinner in Hollywood with President Barack Obama at the home of Walt Disney Chairman Alan Horn.

Veteran political blogger Joe Monahan says that even with Trump at the top of the ticket, it will be difficult to win enough seats to flip the House.

"It would take an epic event," says Monahan. "The House districts are so gerrymandered."

Monahan points to Rep. Steve Pearce's southern New Mexico district.

"The Democrats have targeted his seat before but got absolutely nowhere, and it shows no signs of cracking this year," says Monahan. "It doesn't mean the Democrats couldn't have a good night with some of these swing seats. There's not many of those left."

Biden has been to the state several times since being nominated for vice president by Barack Obama in 2008.

In 2009, he helped congressional candidates Martin Heinrich and Harry Teague raise money for their House campaigns and returned in 2010 to support Diane Denish and Brian Colon's unsuccessful campaign for governor and lieutenant governor. He also visited two years later to help Heinrich raise money for his senate campaign.

In 2013, Biden invited Gov. Susana Martinez to fly with him to Rome for Pope Francis' installation. The two got along so well, he invited Martinez and former Gov. Bill Richardson to attend his Cinco De Mayo celebration.

Pentagon Chief Wants Streamlined, More Nimble U.S. Military Structure

[Reuters](#), April 5, 2016

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

Ash Carter Says U.S. Military Too 'top Heavy,' Aims To Cut Ranks Of Generals And Admirals

By Rowan Scarborough

[Washington Times](#), April 5, 2016

Defense Secretary Ashton Carter said on Tuesday he plans to reduced the number of generals and admirals to counter a "top heavy" command structure.

Shrinking the top brass is one of a number of ideas for updating the sprawling Defense Department command structure as contained in the 30-year-old Goldwater-Nichols Act.

Mr. Carter said there are too many four-star billets.

"In the coming weeks the Defense Department will look to simplify and improve command and control where the number of four-star positions have made headquarters either top-heavy, or less efficient than they could be," he said at the Center for Strategic and International Studies (CSISs) in Washington.

"The military is based on rank hierarchy, where juniors are subordinate in rank to their seniors," he said. "This is true from the platoon to the corps level, but it gets complicated at some of our combatant and component command headquarters, where we have a deep bench of extremely talented senior leaders. So where we see potential to be more efficient and effective, billets currently filled by four-star generals and admirals will be filled by three-stars in the future."

Mr. Carter is, however, sticking with the current line up of Combatant Commands, headquarters such as Central Command, European Command and Pacific Command which do the war planning and fight the wars.

For example, Central Command now heads the war against the Islamic State and the Taliban in Afghanistan. Pacific Command oversees counter-measures to China's growing aggression.

Some analysts had proposed consolidating commands, such as European and Africa commands. Africa Command was created in the George W. Bush administration to counter a growing Islamic threat on the continent.

Mr. Carter rejected that idea. Combining the two, he said, would be "actions that would run contrary to why we made them separate, because of their distinct areas of emphasis and increasing demands on our forces. And indeed those demands have only further increased in recent years, with each command growing busier."

Mr. Carter also said he plans to keep the chairman of the Joint Chiefs of Staff, currently Marine Gen. Joseph Dunford, out of the wartime chain of command, from the president to the defense secretary to field commanders.

Goldwater-Nichols institute that arrangement to preserve the chairman as an objective voice as the chief military adviser to the president and the defense secretary.

But chairman and the service chiefs, who are mostly assigned the task of maintaining combat readiness of each branch, will gain a larger voice in war planning and weapons acquisition.

"In an increasingly complex security environment, and with a decision chain that cuts across the combatant commands only at the level of the Secretary of Defense, we are not postured to be as agile as we could be," Mr. Carter said.

But the thrust of Goldwater-Nichols, a command structure born out of the failed Desert One operation to rescue Americans in Iran, will remain intact.

"I'm deeply proud of how our people have operated in Iraq and Afghanistan over the last 15 years," Mr. Carter said. "So the updates we make now must not undo the many positive benefits that Goldwater-Nichols has had for DoD. Instead, they must build on them."

Congress will have its own ideas on legislation this year to change the department's organizational structure.

IMF Boss Urges U.S. To Raise The Federal Minimum Wage

[Huffington Post](#), April 5, 2016

The U.S. should increase the federal minimum wage, expand a key tax credit for low-income workers and enact more "family-friendly" policies if it wants to boost the economy, Christine Lagarde, the managing director of the International Monetary Fund, said Tuesday.

The IMF, an international organization responsible for ensuring global economic stability, has now recommended several times that the U.S. raise the federal minimum wage.

The federal minimum hourly wage has been at \$7.25 since 2009. It's now 19 percent lower than it was in 1980 after adjusting for inflation.

In the U.S., the years following the financial crisis have been a period of uneven economic growth – a recovery that to many people hasn't felt like one. The wage proposal is one of many potential remedies that Congress has refused to enact into law. The U.S. also is the world's only developed country that doesn't guarantee paid time off for new mothers.

"It is no wonder that perceptions abound that the cards are stacked against the common man – and woman – in favor of elites," Lagarde said.

The IMF views these measures as necessary if the U.S. is to do its part to expand the global economy by 2 percent this year.

The organization has previously urged U.S. policymakers to spend more on infrastructure – think crumbling roads and bridges – and education. The policies could also help reduce inequality.

While the U.S. economy has been expanding by roughly 2 percent annually since the end of the Great Recession, many experts reckon that the rich have disproportionately benefited as low- and middle-income Americans increasingly fall behind.

"The good news is that the recovery continues; we have growth; we are not in a crisis," Lagarde said. "The not-so-good news is that the recovery remains too slow, too fragile, and risks to its durability are increasing."

"Certainly, we have made much progress since the great financial crisis," she went on. "But because growth has been too low for too long, too many people are simply not feeling it."

Last month, the IMF chief said that the U.S. could expand the economy by implementing family-friendly policies that could lead to more women in the workforce. Pointing to nations that have increased the ranks of working women by offering affordable child care and promoting "equal pay for equal work," Lagarde said the U.S. economy would probably grow by 5 percent if an equal share of women had jobs as men.

Opponents of policies deemed beneficial to workers argue that higher wages could lead to fewer jobs if employers view them as too costly when measured against their profits. Corporate profits in the U.S. are near all-time highs.

Many frustrated workers have lent their voices to the so-called "Fight for \$15" movement, which calls for a minimum hourly wage of \$15. New York state recently agreed to hike its minimum hourly wage level to \$15. More than two dozen states have enacted minimum hourly wages that are higher than what the U.S. government requires.

Former Secretary of State Hillary Clinton and Sen. Bernie Sanders (I-Vt.), who are both seeking the Democratic nomination for president, have sought to attract voters by highlighting economic inequality in the U.S. and promoting their competing policies for how best to increase stagnant middle-class earnings.

Sanders has proposed federal legislation that would hike the federal minimum hourly wage to \$15. Clinton backs a lower \$12 per hour federal minimum.

\$15 Is The Wrong Goal For Minimum-Wage Advocates

[Washington Post](#), April 5, 2016

GOVERNORS OF the nation's most and fourth-most populous states, California and New York, respectively, have signed a \$15-per-hour minimum wage into law. In the District, a judge has just ruled that proponents can try to get a \$15 minimum on the ballot in November; Mayor Muriel E. Bowser (D) supports accomplishing the \$15 goal legislatively. What the success of the \$15 minimum wage movement shows, in part, is that politics abhors a vacuum. In the absence of action by the Republican-controlled Congress to raise the federal minimum wage, states and cities encompassing about 65 percent of the U.S. population have decided to enact higher minimums, though usually less than \$15. Maybe the GOP should have taken President Obama up on his request

for a \$9 minimum when he offered it back in his 2013 State of the Union address.

Another lesson, however, is that, when it comes to public policy, popular and wise are not necessarily the same. Stuck on \$7.25 per hour since 2009, the federal minimum is due for an increase, especially in light of stagnant wages and income inequality. The magnitude of that increase, however, is a matter for caution, given the widely varying labor-market conditions across the country and the likelihood that sharp mandatory wage hikes would reduce the supply of jobs. Also, the minimum wage is not an especially well-targeted way to help the working poor, because — unlike the earned-income tax credit wage subsidy — it benefits many workers who are not poor, not supporting families, or both.

Moderate minimum wage increases in the past have not produced disastrous short-term employment consequences, at least not sharp enough to outweigh the perceived benefits of protecting workers from a race to the bottom of the labor market. Yet \$15 per hour would represent a quantum leap in the U.S. minimum wage, from its present level of about 35 percent of the median full-time hourly wage to nearly 75 percent of it, based on our reading of figures from the Organization for Economic Cooperation and Development and the Bureau of Labor Statistics. No other industrialized country's statutory minimum wage even comes close.

Even phased in over a few years, \$15 would represent a major departure, about which existing economic research offers little solid guidance. This might be why Alan B. Krueger, the minimum-wage expert who formerly headed Mr. Obama's Council of Economic Advisers, has written: "A minimum wage set as high as \$12 an hour will do more good than harm for low-wage workers, but a \$15-an-hour national minimum wage would put us in uncharted waters, and risk undesirable and unintended consequences." The obvious risks — borne disproportionately by the very-low-income workers whom minimums are meant to help — are apparent even to advocates of the \$15 minimum, as the many loopholes and caveats built into the California and New York increases implicitly demonstrate.

The minimum wage should go up, but sustainably. Setting the minimum at a particular historical benchmark, such as a percentage of the poverty line for a family, or a share of the median wage, would help focus the debate, and anchor it.

How The Dow Jones Industrial Average Fared On Tuesday

[Associated Press](#), April 5, 2016

U.S. stocks fell for a second day on Tuesday as the head of the International Monetary Fund sounded downbeat on the outlook for the world economy.

On Tuesday:

The Dow Jones industrial average fell 133.68 points, or 0.8 percent, to 17,603.32.

The Standard & Poor's 500 index lost 20.96 points, or 1 percent, to 2,045.17.

The Nasdaq composite index was down 47.86 points, or 1 percent, to 4,843.93.

For the week:

The Dow is down 189.43 points, or 1.1 percent.

The S&P 500 has fallen 27.61 points, or 1.3 percent.

The Nasdaq is down 70.61 points, or 1.4 percent.

For the year:

The Dow is up 178.29 points, or 1 percent.

The S&P 500 is up 1.23 points, or 0.1 percent.

The Nasdaq is down 163.48 points, or 3.3 percent.

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De Blasio Postpones Work On Crucial Water Tunnel

By Jim Dwyer

[New York Times](#), April 5, 2016

Mayor Bill de Blasio has postponed work to finish New York's third water tunnel, a project that for more than half a century has been regarded as essential to the survival of the city if either of the two existing, and now aged, tunnels should fail.

The new tunnel has already been completed and is carrying water into Manhattan and the Bronx. But segments that would supply Brooklyn and Queens, home to five million people, though also virtually finished, still await the building of two deep shafts.

If calamity or age forced the shutdown of City Water Tunnel No. 2, which is 80 years old, the primary water supply to much of Brooklyn and Queens would be lost for at least three months, city engineers said, the time it would take for an emergency activation of the sections of Tunnel No. 3 in Brooklyn and Queens that have already been finished.

The entire Brooklyn-Queens leg of the new tunnel was scheduled to be finished by 2021, with \$336 million included in the capital budget in 2013 by Mr. de Blasio's predecessor, Mayor Michael R. Bloomberg, for whom completion of the third tunnel was the most urgent and expensive undertaking of his tenure.

But last year, Mr. de Blasio's administration, eager to keep a lid on water and sewer rates that had grown by an average of 8 percent annually under Mr. Bloomberg, moved financing for the third tunnel to other projects, Amy Spitalnick, a de Blasio spokeswoman, said.

The city intends to finish the remaining portions of the tunnel sometime in the 2020s, but it has not set a date for

completion nor allocated money in the budget to carry out the work. For the foreseeable future, the \$6 billion tunnel will remain dry in the two largest boroughs, where well over half the city's population lives.

"You look back over the last 50 years, whenever there were fiscal pressures, the unseen world of the municipal water system is where weak city leaders turned to cut spending," said Kevin Bone, a professor of architecture at Cooper Union and an editor of "Water-Works: The Architecture and Engineering of the New York City Water Supply." "I'm disappointed to hear that they've deferred it. It is symptomatic about planning for the future in America."

The city's water system, which brings clean water more than 100 miles almost entirely with the power of gravity, could fill an atlas with its abundance and its distinctions.

The third water tunnel claims its own chapter in that history: When finished, its assembled segments will be the longest in the United States, at 60 miles; by many accounts, it is the largest capital undertaking in the city's history, and it is surely among the most complex engineering projects in the world. Generations of sandhogs, the workers who blast the rock to form the tunnel, have taken up the work begun by their grandfathers. Twenty-four people have died; scores have been maimed or injured.

Completion of the third tunnel rose to the top of Mr. Bloomberg's to-do list, his aides said, after a frightening meeting in 2002, during his first weeks as mayor. Officials from dozens of agencies had gathered to talk about preparedness for events like terrorist attacks and natural disasters.

"As ugly and disastrous as those scenarios were, none of them came close to the possible collapse of one of the two water tunnels that would make half the businesses and residences inside the city of New York uninhabitable," recalled Kevin Sheekey, a former deputy mayor, who was at the session.

At the time, the two existing tunnels were carrying more than a billion gallons of water to the city from a reservoir in Yonkers every day, as they had for much of the last century. They had not been closed or inspected since they went into service, Tunnel No. 1 in 1917 and Tunnel No. 2 in 1936. Engineers had tried to shut the older one temporarily in 1954, but a giant valve beneath Central Park trembled and began to crack, so they stopped. That year, the city authorized construction of a third tunnel, which would allow the older ones to be examined and the operating equipment to be overhauled.

Actual digging did not begin until 1970.

In the decades that followed, lawsuits, financial crises and other priorities sometimes brought the tunnel construction to a halt — "The \$1 Billion Tunnel to Nowhere" was the title of a New York magazine article published in

1979 — or to move along so slowly that completion remained beyond the sights of most people alive in 2002.

That left the city vulnerable to the potential collapse of old tunnels hundreds of feet below ground, or, perhaps more likely, the breakdown of equipment which could not be repaired.

"I asked, 'What could literally close down this city?'" Mr. Bloomberg said in 2013. "And a water tunnel failure would have really done that."

Mr. Bloomberg and his commissioners accelerated construction. He boasted that his administration spent more on Tunnel No. 3 than his five predecessors combined. Sandhogs worked three shifts a day. To pay for all of this, the city's water and sewer rates rose like a geyser. The debt on such projects has tripled in the last 15 years. Nevertheless, New York's rates, which increased by two and a half times under Mr. Bloomberg, remain in the middle range of rates charged by most big cities in the country.

Mr. de Blasio, who was a city councilman and later the public advocate during the Bloomberg years, criticized the mayor for the rate increases and suggested that they were actually being used as a backdoor tax to build up revenue for nonwater projects.

Near the end of Mr. Bloomberg's final term in office, the portion of Tunnel No. 3 serving the Bronx and Manhattan was completed, allowing the city to take 10 shafts serving Tunnel No. 1 out of service, said James J. Roberts, an engineer who is the deputy commissioner for water and sewer operations at the Department of Environmental Protection. Those shafts hold the operating equipment that had shown the most wear and tear, he said, but are still being maintained and could be used in an emergency.

Tunnel No. 2, the primary supply route for Brooklyn and Queens, still had no backup, but in 2013, Mr. Bloomberg set 2021 as the date for "activation" of Tunnel No. 3 as that secondary supply. Not long after Mr. de Blasio took office, his administration shifted that money.

"City Tunnel No. 3 Brooklyn/Queens activation has been deferred," William Pfrang, a consulting engineer with the city's water finance authority, wrote in a 2015 report. Asked at a City Council hearing last month when the tunnel would be working, Emily Lloyd, the commissioner of the Department of Environmental Protection, said, "My guess is that we're talking the mid-'20s."

This year, in a departure from typical city practices, the administration allocated \$52 million to design and acquire property for two Tunnel No. 3 shafts in the Maspeth section of Queens, though no money has yet been committed to build them.

"That gives us the ability to move forward should funding be available at some future year, for actually doing construction," said Vincent Sapienza, the deputy

environmental commissioner for engineering, design and construction.

Asked why construction of Tunnel No. 3 had been deferred, the de Blasio administration at first said it had been a decision of Mayor Bloomberg's, but later said it had been a matter of setting its own new priorities and addressing the cost of state and federal mandates.

With varying degrees of scrutiny by the Council, the city's environmental agency spends about \$7 million every day on capital projects, most of them involving water supply and sewers, across hundreds of miles of the state. The necessity to balance mounting debt with infrastructure needs was important, but "Tunnel 3 is a high priority project," said Adam Forman, a senior researcher at the Center for an Urban Future and the author of "Caution Ahead," a comprehensive study of New York City's utility and transportation networks.

Mr. Roberts, the deputy commissioner, said Tunnel No. 2 was in better shape than Tunnel No. 1, reducing the urgency to complete No. 3 for Brooklyn and Queens.

"You have to make judgments about priorities, and you can't lose sight of the fact that you need to keep water rates affordable," said Mr. Roberts, who has spent three decades at the agency. "You've got real people who need to pay real bills, and we try to be very conscious of that. Certainly, the mayor's office has been very conscious of that. It's an important factor."

Emily S. Rueb contributed reporting.

Gay Rights Battle Heats Up In Mississippi And North Carolina

By Jonathan M. Katz

[New York Times](#), April 5, 2016

DURHAM, N.C. — Mississippi's governor signed far-reaching legislation on Tuesday that critics say restricts gay rights and the online-payment company PayPal pulled back on an investment in North Carolina as gay rights issues roiled Southern states.

Both actions reflected escalating tension in Southern legislatures between conservative lawmakers and business interest over gay rights.

In Mississippi, Gov. Phil Bryant, signed into law a measure that would allow business and government workers to deny services based on religious beliefs. The law protects churches, religious charities and privately held businesses that decline services to people if doing so would violate their beliefs. Individual government employees are also protected, although the measure says governments must still provide the services.

In North Carolina, PayPal said it had dropped plans to put in global operations center in Charlotte because of that state's recent passage of a law banning anti-discrimination

protections based on sexual orientation, gender identity and gender expression. PayPal had pledged to bring 400 jobs and invest \$3.6 million in the area by the end of 2017.

In a statement, Mr. Bryant explained his reasons for signing the Mississippi legislation.

"This bill does not create one action against any class or group of people," the governor said in an interview on a local talk show. "It doesn't create a new action or a new defense of an action against those people."

Supporters, including religious leaders and conservative groups, applauded Mr. Bryant's actions.

The Alliance Defending Freedom, a conservative legal group, issued a statement that said:

Gay-rights advocates, on the other hand, were swift to criticize his action.

"This bill flies in the face of the basic American principles of fairness, justice and equality and will not protect anyone's religious liberty," Jennifer Riley-Collins, executive director of the American Civil Liberties Union of Mississippi, said in a statement. "Far from protecting anyone from 'government discrimination' as the bill claims, it is an attack on the citizens of our state, and it will serve as the Magnolia State's badge of shame."

The bishop of the Episcopal Diocese of Mississippi, Brian R. Seage, called the measure a futile effort "to defend a culture of fear."

"The State of Mississippi will likely find itself in federal courts once again," Bishop Seage said in a statement, "spending large sums of funds which could have been spent on building the future."

In Georgia last week, Gov. Nathan Deal vetoed a bill intended to protect critics of same-sex marriage. That bill was intended to offer protections to faith-based groups if they, absent certain conditions, refused to provide "social, educational or charitable services that violate" their religious beliefs. The measure also would have allowed such groups, without legal repercussions, to avoid hiring anyone whose religious beliefs conflicted with those of the organizations.

In North Carolina, however, Gov. Pat McCrory of North Carolina signed a law that eliminated anti-discrimination protections for lesbian, gay, bisexual and transgender people. That law — billed as a measure to regulate the use of single-sex bathrooms, but actually going much further — superseded a new anti-discrimination ordinance that was set to take effect in Charlotte this month.

With its announcement, PayPal became the first major company to say it was pulling out of an existing project. In a statement issued Tuesday, its chief executive, Dan Schulman, said, "Becoming an employer in North Carolina, where members of our teams will not have equal rights under the law, is simply untenable."

Mr. Schulman had already joined now more than 120 other business executives in signing a letter objecting to the

new law last week. Some, like Bill Maris, managing partner at Google Ventures, have pledged not to make any new investments in the state until the law is repealed. Other signatories include Apple, Facebook and Charlotte-based Bank of America, the largest corporation in North Carolina. Mayors and governors of other states, including New York, Vermont and Washington, have issued bans on most state-sponsored travel there.

Microsoft's president and chief legal officer, Brad Smith, raised objections Tuesday to Mississippi's law.

Mr. McCrory's office did not immediately respond to a request for comment Tuesday.

Mark S. Getzfred contributed reporting from New York.

Now OK In Mississippi: Denying Gays Some Services

By Sam Hall And Geoff Pender

[USA Today](#), April 5, 2016

JACKSON, Miss. — On the heels of a North Carolina law enacted two weeks ago, Mississippi's governor signed controversial anti-gay legislation Tuesday, saying he did so to protect the rights of people with "deeply held religious beliefs."

House Bill 1523 has drawn state and national attention with groups as varied as the Human Rights Campaign and the Mississippi Manufacturers Association all calling for Gov. Phil Bryant to veto the legislation.

Minutes after signing it, Bryant appeared on the JT Show on WLAU-AM, a conservative talk radio station based in Laurel, Miss., to discuss the new law, which is effective July 1; North Carolina's law was effective immediately. Bryant defended his actions, saying it prevented "government from interfering with people of faith who are exercising their religious beliefs ... in matters of marriage."

The Mississippi governor said the new law would not allow discrimination of anyone.

"This bill does not create one action against any class or group of people," he said. "It doesn't create a new action or a new defense of an action against those people."

Bryant's spokesman, Clay Chandler, denied The Clarion-Ledger's request for an interview Tuesday.

Bryant also denied opponents' claims that the law, which is almost certain to face legal challenges, would allow restaurants or governments to deny normal services to gay or lesbian people unless it was in the performing of a wedding ceremony. He cited a restaurant as an example, saying that a restaurant would not be allowed to deny serving a gay patron but could deny allowing a wedding to take place in the restaurant.

However, provisions in HB 1523 state that people can deny services or goods for the "celebration or recognition of any marriage, based upon or in a manner consistent with a sincerely held religious belief or moral conviction," which

would include pre-ceremony celebrations, post-wedding celebrations, anniversary celebrations and other related celebrations, opponents argue.

Before the governor signed the bill, he refused to meet with lesbian, gay, bisexual and transgender people and ignored business leaders, said the president of the Human Rights Campaign, which protested Monday outside the state Capitol and the Governor's Mansion.

"And now his state will suffer because of his ignorance and failure of leadership," the organization's president, Chad Griffin, said in a statement. "Just as we're doing elsewhere, we will continue to rally fair-minded voters, businesses, and civil rights advocates to repeal."

The Family Research Council, a Christian-based lobbying group, applauded the governor's decision to sign the bill and called business' opposition economic blackmail.

"No person should be punished by the government with crippling fines or face disqualification for simply believing what President Obama believed just a few years ago, that marriage is the union of a man and a woman," council President Tony Perkins said.

Bryant said he believes that many arguments against the bill were filled with misinformation.

"What I've seen in my business, when people in the secular community want to attack a bill, and they give the worst possible examples of what will happen," he said.

Ten states have passed or are considering similar bills, according to the National Conference of State Legislatures.

North Carolina's governor, Republican Pat McCrory, and its Legislature approved a similar law March 24. On Tuesday, PayPal canceled plans for an expansion that would have created 450 jobs there, and a television studio pulled upcoming production from the state.

Both actions were in response to the new law.

In Georgia after protests from businesses, Republican Gov. Nathan Deal vetoed that state's bill March 28.

In Mississippi, a spokeswoman for Nissan (NSANY) said the automaker's statement from last week in opposition to HB 1523 "still stands."

"It is Nissan's policy to prohibit discrimination of any type, and we oppose any legislation that would allow discrimination against lesbian, gay, bisexual and transgender individuals," the statement read. Nissan's car and truck plant in Canton, Miss., has been in operation since 2003 and employs more than 6,000 people, making it the largest private employer in the state.

Nissan has not indicated what consequences might arise from Mississippi's enactment of the discrimination law.

Vermont Gov. Pete Shumlin decided Tuesday to ban official state travel to Mississippi in light of the law and made the same decision last week on North Carolina after its law was enacted.

Travel and tourism revenue contributed \$388 million to the state's general fund in fiscal year 2014 and played a part in nearly 115,000 jobs, about 1 in 10 jobs statewide, according to Visit Mississippi, the state's tourism agency.

Mississippi House Speaker Philip Gunn, a Republican from Clinton, Miss., who is author of the new law, said business leaders who have come out against HB 1523 don't understand its provisions. He believes that the new law will withstand legal challenges and hopes that it won't hurt economic development.

Lawmakers in Mississippi and elsewhere have used the religious-liberty argument before to justify discrimination, said Jody Owens, managing attorney of the Southern Poverty Law Center. In earlier eras, white supremacists used that rationale to condone slavery and Jim Crow-era prejudice against blacks.

"This is a sad day for the state of Mississippi and for the thousands of Mississippians who can now be turned away from businesses, refused marriage licenses, or denied housing, essential services and needed care based on who they are," Executive Director Jennifer Riley-Collins of the American Civil Liberties Union of Mississippi. "This bill flies in the face of the basic American principles of fairness, justice and equality and will not protect anyone's religious liberty."

Mississippi Governor Signs Law Allowing Businesses To Refuse Service To Gay People

By Mark Berman

[Washington Post](#), April 5, 2016

Mississippi's governor on Tuesday signed into law a bill that allows businesses to refuse services to gay couples based on religious objections.

This bill states that it protects "sincerely held religious beliefs or moral convictions," including a belief that marriage is only between a man and a woman. It also says that a person's gender is that "determined by anatomy and genetics at time of birth" and goes on to say that businesses can determine who is allowed to access bathrooms, dressing rooms and locker rooms.

Gov. Phil Bryant (R) said in a statement that he was signing the bill "to protect sincerely held religious beliefs and moral convictions," arguing that the new legislation is meant to allow people to exercise their religious freedom.

"This bill does not limit any constitutionally protected rights or actions of any citizens of this state under federal or state laws," he said. Bryant added: "The legislation is designed in the most targeted manner possible to prevent government interference in the lives of the people from which all power to the state is derived."

A host of groups had called on Bryant to veto the bill, arguing that the legislation allows for state-sanctioned discrimination. Lawmakers and others who supported the bill

echoed Bryant in saying that the bill only protects the rights of people with religious beliefs.

"This is a sad day for the state of Mississippi and for the thousands of Mississippians who can now be turned away from businesses, refused marriage licenses, or denied housing, essential services and needed care based on who they are," Jennifer Riley-Collins, executive director of the American Civil Liberties Union of Mississippi, said in a statement. "This bill flies in the face of the basic American principles of fairness, justice and equality and will not protect anyone's religious liberty."

Before the bill was signed by the governor, the state's lieutenant governor, Tate Reeves, said it was needed after the Supreme Court ruled last year that gay couples have a right to marriage.

"In the wake of last year's U.S. Supreme Court decision, many Mississippians, including pastors, wanted protection to exercise their religious liberties," Reeves, a Republican, said in a statement last week. "This bill simply protects those individuals from government interference when practicing their religious beliefs."

Mississippi's new law is set to take effect in July.

Similar laws have been proposed or enacted in other states, leading to heated controversies — and, in several cases, an outcry from business groups that scuttled or changed the bills.

Georgia Gov. Nathan Deal (R) last week vetoed a religious liberty bill there, a decision that came after the National Football League and Hollywood productions criticized the measure and suggested it could cost the state business. Similar bills were quashed or altered for similar reasons in Arizona, Indiana and Arkansas.

Some business leaders and groups in Mississippi have spoken out against the bill there. IBM said it in a statement that the company was "disappointed" that Bryant signed a bill that "will permit discrimination against people based on marriage status, sexual orientation, and gender identity or expression."

But in some other states where religious liberty bills were proposed, businesses and organizations had considerable cudgels to wield: Arizona was set to host a Super Bowl as well as a new Apple manufacturing plant; Indiana, home to the NCAA, was also where the organization was holding the men's basketball Final Four amid the uproar over that state's bill. Georgia, like North Carolina, faced threats from professional sports leagues hosting major events in their states.

"Big business and Hollywood have engaged in economic blackmail in Mississippi just like they have in Indiana, Georgia, North Carolina and Texas to try to force government discrimination of those who support natural marriage," Tony Perkins, president of the Family Research Council, said in a statement. "However, unlike Indiana and

Georgia, leaders in Mississippi, North Carolina and Texas have chosen to defend the fundamental freedom of their citizens to believe and live according to those beliefs, rather than capitulate to the economic threats of big business and entertainment.”

Perkins said Mississippi’s law “gives fresh momentum to efforts on the federal and state level to stop government discrimination against people who believe that marriage is between a man and a woman.”

Bryant’s decision on Tuesday was also praised by the Rev. Franklin Graham, a North Carolina evangelist and the son of the Rev. Billy Graham.

Thankful for Governor @PhilBryantMS and the Mississippi legislators who voted to protect religious freedom. #HB1523 <https://t.co/ts8AfeFs22>

— Franklin Graham (@Franklin_Graham) April 5, 2016

Missouri lawmakers had approved a religious freedom bill last month, not long after South Dakota’s Republican governor vetoed a bill that would have required schoolchildren to use bathrooms matching their biological sex.

Bryant signed the “Protecting Freedom of Conscience from Government Discrimination Act” in Mississippi not long after PayPal, the California-based online payments firm, announced that it would abandon plans to expand to North Carolina due to a controversial law there. PayPal had planned to open a facility in Charlotte that state officials said would bring 400 jobs and millions of dollars to the local economy there.

The North Carolina law bars local governments from extending civil rights protections to gay and transgender people. Federal agencies have said they are reviewing federal funding to North Carolina due to that legislation. Legislators in North Carolina have defended the bill in the face of what that state’s governor called a “smear campaign.”

Further reading:

Critics say the Mississippi bill is ‘probably the worst religious freedom bill’ yet

The trick in North Carolina’s law

This story has been updated. First published: 1:17 p.m.

PayPal Withdraws Planned N.C. Expansion Due To Anti-gay Law

By Elizabeth Weise

[USA Today](#), April 5, 2016

SAN FRANCISCO — PayPal is canceling its planned North Carolina expansion due to the state’s new anti-gay law, just two weeks after making the initial announcement.

On March 18, North Carolina governor Pat McCrory announced that San Jose, Calif.-based PayPal would build a new global operations center in Charlotte, N.C. The center would have employed 400 people.

At the time, PayPal’s senior vice president of global operations John McCabe said, “with its strong ties to the financial community and technology savvy talent pool, Charlotte is an ideal fit for this new operations center.”

Then on March 23 North Carolina passed a sweeping law that prevents cities and counties from passing rules preventing discrimination against gay, lesbian, bisexual and transgender people.

On Tuesday, PayPal CEO and president Dan Schulman announced that the electronic payment company was withdrawing its plans to build an operations center in the state because the new law perpetuates discrimination and violates the values and principles that he said are at the core of PayPal’s mission and culture.

“This decision reflects PayPal’s deepest values and our strong belief that every person has the right to be treated equally, and with dignity and respect. These principles of fairness, inclusion and equality are at the heart of everything we seek to achieve and stand for as a company. And they compel us to take action to oppose discrimination,” Schulman said in a statement.

The loss represents an economic blow to Mecklenburg County, where Charlotte is located. According to the Economic Development Partnership of North Carolina, PayPal would have invested over \$3.6 million in Mecklenburg County by the end of 2017. The center was anticipated to yield a payroll impact of nearly \$20.4 million per year for Mecklenburg and surrounding counties.

The company said it regretted that it wouldn’t be a part of the Charlotte community but that because it was a company “committed to the principle that everyone deserves to live without fear of discrimination simply for being who they are,” it could not become an employer in North Carolina.

Locating in a state “where members of our teams will not have equal rights under the law, is simply untenable,” Schulman said.

The company is now looking for an alternative location for its operations center.

PayPal Abandons Plans To Open Facility In Charlotte Because Of LGBT Law

By Mark Berman

[Washington Post](#), April 5, 2016

The backlash against a North Carolina law that bars local governments from extending civil rights protections to gay and transgender people continued Tuesday, with PayPal saying it is abandoning plans to expand into Charlotte in response to the legislation.

This decision came just weeks after PayPal, the California-based online payments firm spun off from eBay, said it would open a global operations center in Charlotte, a

move that state officials said would bring millions to the local economy and employ 400 people.

"The new law perpetuates discrimination and it violates the values and principles that are at the core of PayPal's mission and culture," Dan Schulman, PayPal's president and chief executive, wrote in a statement on Tuesday. "As a result, PayPal will not move forward with our planned expansion into Charlotte."

North Carolina's law was introduced to override a civil rights ordinance passed in Charlotte this year that said transgender people in the state's largest city could use bathrooms corresponding with their gender identity.

Last month, state lawmakers hastily introduced and passed a bill that overrode Charlotte's measure and said that transgender people were prohibited from using bathrooms that do not correspond with the gender listed at their birth.

Gov. Pat McCrory (R) signed the state measure, praising it as needed "to stop this breach of basic privacy and etiquette" in Charlotte.

The state law was quickly pilloried by LGBT rights groups and a host of companies, including Apple, Google, American Airlines and Lowe's. The NBA, which has a franchise in Charlotte, suggested that it was considering moving next season's All-Star game out of that city because of the law. A lawsuit filed against the legislation last week called it tantamount to legalized discrimination.

This law could also cost the state federal funding. At least five federal agencies are debating whether to withhold money because of the law.

McCrory has defended the state law as necessary to protect people using a public restroom or locker room. In a video message posted last week, he said the state "has been the target of a vicious, nationwide smear campaign."

A spokesman for McCrory did not respond to a request for comment about PayPal's announcement Tuesday.

North Carolina Attorney General Roy Cooper (D), who is facing McCrory in what is expected to be a tight gubernatorial race in November, said the law cost the state "new, better paying jobs" and called on McCrory to repeal the legislation.

On Tuesday, Schulman said PayPal regretted its decision to abandon the Charlotte facility but called the choice "clear and unambiguous."

"As a company that is committed to the principle that everyone deserves to live without fear of discrimination simply for being who they are, becoming an employer in North Carolina, where members of our teams will not have equal rights under the law, is simply untenable," he said.

Schulman said that PayPal would find another home for its operations center, but he did not specify where or when a decision would be made. At least one other city quickly threw its hat into the ring, as the deputy mayor of Washington, D.C. suggested the District as a replacement:

Dear @paypal: DC is ideal place for your business since we respect the rights of ALL our residents.
@MayorBowser <https://t.co/U42w1tY4lk>

— Public Safety in DC (@SafeDC) April 5, 2016

Washington Mayor Muriel E. Bowser (D) — who retweeted that message and tweeted, then deleted, another message aimed at PayPal — last week banned official travel from the nation's capital to North Carolina due to the law. She is among several officials to enact such bans, including New York Gov. Andrew M. Cuomo (D), who signed an order saying that "the will of the many cannot be the basis for discrimination against the few."

Cuomo's statements drew a sharp response from McCrory's office, which pointed out that the governor had no qualms about people traveling to Houston, where voters rejected a measure designed to protect gay and transgender people last November.

Josh Ellis, a spokesman for McCrory, said Cuomo was being hypocritical by not calling on the Syracuse University men's basketball team to skip the Final Four in Houston due to that vote. (Syracuse ultimately lost to the North Carolina team in their match-up over the weekend.) The NCAA, which spoke out against the North Carolina law and others in Georgia and Indiana, never got involved in Houston's debate.

The decision by PayPal to nix its Charlotte plans appears to be the biggest response yet from a major company. And it affects something that McCrory had praised just days before he signing the controversial law last month.

McCrory called North Carolina "the ideal destination" for such a company in a statement he released last month. The company's choice of North Carolina "means that we can add another prominent name to the state's growing list of technology businesses with major operations here," McCrory said.

"PayPal's announcement today sends a loud and clear message to Governor McCrory that discrimination is not only bad for North Carolina and bad for people — it's bad for business," Chad Griffin, president of the Human Rights Campaign, said in a statement.

McCrory's office had said that PayPal would invest more than \$3.6 million in Mecklenburg County by the end of next year. His office also said that a state grant, approved in March, made PayPal eligible for \$2.7 million in reimbursements over the next 12 years.

Further reading:

'Wrong beyond repair.' N.C. newspapers blasted the law

Groups file lawsuit against North Carolina law

Georgia's governor just vetoed a religious freedom bill

The trick in North Carolina's law

This story has been updated. First published: 11:10 a.m.

Why Did Tennessee's Legislature Name The Bible As The Official State Book?

By Lisa Suhay

[Christian Science Monitor](#), April 5, 2016

The Bible Belt just got cinched a notch tighter, as Tennessee's legislature on Monday passed a bill to designate the Bible as the state's official book.

If Republican Gov. Bill Haslam signs SB1108, the Bible will join the mockingbird, the tulip poplar, the channel catfish, the Barrett .50 caliber rifle, and the song "My Homeland, Tennessee" as one of the Volunteer State's many official symbols.

The bill's sponsor, Republican Sen. Steve Southerland, argued that the Bible plays a special role in history – both that of Tennessee and the Holy Land.

"The Holy Bible is of great historical and cultural significance in the State of Tennessee as record of the history of Tennessee families that predates the modern vital [statistical] records," Sen. Southerland said in his floor speech. "It records things like births, marriages, and deaths, and printing the Bible is a multi-million dollar industry in this state, with many top Bible publishers' headquarters' in Nashville."

Southerland isn't wrong about the Bible's importance to the state's economy. Publishing is the leading industry in Nashville, often referred to as the "buckle on the Bible Belt," employing 12,000 workers, with gross annual sales of more than \$600 million, half of it in religious publications.

Nashville also is the home of the largest Bible publisher, Thomas Nelson, and the world's largest Bible distributor Gideons International. The United Methodist Publishing House, which claims to be the largest church-owned and operated publishing and printing plant in the world, is also in Nashville.

The Tennessee chapter of the American Civil Liberties Union condemns the bill, calling it a "thinly-veiled effort to promote one religion over other religions," as well as an affront to those who practice no religion.

Hedy Weinberg, executive director of the ACLU in Tennessee, says that the bill represents a response to increasing diversity in the state and the Supreme Court's upholding of marriage equality.

"The rich and growing demographic diversity and the backlash against the equal marriage decision may be driving some legislators to put a big red stop sign up by filing bills that not only violate constitutional guarantees, but attempt to slow down progress and discriminate against individuals," she says.

In the past, faith-based legislative efforts have had varying degrees of success and longevity. For example, a similar attempt to make the Bible the state book in Louisiana in 2014 ended with the bill being pulled by its sponsors.

Texas was more successful with its efforts to pay tribute to Christianity: In 2000, Gov. George W. Bush declared June 10 to be Jesus Day.

Across the United States, seven US states still officially prohibit atheists from holding public office.

Last month North Carolina's Republican Governor, Pat McCrory, signed a religious liberty bill prohibiting transgender people from entering any bathroom where the symbol on the door doesn't match their birth gender. However, blow-back from the business community could mean a shortened lifespan for that legislation.

Linda Lemmon, executive secretary to the president of the Bible and Literature Foundation in Tennessee which, according to its website, has shipped 341,980 bibles to five nations so far this year, says in a telephone interview that she is pleased that the Tennessee Bible bill is headed to the governor for his signature.

Ms. Lemmon who has lived in the state for 65 years, says she favors the King James version of the Bible, "I think it ought to be every state's book, every person's book."

Asked her opinion about those who oppose mandating one religion for the state, Ms. Lemmon responds, "They tend to be against Christianity altogether."

"We're in an atmosphere it's not cool to be Christian," she adds. "It's not cool to serve your Lord. It's not cool to mention Jesus."

Not all opposition to the bill, however, is motivated by antipathy to religion. Democratic Senator Lee Harris said during the floor speech on the bill that the "effort to make the Bible the state book reflects a pattern to promote one view."

"My constituents tell me they want to respect diversity of faith traditions in our state," he said in his floor speech. "One in five Tennesseans are not Christian. In Memphis alone there are 8,000 Jews. I am a Christian but I do not think we should promote a bill that supports just a single religion."

Lemmon, for her part, says that, "In America we have freedom of religion, but we don't have freedom from religion."

Legislators brushed aside the concerns of the state attorney general that the measure conflicts with the Tennessee Constitution which states that "no preference shall ever be given, by law, to any religious establishment or mode of worship."

Sen. Ferrell Haile, R-Gallatin, voted against the bill saying in his floor speech that the Bible was intended to be recognized by individuals and "not as a nation, not as a state."

Senator Haile used the Roman Emperor Constantine's actions in the 4th century as an example saying that government involvement "demeans" the Bible.

"In response to your questions I would like to offer that a life lived by the Bible will have a far greater impact than a bill passed," writes the senator in an email response to being asked why he voted against the bill.

Senator Jeff Yarborough, D-Nashville, said in his floor remarks that, "It's hard to vote against the Bible. Nobody wants to do that. When we were sworn in here we placed our hand on a Bible, but we were not swearing to uphold that text."

There has been no mention of which version of the Bible would be used and there has been no word from the governor on whether he will veto the bill.

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Alabama Governor Faces Impeachment For Sex Scandal

By Brian Lyman

[USA Today](#), April 5, 2016

MONTGOMERY — An Alabama lawmaker Tuesday filed articles of impeachment against the state's governor over what he called "incompetency" and an inability to lead after questions about his relationship with a former staffer.

"We've never done this before," said Rep. Ed Henry, a Republican from Hartselle, Ala., at a news conference Tuesday. "We've never tried to impeach a governor." But he added the "process begins today."

Gov. Robert Bentley, a Republican, in a statement called the move "political grandstanding" meant to distract the state from pressing issues.

"There are no grounds for impeachment, and I will vigorously defend myself and my administration from this political attack," the statement said.

On March 23, former Alabama Law Enforcement Agency Secretary Spencer Collier accused Bentley of having an affair with senior political adviser Rebekah Caldwell Mason. Collier said he discovered the affair in 2014, when Bentley was married to his wife Dianne. The Bentleys divorced last fall, ending their 50-year marriage. Audio of Bentley making suggestive comments in a phone conversation has since surfaced.

Alabama Gov. Robert Bentley speaks during Alabama Community College Day on the Alabama Capitol lawn on Tuesday, April 5, 2016, in Montgomery, Ala. Bentley vowed to defend himself in wake of filing of articles of impeachment against him. (Photo: Albert Cesare, Montgomery (Ala.) Advertiser)

Collier accused Bentley and Mason of using state funds to pursue the affair, though he said he had no proof. Bentley acknowledged making inappropriate remarks to Mason, and said he had apologized for them. Both he and Mason denied having a physical affair. The Alabama Ethics Commission has indicated it will investigate the allegations.

Mason resigned as the governor's political adviser last week. Questions have arisen about how Mason, who has not

been on the state payroll since 2013, was paid. Mason said the Alabama Council for Excellent Government, a group formed to promote Bentley's agenda, paid her \$15,000 last year. The group has not filed a 990 form and says it is a 501(c)(4) organization; those groups do not have to disclose donors.

Bentley fired Collier on March 22, saying an audit of law enforcement agency raised concerns, "including possible misuse of state funds." Collier strongly denies any wrongdoing.

Alabama's Constitution allows for impeachment of constitutional officers for a broad range of actions, not all of them illegal. The state's governing document allows for the removal of officers for "willful neglect of duty, corruption in office, incompetency, or intemperance in the use of intoxicating liquors or narcotics ... as unfits the officer for the discharge of such duties, or for any offense involving moral turpitude."

The Constitution is less specific about the process of impeachment. Unlike the U.S. Constitution, the state constitution does not provide a margin for conviction of an impeached constitutional officer in the Senate. Rep. Mac McCutcheon, a Republican from Huntsville, Ala., said Tuesday the House would set up an investigatory committee to determine whether there were grounds for impeachment.

Bentley's relationship with the Legislature in his time in office has been at best uneasy and at worst confrontational. The governor's attempts in 2012 to force changes in the state's controversial immigration law during a special session fell flat after he was unable to find a sponsor for his proposal in his own party; Bentley later signed amendments made by the Legislature. In 2014, he shocked legislators by demanding a pay raise for teachers after working out an agreement to fund the education insurance program. The governor's moves were defeated.

Last year the governor, citing the need to bring stability to the long-troubled General Fund budget, proposed a \$728 million tax and revenue package to shore up the budget. The move triggered a six-month battle with legislators; the House leadership proposed a smaller package, while the Senate resisted most revenue measures. In the end, a General Fund with about \$166 million in new revenues got approved.

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Related:

Alabama Lawmaker Moves To Impeach Governor

By Campbell Robertson And Alan Blinder

[New York Times](#), April 6, 2016

An Alabama lawmaker announced on Tuesday that he was filing articles of impeachment against Gov. Robert Bentley, who admitted to having made sexually charged

remarks to one of his closest aides and is facing questions about possible misuse of state resources in connection with that relationship.

The measure was introduced at a news conference by State Representative Ed Henry, a Republican who was flanked by several other lawmakers, Democrat and Republican.

"We're looking at this governor, who has essentially betrayed the trust of the people of Alabama," Mr. Henry said. "The only course the people of Alabama have to address this issue is through the impeachment process."

The scandal broke into the open in March, when the recently ousted top law enforcement official in the state publicly alleged that the governor and the adviser, Rebekah Caldwell Mason, had been having an affair. Tapes surfaced of Mr. Bentley apparently talking to Ms. Mason, and discussing, among other things, how he loved to "put my hands on your breasts."

Mr. Bentley, a Republican, has rebuffed calls to resign. On Monday, during a news conference at a state prison, the governor apologized, though he did not address the accusations in detail.

"I've asked God to forgive me because that's the most important thing," he said. "I have truly asked the people of this state — they're the folks who love me and are the best people in the world — I have asked them to forgive me."

Mr. Bentley said on Tuesday that he would continue to do his job.

"For five years, I have faithfully served the people of Alabama. We have made great progress streamlining the way state government operates and have saved taxpayers more than \$1 billion annually," he said.

He added: "There are no grounds for impeachment, and I will vigorously defend myself and my administration from this political attack. Today's press conference is nothing more than political grandstanding intended to grab headlines and take the focus away from the important issues the Legislature still has to address before the end of the session."

There has not been an impeachment for the past hundred years, according to D. Patrick Harris, the secretary of the Alabama Senate, and the state Constitution is vague on the process. While the exact procedures are unclear, a majority of the House of Representatives would need to vote for impeachment.

If the House did vote for impeachment, a trial would be held in the Senate, which would be presided over by the chief justice of the state Supreme Court. That position is held by Roy S. Moore, famous for fighting a federal court over same-sex marriage and defying an order in 2003 to move a giant monument of the Ten Commandments from the state judicial building. Continue reading the main story

Southern California Braces For Summer Blackouts Due To Porter Ranch Gas Leak

By Alice Walton, Contact Reporter

[Los Angeles Times](#), April 5, 2016

State officials warned Tuesday that Southern California could experience as many as 14 days of blackouts this summer due to the massive methane leak in Aliso Canyon.

The Aliso Canyon storage facility in the hills above Porter Ranch is at one-fifth of its capacity due to a well leak that began in October. Officials said it could potentially take months to bring it back online, and in the meantime, local power plants will be without a key source of natural gas.

Aliso Canyon supplies natural gas to 17 power plants in the Los Angeles basin, including four operated by the DWP. A drop in supply would affect the DWP's ability to get electricity from its natural gas-powered plants, officials said.

"These pipelines also cannot transport gas fast enough to meet the hour-by-hour or changing demands of power plants during the summer when electricity demand peaks," said Mark Rothleder, vice president of the California Independent System Operator.

Millions of customers could be affected in Los Angeles, San Bernardino, Orange, Riverside and San Diego counties. It marks the biggest threat to the local power supply since the energy crisis of more than a decade ago, which led to so-called "rolling blackouts."

Robert Weisenmiller, chair of the state Energy Commission said officials this summer would anticipate scheduled outages for some users as opposed to rolling blackouts that affect large swaths of the region.

A draft report from four key energy agencies — the California Energy Commission, the California Independent System Operator, the California Public Utilities Commission and the Los Angeles Department of Water and Power — estimates the region could have power outages on as many as 14 days this summer. Outages could occur on another eight to 18 days later in the year.

"The action plan recognizes the crucial role Aliso Canyon plays in providing reliable energy service to Southern California, and we appreciate that the agencies responsible for developing the plan understand that steps need to be taken to deal with our inability to rely on Aliso in the near term," said Chris Gilbride of the Southern California Gas Co.

Aliso Canyon has 15 billion cubic feet of natural gas in its underground reservoirs. Because of the leak, Southern California Gas Co. is prohibited from injecting gas into the reservoir until a safety check is completed on the facility's 114 wells. Aliso Canyon typically provides gas to 11 million people in the region.

The four energy agencies released a plan Tuesday with 18 recommendations that could reduce the possibility of blackouts.

"We cannot say this is risk-free. We can certainly take measures to reduce that risk," Weisenmiller said.

Among the 18 recommendations to reduce the risk of blackouts, the DWP will curtail the stockpiling of gas and sales of wholesale electricity. In times of peak demand, the utility may turn to hydroelectric power, which is more expensive than power from gas-fueled electricity plants.

Customers will be asked to conserve gas and energy by turning down the temperature on their water heaters and taking shorter showers, using air conditioners sparingly and shutting off gas-powered BBQs.

"Saving electricity is really one of the best ways to save gas," said DWP General Manager Marcie Edwards.

In coming weeks, the city of Los Angeles will announce rebates and other programs to encourage commercial and residential customers to save energy, said Mayor Eric Garcetti.

"We can all help get through this tough period by conserving energy, making our buildings more efficient, and taking other actions that reduce our use of electricity and natural gas," he said in a statement.

The four agencies will host a public workshop on the draft plan on Friday in Woodland Hills.

Regulatory approval will be needed for some of the recommendations. Others will be costly fixes. The Public Utilities Commission is tracking those additional costs, said commission President Michael Picker. Utilities will not be able to pass on those costs to customers without the PUC's approval of a rate increase.

A representative from the gas company was not immediately available to comment.

The announcement comes amid debate about the future of the Aliso Canyon facility. In the wake of the massive leak, which forces residents to flee their homes for months, some local officials and community groups want the entire operations to shut down permanently.

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San Francisco Poised To Approve Fully Paid Parental Leave

By Thomas Fuller

[New York Times](#), April 6, 2016

SAN FRANCISCO — Lawmakers here were poised on Tuesday to approve a measure that would make San Francisco the first city in the United States to offer six weeks of fully paid leave for new parents — mothers and fathers, including same-sex couples, who either bear or adopt a child.

California is already one of only a few states that offer paid parental leave, with workers receiving 55 percent of their pay for six weeks, paid for by employee-financed public disability insurance. The new law in San Francisco would

mandate full pay, and the 45 percent difference would be paid by employers.

The proposed ordinance, which is expected to pass the city's Board of Supervisors, would make San Francisco's policy far broader than that of New York City, which has also expanded its parental leave policy. In December, Mayor Bill de Blasio of New York ordered that 20,000 nonunionized workers be given six weeks of fully paid parental leave, but that amounts to a small sliver of the total municipal work force of around 300,000.

In San Francisco, the new law would apply to all employers with 20 or more workers. The local Chamber of Commerce has pronounced itself neutral on the measure; a group representing small businesses is opposed.

Scott Wiener, the supervisor who introduced the measure, said that San Francisco lawmakers had chosen to take up the issue partly because there was little hope of change at the national level.

"Whether it's paid parental leave, infrastructure investment, minimum wage, paid sick leave or addressing carbon emissions, we know the states have to act," Mr. Wiener said.

Only two states besides California — New Jersey and Rhode Island — mandate paid parental leave, and none at full pay. The funds for parental leave in all three states come from employee-funded public insurance systems.

San Francisco's proximity to Silicon Valley may have been an influence: The proposed measure follows on the heels of trailblazing policies by tech companies such as Amazon, Apple, Google and Netflix, all of which offer relatively long paid parental leave for employees. A spokeswoman for Twitter — which has headquarters in San Francisco — said Tuesday that the company would give full-time employees in the city 20 weeks of paid leave starting May 1.

Supporters of the measure rallied on the steps of City Hall on Tuesday.

Julia Parish, 33, a lawyer with the Legal Aid Society who is eight-and-a-half months pregnant, said the measure would be particularly helpful to lower-income residents who do not work for companies with generous benefits. "We are ahead of the curve in California, but globally we are way behind," she said. "It's shameful."

Indeed, by global standards, the San Francisco ordinance would be a modest step. The United States is one of only two countries out of 185 listed by the International Labor Organization that does not have a national law providing some form of paid parental leave. (The other is Papua New Guinea.)

The parental leave measure is one of several pro-worker initiatives emerging from California. Gov. Jerry Brown signed a law Monday that would progressively raise minimum wage to \$15 per hour by 2022. Separately, the leader of

California's Senate is pushing for a plan that would offer tax-free retirement savings plans for the 7.5 million workers in California who do not have employer-provided retirement plans.

At a time of great divisions at the national level, amplified by the bitterness of the presidential election campaign, California's Democratic leaders say they see an opening to push hard on liberal issues inside the state.

"With the presidential election in the background — with so much anger and anxiety — California is going in a vastly different direction," said the Senate president pro tempore, Kevin de León, the author of the retirement savings plan. "We are proving that despite the large legislative vacuum in Washington, D.C., that California can lead on its own."

Gavin Newsom, the state's lieutenant governor, said the country's divisions were making action by the states more urgent and necessary.

"The nation is alive from the bottom up," Mr. Newsom said. "For all the disproportionate focus on Washington, D.C., there's a whole other America out there, and it should give pause to the pessimists."

Pro-labor battles have been hard fought in Washington. The federal parental leave law, known as the Family and Medical Leave Act, provides for 12 weeks of parental leave — unpaid.

The law was passed in 1993 but was vetoed or blocked for a decade before being signed by President Bill Clinton.

Paid family leave, including parental leave, is scheduled to start in New York State in 2018 as part of a budget passed last week by the State Legislature; in the first phase of the law, workers will get 50 percent of their wages during eight weeks of leave.

In addition to parental leave, experts point to a growing number of states and municipalities that are passing laws governing sick leave and retirement plans.

California's retirement savings plan addresses what experts say is the looming problem across the country of underfunded retirements. Under the program, called Secure Choice, workers would have a yet undetermined amount — around 3 to 5 percent — automatically deducted from their paychecks and placed in an investment fund that they can maintain throughout their careers.

The fund would be overseen by portfolio managers chosen by the state. Unlike a 401(k), employers will not add funds to the plan — the savings come entirely from employees.

Employees can opt out of the savings plan.

The program passed unanimously through a vetting committee led by the state's treasurer, but still needs to pass the full Legislature and be signed by the governor.

Karen Friedman, the policy director of the Pension Rights Center, an advocacy group in Washington, said that while Secure Choice was a modest start to address the

country's savings shortfall, it was also a "blueprint" for similar programs being proposed in around 25 other states.

"There's been a lot of proposals out there, but California became the state leading the effort," she said. "It's a recognition that most people are retiring without adequate income."

Chris Lehane, a former Democratic Party operative who was hired by Airbnb last year as head of global policy and public affairs, said that the gridlock in Washington had created an opening for California, and especially the state's Democrats, to act.

"It's a political branding opportunity," he said. "While others fiddle and diddle, California moves." Continue reading the main story

Louisiana Politician Sees Hollywood Gold In State's Future

By Michael Cieply

[New York Times](#), April 6, 2016

We've had the Square Deal, the Fair Deal and the New Deal.

Now, Billy Nungesser, who has been the lieutenant governor of Louisiana since January, is pondering what could be called the Reel Deal.

With the state's substantial film and television production incentives under pressure because of a budget crisis that arrived with falling oil prices, Mr. Nungesser is proposing a novel approach: Louisiana will extend the incentives in return for a promise that taxpayers will share in the profits from any big winners at the box office.

"I can't think of any good argument against it," said Mr. Nungesser, who floated his proposition — at this point, just a trial balloon — in a telephone interview this week.

Others are not so sure.

"It would create a financial proposition that would not be competitive with other states and countries," Vans Stevenson, the senior vice president for state government affairs at the Motion Picture Association of America, also speaking by phone, said of Mr. Nungesser's suggestion.

Mr. Nungesser's proposal is a simple, but radical, one.

It appears that none of the roughly three dozen states offering tax credits and other financial incentives to the film industry ask for what even the lowlier Hollywood writers and producers routinely get: some participation in receipts or profit, if only in the form of what old hands call "sucker points." Those are keyed to net profit, and they are defined by terms so restrictive they are likely to pay only on the most enormous of hits.

Louisiana, which spends up to \$180 million annually on movie and television incentives, has already witnessed the power of a global blockbuster. Under a program that currently underwrites about 30 percent of qualified expenses on a film,

with a number of restrictions and limits, the state paid part of the \$150 million or more than it cost to make "Jurassic World."

Released by Universal Pictures in 2015, the film went on to collect more than \$1.67 billion in worldwide ticket sales.

But Louisiana taxpayers received only the benefits that typically come with production incentives: added jobs, increased local spending, enhanced tourist cachet and so forth.

Mr. Nungesser, who oversees a state tourism office that faces possible budget cuts of 30 percent, figures taxpayers might tolerate continued spending on film production if they saw a chance to share Hollywood's wealth.

"It's like drilling oil wells," he said. "If one in 30 makes it, you're going to get your money back."

Of course, nothing is quite that easy where the entertainment business — never mind Louisiana politics — is concerned.

An immediate hurdle, noted Mr. Stevenson of the M.P.A.A., is other state governments, including those of California, New York, Pennsylvania and Georgia, that might still offer subsidies without demanding a piece of the action.

Another complication involves the political landscape in Louisiana, where Mr. Nungesser, a Republican, serves under Gov. John Bel Edwards, a Democrat, and where both must work with a Legislature with a Republican majority.

Only recently, the former Republican governor, Bobby Jindal, led a successful effort to cap film subsidies at \$180 million a year, after having paid \$250 million in credits during 2014. Even as Louisiana was expanding its incentives program in 2008, some in government felt sticker shock at the price tag for high-profile films like the Brad Pitt vehicle, "The Curious Case of Benjamin Button," for which taxpayers were billed more than \$27 million.

One of the next major films receiving incentives from Louisiana is "Deepwater Horizon," starring Mark Wahlberg. The movie is about the 2010 oil spill that polluted the Gulf of Mexico, and much of Plaquemines Parish, where Mr. Nungesser was parish president. Its release by Lionsgate and its Summit Entertainment unit in September will find Louisiana supporting a movie that highlights the inherent risks of its already hard-pressed oil industry.

"Deepwater Horizon" could make things stickier for Mr. Nungesser. But Governor Edwards, he said, has expressed willingness to join him in exploring longterm fixes to the incentives program, including, perhaps, his preliminary proposal that Hollywood share at least part of its profits.

"We've got to give the taxpayer a comfort level, that it's a good investment," Mr. Nungesser said.

"I'm passionate about making that happen." Continue reading the main story

Puerto Rico's Senate Declares Debt Moratorium

By Mary Williams Walsh

[New York Times](#), April 6, 2016

Puerto Rico took steps toward a unilateral moratorium on all government debt payments on Tuesday, rejecting efforts in Washington to allow it to restructure only under close federal supervision.

The Puerto Rican Senate authorized a declaration of emergency and debt moratorium around 3 a.m., after hours of debate. The island's House of Representatives was still considering such a measure at midday on Tuesday.

The sudden steps seem certain to complicate efforts in Washington to enact a rescue package for Puerto Rico. The House Natural Resources Committee, which was drafting the rescue in consultation with Democrats in Congress and the Treasury Department, had hoped to issue an updated version of its proposal on Tuesday.

The lawmakers have called for sending a federal oversight board to Puerto Rico and auditing all major branches of government there. Eventually, they plan to provide certain restructuring tools that are normally available only in bankruptcy.

Puerto Rico's own lawmakers are acting to limit activities by the island's Government Development Bank, a crucial part of the local financial system. They want to save the cash the bank needs to finance essential public services.

The Senate bill sets a "moratorium period" that would run until at least Jan. 31, 2017. It also creates a receivership for the Government Development Bank, and it reduces it to a "bridge bank" with limited operations until the moratorium ends.

People with business dealings with the bank said they became aware late last week that its assets were being hastily transferred to other financial institutions, for reasons that were not explained. Rumors began to fly on the island that the bank was about to be shut or privatized.

The Government Development Bank has orchestrated Puerto Rico's borrowing and cash flows for decades, as well as held deposits for many branches of the government. But a confidential regulatory review last November found that it was insolvent and would have a \$1.3 billion deficit, and it raised the prospect of dedicated funds being diverted to other purposes.

The confidential review's findings were cited by a federal judge's ruling in a tax case in March, throwing the bank into a crisis just weeks ahead of a scheduled \$422 million debt payment, due on May 1. The Senate bill on Tuesday said the bank had only \$562 million in cash left.

The turmoil at the bank threatened to spread quickly to other parts of Puerto Rico's economy, which is already deeply distressed. Much larger debt payments, totaling around \$2

billion, are due from other branches of the government on July 1.

Just as many Puerto Ricans say they resent the notion of direct federal oversight, there has also been a sense on the island that Congress was moving too slowly as the debt crisis worsened.

Lawmakers in the Puerto Rican Senate said on Monday that they were forced to act quickly to save the development bank.

"All governments are morally and legally indebted, first and foremost, to the people they serve and to whom they are accountable," the Senate bill said in its introduction. "The Commonwealth's obligation to the well-being of its people thus, necessarily, takes precedence over all others."

Judge Considers Unsealing Court File In CIA Sex Scandal Case

By Ted Bridis

[Associated Press](#), April 5, 2016

WASHINGTON (AP) – The U.S. judge who oversaw the now-abandoned lawsuit against the federal government over leaks in the investigation that led to the resignation of former CIA director David Petraeus is giving the Justice Department until Friday to ask her to keep secret any court documents that were part of the case.

The files include transcripts of sworn interviews with senior Obama administration officials about the sex scandal and its fallout.

U.S. District Judge Amy Berman Jackson noted a 2001 appeals court decision citing "a strong presumption in favor of public access to judicial proceedings" when she asked for objections to unsealing the records, including pleadings or exhibits. She did not indicate when she might rule on any objections or order material to be publicly released.

The case included FBI files and deposition testimony from or about such senior U.S. government officials as Petraeus; Defense Secretary Ashton Carter; former Defense Secretary and CIA Director Leon Panetta; Homeland Security Secretary Jeh Johnson; Marine Gen. John R. Allen, then-commander of U.S. forces in Afghanistan; former Pentagon chief of staff Jeremy Bash; former Secretary of State Hillary Clinton aide Phillippe Reines; former Pentagon and CIA press secretary George Little and others, including some journalists who were formally questioned as part of the lawsuit.

Jill Kelley of Tampa, Florida, along with her husband, Scott, had sued the government in June 2013 in Washington, alleging that officials violated the U.S. Privacy Act by disclosing information about them during the FBI's investigation of Petraeus. The former CIA director pleaded guilty to one misdemeanor charge of mishandling classified information relating to documents he had provided to his married biographer, Paula Broadwell, with whom he was

having an affair. Kelley had complained to the FBI in 2012 about harassing emails from an unknown person who turned out to be Broadwell.

The Kelleys' civil lawsuit collapsed last month after her lawyers asked the judge to let them withdraw from the case. The lawyers cited irreconcilable differences, just weeks after the Justice Department declined a secret \$4.35 million settlement proposal.

Kelley filed court papers Tuesday telling the judge she objected to the release of files that include copies of emails she sent to some of her lawyers or advisers, which she said should remain privileged, and a copy of a manuscript for her book about the case, which she has already published.

Otherwise, Kelley told the judge that she and her husband "believe that the strong presumption in favor of public access mandates that all remaining documents should be unsealed."

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Judge Among Fraudsters Busted In Social Security Scam

Coburn: Congress needs to be vigilant

By Stephen Dinan

[Washington Times](#), April 5, 2016

Federal agents this week rounded up key figures from one of the biggest frauds in Social Security history, beginning to close out a scandal that forced the government to confront the extent of problems in its generous disability benefit programs.

The brazen scheme involved a lawyer who recruited bogus applicants and faked their medical forms, crooked doctors who signed off on the false forms and a handpicked administrative judge who would spot the applications in the system, grab them and approve them, according to the federal indictment, unsealed Tuesday.

More than 2,000 applications were filed by Eric C. Conn, the Kentucky lawyer charged with orchestrating the scheme, which spawned a congressional investigation and a dramatic hearing where senators accused Mr. Conn of shredding 26,000 pounds of documents to try to hide his activities from investigators.

Senate investigators said Mr. Conn and David B. Daugherty, the federal administrative law judge who was also indicted this month, even tried to discredit a Social Security employee who blew the whistle on them.

Former Sen. Tom Coburn, who led the congressional investigation that exposed the fraud ring, said the new indictments were a testament to the whistleblowers who helped shed light on it.

"This came about through great investigative work and great courage by Social Security and lawyer employees who actually were willing to risk their jobs to do what's right for the country," he told The Washington Times.

Stunningly, many of those whose applications were submitted by the fraud ring are still receiving payments.

Social Security tried to suspend payments, saying applicants would have to go back and prove that they really were disabled and that their applications weren't bogus. But a powerful Kentucky congressman, Rep. Harold Rogers, chairman of the House Committee on Appropriations, intervened, insisting that people depended on the money.

Social Security backed down and reinstated the benefits — though the agency told Kentucky media last year it is trying to go back and review the cases one by one to try to kick undeserving people off.

The agency didn't respond to requests for comment Tuesday from The Times.

Mr. Rogers' office also didn't respond to repeated requests for comment.

The new indictment was handed up by a grand jury in the eastern district of Kentucky, but the U.S. attorney there is not handling the case. Instead it's being shepherded out of the main Justice Department headquarters in Washington.

The three men indicted — Mr. Conn, Mr. Daugherty and Alfred Adkins, a board-certified psychologist — earned more than \$10 million from their scheme, which the government is trying to recover, the indictment says.

Prosecutors said Mr. Conn would find people to apply for disability and would fake their medical reports, including false X-rays, then have Mr. Adkins or two medical doctors sign off on them. Mr. Conn would submit the bogus applications to the Huntington, West Virginia, office, where Mr. Daugherty would go into the system and assign those files to himself, then approve them.

Sometimes Mr. Daugherty would even suggest to Mr. Conn ways he could alter his reports so the applicants appeared to be even more disabled, the indictment said.

Under Social Security's rules, Mr. Conn was entitled to some of the beneficiaries' payments as a fee for helping them apply. He shared that money with his co-conspirators, investigators said.

Mr. Coburn, who retired from the Senate at the end of 2014, said the only way a scam like that goes on so long is because the government — both the executive branch and Congress — aren't watching closely enough.

The 18-count indictment could earn the three men a lifetime in jail under the maximum penalties.

Mr. Coburn said that is what they deserve.

"I hope these guys rot in jail the rest of their lives, because what they really did is take money from people who really need it," he said.

Justice Department Preparing Lawsuit To Block Halliburton-Baker Hughes Merger

By Brent Kendall And Alison Sider

[Wall Street Journal](#), April 5, 2016

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

Christians Say They Are Facing Increased Persecution In America

By Bradford Richardson

[Washington Times](#), April 5, 2016

A new poll finds that, in just two years, the number of Americans who think Christians are facing growing intolerance in the United States has drastically increased.

Sixty-three percent of respondents in the LifeWay Research survey said they agree or strongly agree that Christians are facing growing levels of persecution, up from 50 percent in 2013. The bulk of the surge comes from respondents who said they "strongly agree" with the statement, which increased from 28 to 38 percent over that span.

A similar number, 60 percent, also said religious liberty is on the decline in America, up from 54 percent in 2013.

Although the poll shows higher rates of anxiety about the state of religious freedom in America, it also indicates that the issue is increasingly becoming polarized. A growing number of people in the survey said Christians "complain too much about how they are treated," up from 34 percent in 2013 to 43 percent in 2015.

Perhaps that polarization can be attributed to a cultural rift in America based on geography. Those surveyed in the South were more likely to agree that Christians are facing more persecution, answering affirmatively at a clip of 69 percent, compared to 57 percent in the West.

Educational attainment also appears to affect attitudes toward religion. Respondents who hold a college degree agreed with the statement 66 percent of the time, while those with a graduate degree only did so at a 53 percent rate.

And Protestants were much more likely than their Catholic counterparts to say Christians face growing intolerance, by a 74 to 59 percent margin.

The poll, which was published on March 30, was conducted after the Supreme Court struck down state laws prohibiting same-sex marriage in June.

That decision has intensified the growing debate about where religious liberty ends and discrimination begins. LGBT couples contend that their rights are violated when religious wedding vendors decline to service same-sex wedding

ceremonies, while religious bakers and florists believe their right to religious freedom is the one being trampled.

Several states have moved to pass Religious Freedom Restoration Acts and First Amendment Defense Acts to protect the free exercise of religion, but proponents of LGBT rights say such laws are discriminatory and have prompted severe backlashes from the business community in some states.

The poll surveyed 1,000 respondents by phone from Sept. 14–28 last year and has a margin of error of 3.6 percent.

Law School Renamed For Antonin Scalia, Again. Blame Acronym.

By Nicholas Fandos

[New York Times](#), April 6, 2016

WASHINGTON — Justice Antonin Scalia could be caustic in his dissents, but he was also known for a sharp wit that often drew laughter from Supreme Court audiences.

So perhaps even he would have found humor in the commotion over the new name, announced last week, of George Mason University's law school — the Antonin Scalia School of Law — which, as snickering observers on social media quickly pointed out, makes for a rather unflattering acronym.

Hashtags poking fun at the abbreviation and variations on it took off on Twitter and Facebook almost as soon as the news was made public.

The response reached the school's dean, Henry N. Butler, and on Tuesday he wrote a letter to students, faculty members and alumni saying the school planned to make a small change in the name to achieve a more benign abbreviation.

"The name initially announced — the Antonin Scalia School of Law — has caused some acronym controversy on social media," Mr. Butler wrote, without repeating any of the offending acronyms. "The Antonin Scalia Law School is a logical substitute."

The university, outside Washington, announced the original renaming on Thursday after receiving a combined gift of \$30 million financed by the Charles Koch Foundation and an anonymous donor. The gift, the largest in the university's history, was contingent on changing the law school's name to honor Justice Scalia, who died in February.

The renaming has drawn criticism from students, alumni, politicians and legal scholars who disagree with his conservative social views and philosophy of constitutional originalism. But others, including Justice Ruth Bader Ginsburg, who was Justice Scalia's closest friend on the court, said it was a fitting tribute to an influential jurist.

Mr. Butler said the terms of the gift, which were closely negotiated, allowed for some flexibility in the renaming. The

name change will take effect on July 1, pending approval by the State Council of Higher Education for Virginia. Continue reading the main story

D.C. Council Moves To Permanently Ban Pot Use In Private Clubs

By Ryan M. Mcdermott

[Washington Times](#), April 5, 2016

In the latest twist in the District's struggles over legal marijuana, the D.C. Council Tuesday moved to permanently ban pot clubs in the city, just two months after the body approved a task force to study the issue.

Whether pot can be consumed legally in private clubs is just one of the thorny issues the District has faced since it legalized cultivation and possession of small amounts of marijuana but continued to keep sales of the drug illegal.

The Council in February divided on whether to permanently ban pot smoking in private clubs, so emergency legislation temporarily banned the pot clubs and a task force was formed on how such clubs might operate. The legislation would change the law to say that pot cannot be consumed in private places where the public is invited, such as a nightclub or music venue.

But even as the task force studied the issue, the Council voted 7-6 on Tuesday to make the club ban permanent, though a second vote at the next legislative meeting is required for the legislation to pass.

Several Council members said a permanent ban makes the idea of a study pointless.

"While this body established a task force in good faith, to vote today to establish a permanent ban would tie the hands of the task force," Council member Brianne Nadeau, a Ward 1 Democrat, said at a Tuesday legislative hearing. "This legislation would actually prevent the work of the task force."

Council member Vincent Orange, the at-large Democrat who proposed the task force two months ago, said Tuesday's vote defied the will of the voters who approved legal marijuana in a referendum.

"Why would we undercut the task force and not let the task force do its job?" Mr. Orange said. "I believe this Council is going down a slippery slope once it starts undermining legislation that we passed. These citizens went out and got a referendum. They want us to make sure we exercise our own best judgment not for ourselves but for citizens of the District."

But Council Chairman Phil Mendelson, a Democrat who voted to approve the ban, said the ban wouldn't interfere with the task force.

"The duties of the task force are broader than has been portrayed by those who wish to defeat this bill," he said.

There's no love lost between Mr. Mendelson and marijuana advocates, who say the club ban discriminates against people in public housing and residents who want to

smoke marijuana but can't in their homes. Since public housing in the District is run by the federal government, it is not subject to local pot legalization laws.

"He's a prohibitionist," said Adam Eiding, who heads up DCMJ, the organization that got the legalization measure on the ballot in 2014. "We'll work for the next two years to get him out of office."

Kaitlyn Boecker, a policy analyst with the Drug Policy Institute, said this is not what the voters wanted when the approved legalization passed nearly two years ago.

"It is clear that Chairman Mendelson and [D.C. Mayor Muriel Bowser] rigged the process against the people. Initiative 71, which was overwhelmingly approved by District voters, sought to remove marijuana from the criminal justice system and did not restrict marijuana use by adults," Ms. Boecker said. "The bill passed today ignores those principles."

It was the second time in two days showcasing the city's fractured, contradictory approach to legalized pot, where growing, lighting up and even giving away marijuana are all now permitted but where legalized sales are not.

On Monday an Oakland-based company touted a cold-pressed juice delivery service that also brings "free" marijuana to customers in the District.

As a way to skirt the city's law against selling cannabis — while still taking advantage of residents being allowed to possess up to 2 ounces of pot — HighSpeed is offering to sell residents juice and "gift" them some marijuana with their order.

The company started in Oakland in 2015 and began deliveries in the District of Columbia about two months ago, having already served about 300 customers, according to HighSpeed.

D.C. Police and Karl Racine, the District's attorney general, did not return repeated emails for comment as to whether the company was operating within the law.

If the District can figure out how to regulate the sale of marijuana — and convince Congress to not butt in — pot businesses could stand to make nearly \$100 million by 2020, according to a report by ArcView Market Research and New Frontier. And depending on how the District would set up regulations, that could mean a lot of tax revenue.

Marijuana is set to be a \$2.3 billion business by 2020 in Washington state, which legalized both sales and possession of the drug in 2012.

HighSpeed claims the service "is completely legal thanks to Initiative 71." It's true that the law allows residents to transfer up to 2 ounces of marijuana to another person, but HighSpeed's service isn't quite that simple.

On the HighSpeed website, one can order an \$11 cold-pressed juice and add a "donation" that adjusts the price to either \$55 or \$150. With that donation comes the "free" marijuana.

The prospects for HighSpeed aren't good, however. Last year Kush Gods set up a similar service of "gifting" pot to people in the District. The company's owner, Nicholas Cunningham, was recently sentenced to two years of probation for operating the business.

A flourishing D.C. pot industry won't happen if Congress doesn't want it to. Since some of the District's spending is subject to congressional approval, the city cannot enact any laws that will result in added budget lines, which is why legalization was able to be passed. If the District wanted to allow pot sales, they'd have to set up infrastructure, a tax system and regulations, among other things.

But as the issue of legal weed in D.C. expands, the minor details seem to be causing the most uproar. And for pot activists, some recent moves from the D.C. Council are as bad as congressional meddling.

"If [Mr. Mendelson] succeeds, he's doing the bidding of Congress," DCMJ's Mr. Eiding said.

Politico's Senior Managers Are Beating An Early Retreat

By Paul Farhi

[Washington Post](#), April 4, 2016

The executive soap opera at Politico appears to be winding up faster than previously scheduled.

Jim VandeHei, the site's chief executive, will officially leave the publication he co-founded within the next two weeks, scrapping an earlier plan to stay put through the presidential election in November. Three other senior business managers will leave early, too.

VandeHei has already more or less checked out; he has rarely been in Politico's Arlington headquarters since late January and has begun interviewing job candidates for a new, still-unnamed news venture. VandeHei declined to comment.

Among those also leaving is Kim Kingsley, Politico's chief operating officer and one of the site's earliest employees and architects. Kingsley is also infrequently in the office and has stopped using her Politico email address.

Two other major players in the Politico drama — Politico Playbook columnist Mike Allen and editor Susan Glasser — are expected to remain in their jobs until November.

As previously announced, Allen will join VandeHei in his new venture. Glasser will be moving to Israel with her husband, New York Times reporter Peter Baker; she will then take on a new job, head of editorial innovation, and become a writer for Politico and other publications, including the New York Times magazine.

The departures of VandeHei and Kingsley appear to end what had been an awkward two months or so for Politico,

which pioneered rapid-fire coverage of politics and the federal government since its founding in 2007.

VandeHei, Allen and Kingsley shocked colleagues and political junkies in late January when they announced that they were leaving the site they had been instrumental in building.

The blow-up in the company's executive ranks stemmed primarily from a dispute between VandeHei, a hard-charging former political reporter at The Washington Post, and Politico's chairman and co-founder, Robert Allbritton.

The two men clashed over many issues, including strategy, editorial direction and compensation, creating what several people described as a poisonous atmosphere for managers and staff members. The bad blood led both parties to scrap plans, announced in January, for VandeHei to remain in his job until November.

Two other executives — chief revenue officer Roy Schwartz and executive vice president Danielle Jones — will also leave this month, also accelerating their timetables, Politico said.

Politico is still looking for replacements for the departing executives. It also has not said what it will do when Allen — its biggest star — decamps at the end of this year to join VandeHei's venture. Allen and editor in chief John Harris, another co-founder, both declined comment.

Despite the management turmoil, Politico's 300-person newsroom — which has experienced its own periods of rapid turnover in the past — has covered the 2016 campaign without evident disruption.

President Obama, in a speech last week critiquing the news media, praised one of Politico's projects (without mentioning Politico by name): a magazine story that fact-checked Donald Trump's speeches. Obama and several presidential candidates have also given interviews to Politico columnist Glenn Thrush's new podcast, Off Message. It has also produced various scoops about the candidates.

Senior managers say the executive shake-up hasn't hurt advertising revenue, which is reportedly growing. And the site's traffic is up, to 15 million unique visitors in February, a 38 percent gain from January and 112 percent over the same month in 2015, according to the ComScore tracking firm.

A Politico spokesman, Brad Dayspring, said in a statement Monday that VandeHei and Harris "agreed that it was appropriate [for VandeHei] to wrap up his time at Politico this spring," given that the publication was meeting its business and editorial goals. Allbritton agreed with the plan, he added, and "others on the departing business team reached similar conclusions on their own individual timelines."

Michelle Obama Enlists Steph Curry And His Wife In Her Campaign To Make 'Turnip For What' A Thing

By Emily Heil

[Washington Post](#), April 5, 2016

Michelle Obama has some help in remixing her pro-veggie "Turnip for What" video that went viral in 2014. On Tuesday, the day the White House is planting the produce in its famed kitchen garden, FLOTUS celebrated by releasing another brief video, this one featuring Golden State Warriors star Steph Curry and his wife, Ayesha.

"Turnip?" Ayesha Curry asks in the clip, brandishing a root veggie, as the DJ Snake and Lil Jon song "Turn Down for What" plays.

"For what?" Steph Curry lip syncs, as he, his wife and Obama break into a dance party, waving turnips.

In honor of turnips being planted in the Kitchen Garden today, @StephenCurry30 brings back #TurnipForWhat. pic.twitter.com/avqMVIvnkU

— The First Lady (@FLOTUS) April 5, 2016

The clip appears to have been shot during the Curry family's February visit to the White House.

The dancing-with-veggies video is just the most recent example of Michelle Obama's shrewd social media game. As her chief of staff, Tina Tchen, said at a recent forum, it's a way to reach a large audience with a bit of goofiness the president typically can't project — at least not until recently, when President Obama helped "Hamilton" phenom Lin-Manuel Miranda freestyle in the Rose Garden.

"The ability to ... put out a viral video, and you can hit tens of millions of people, and it doesn't cost you anything — that's pretty remarkable," Tchen said. "We in the East Wing have the ability to be a little freer ... to do a rap video — though I guess now the president does rap videos too, now that it's his second term."

America's Next President Must Continue Obama's Progress On Clean Energy

By David Ignatius

[Washington Post](#), April 5, 2016

So much of America's future is at stake in the 2016 presidential election. But let's focus for a moment on just one area — energy and the environment — where the Obama administration has made startling progress that could be reversed if either of the GOP front-runners becomes president.

Energy Secretary Ernest Moniz, arguably President Obama's best Cabinet appointment, has been leading a quiet revolution in clean-energy technology. Innovation is transforming this industry, costs are plummeting and entrepreneurs are devising radical new systems that create American jobs — in addition to protecting the planet.

The leading GOP candidates, Donald Trump and Sen. Ted Cruz (R-Tex.), offer know-nothing denials of this march of science. Trump told The Post last month that all that's

happening is “a change in weather. I am not a great believer in man-made climate change.” Cruz told an audience in New Hampshire in January that “climate change is the perfect pseudoscientific theory,” propounded by “big-government politician[s].” If either is elected president, you have to assume he will try to gut clean-energy programs.

Here’s a suggestion for any fact-based, technology-respecting candidate in either party: Promise that, if elected, you’ll try to persuade Moniz to remain in place. A Massachusetts Institute of Technology physicist by training, he has proved to be one of this administration’s most skillful players, as illustrated by his decisive, behind-the-scenes role in the Iran nuclear talks.

Moniz showed me the future of energy technology last month during a visit to one of his pet projects — the “innovation summit” of the Advanced Research Projects Agency-Energy, or ARPA-E. As the name implies, it tries to do for energy what DARPA has done for defense science. A tour of the exhibits shows why the program is succeeding: It connects with the market. Since 2010, 45 projects that were initially ARPA-E-seeded have received an additional \$1.25 billion in follow-on private funding.

First, some Energy Department numbers that illustrate the transformation that’s underway: The cost of purchasing energy-efficient LED lights has dropped 90 percent since 2008; the cost of producing large-scale solar energy has fallen 60 percent over that period; prices for wind energy and efficient batteries have declined by more than 40 percent.

As costs have fallen, usage has increased radically. Since 2008, the number of LED lightbulbs installed in the United States has increased from 400,000 to 78 million. Wind energy production has tripled; production of solar energy has increased nearly 20-fold. And scientists say we’re still fairly early in the cycle of innovation and cost reduction.

Moniz describes three ARPA-E projects he thinks are especially promising. One company is building an advanced photovoltaic cell that could, by 2020, reduce the cost of installed solar energy by 50 percent from its 2009 level. Another company is creating new systems that could significantly cut power use by electric motors, which currently consume about 30 percent of America’s electricity. A third company is building a new kind of airborne turbine that could capture wind energy from 85 percent of America’s land mass, compared with 15 percent today.

Wandering through the ARPA-E exhibition hall with Moniz — looking at a few of the more than 200 presentations — you get a sense of how fast new technology is being applied to big, real-world problems.

A company called Rebellion Photonics demonstrates a system for chemical imaging that can spot gas leaks and other potential problems before disaster strikes. A consortium of universities and private companies, dubbed TERRA, shows off robots that can assess biofuel crops and select the

best genetic traits, doing in four hours what now takes seven days. A company called Local Motors pitches a car built with 3-D printing. And yes, you’ll be able to make a copy of the Mustang you drove back in high school, if you want.

This intense interaction between technology and the marketplace is what powers innovation in the United States. Contrary to right-wing myth, the government in modern times has been a key incubator and facilitator for business. DARPA’s research spawned the Internet and its world-transforming networks, and it is now helping to drive the astonishing progress of machine learning and autonomous systems. Thanks to Moniz, ARPA-E is having a similar catalytic effect with energy-related technologies.

This political season has been a horror show, making even those who are optimistic about America’s future begin to wonder. Moniz’s innovation summit was a bracing reminder of why, as Warren Buffett likes to say, people have never gone wrong betting on America. It also illustrates the importance of having world-class scientists such as Moniz oversee the intersection of government and technology.

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The financial-services industry relies on the healthy interdependence of banks of all sizes.

By Jamie Dimon

[Wall Street Journal](#), April 5, 2016

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EPA: We’re Making Needed Changes

By Joel Beauvais

[USA Today](#), April 5, 2016

Protection of public health is the absolute top priority for EPA. The drinking water crisis in Flint should not have happened, but while the spotlight is still on the issue of lead in drinking water, we have an opportunity to harness the resources and attention to make needed changes.

EPA recently sent letters to every governor and state environmental and health commissioner primarily responsible for enforcing drinking water rules, urging them to work with us — on infrastructure investments, technology, oversight and risk assessment, public engagement and education — to keep our drinking water safe.

We also initiated a nationwide reassessment of state drinking water programs, including meeting with officials from every state drinking water program to make sure they're addressing any high lead levels and fully enforcing the federal Lead and Copper Rule.

EPA recognizes the need to strengthen the rule, and we're working to improve its public health protections. We are considering recommendations from a diverse group of external advisers and stakeholders. Transparency among government, water utilities and the public is vital; EPA's oversight role is as important as ever. We are also working to identify the best scientific approach to determine a level of lead in drinking water that public health officials could use to intervene to make sure that residents who could be at risk are made aware as soon as possible.

While we strengthen regulations, serious investments are needed over the next 20 years to maintain, upgrade and replace thousands of miles of service pipes and thousands of treatment plants, storage tanks and water distribution systems — all vital to public health and the economy. Our recent survey shows that \$384 billion in improvements are needed for the nation's drinking water infrastructure through 2030 so it can continue providing safe drinking water to 300 million Americans. The longer we wait, the more costly this will be.

As EPA Administrator Gina McCarthy has said, it's tragic that it took a disaster of this scale for this issue to get the attention it deserves. EPA is committed to doing everything it can to protect our drinking water.

Joel Beauvais is deputy assistant administrator for water at the EPA.

Getting Lead Out Of Drinking Water: Our View

[USA Today](#), April 5, 2016

When local and state governments fail their residents on a serious health issue, a tough federal watchdog can sure come in handy. Too bad the Environmental Protection Agency was so mired in legal protocol last year that it failed to come to the rescue of residents in Flint, Mich., where staggering levels of lead in drinking water became a national scandal.

Now, while Michigan Gov. Rick Snyder and EPA Administrator Gina McCarthy continue to play a high-level game of pass the blame, it's clear that every level of government failed Flint. The state's failures — bungling water treatment, then ignoring mounting evidence of tainted water — must be dealt with in Michigan. But the EPA's failures — to ensure compliance with federal law and warn residents of tainted water when the state did not — is a problem for the nation, considering that Flint is just the tip of a lead-contaminated iceberg.

A USA TODAY NETWORK investigation last month found excessive lead levels in nearly 2,000 water systems

that serve 6 million people across the country. About 350 provide drinking water to schools and day care centers, where some of the highest lead levels were found. A water sample at a Pennsylvania preschool was 14 times the EPA's "action level" limit of 15 parts per billion. At an elementary school in Ithaca, N.Y., one sample tested at 5,000 ppb of lead, the EPA's threshold for hazardous waste.

When drinking water is tainted with lead, it is children who are at greatest risk from elevated lead levels in their blood. Certain amounts can cause everything from decreased IQ and behavioral problems to slower growth and a wide array of physical ailments. The damage might not show up for years, and there's no way to reverse some of the effects.

As in Flint, lead problems are often exacerbated by a problem of silence: In about 9% of the 2,000 cases, water systems failed to notify residents, as required by federal rules. In Sebring, Ohio, for example, excessive lead levels were found last summer, but local officials didn't alert the public until January, after Flint made national news. While federal law gives states primary responsibility to enforce lead standards, the EPA shouldn't remain silent when a state fails to act — the excuse the agency used for failing to speak out about Flint. People can do a lot to protect themselves — using filters or drinking bottled water — but not if no one tells them there's a problem.

The EPA has known for years about this failure to communicate. When drinking water in Washington, D.C., was contaminated with lead in the early 2000s, the local water authority repeatedly assured customers it was safe. When the authority — which was under the EPA's direct supervision — was forced to come clean, it sent out vague language in a brochure approved by the EPA. As the disaster unfolded, a city council member demanded, "Where were you, EPA?"

Also missing from what should be a coordinated national strategy to deal with lead is a defined health-hazard standard — the amount of lead in water that makes it unsafe to drink or use for cooking. The 15 parts per billion level, if found in 10% of a system's tested water, should trigger public notifications and improved anti-corrosion treatment at water plants. But in the 25 years since the lead rule was created, the federal government has yet to publish a recommendation for precisely what level of lead is hazardous to the most vulnerable consumers, such as infants drinking formula made with tap water. Without a health-hazard level, families do not know when they should switch to bottled water or use filters to make tap water safe.

Determining this level is no doubt difficult, in part because federal health officials say there is no safe level of lead in drinking water. The EPA has said that it hopes to announce a standard in 2017. It's about time.

Ultimately, the only way to assure lead-free water is to replace the nation's lead pipes, a project that would cost billions and take decades to complete. Michigan's governor

set an “intermediate-term goal” for Flint of planning and prioritizing the removal of lead service lines, the pipe that carries water from the main under the street onto your property and into your home.

Meanwhile, along with corrosion controls, there are ways to ensure that children are protected from lead-tainted water: A national, consumer-friendly database where people could check whether their home is served by a lead service line would give them the information to decide whether to filter their water.

Nothing utilities or governments do will make much difference, however, until local and state officials know that when they fail to perform, a federal watchdog will bark rather than roll over.

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Lessons From The Ranch: Schooling A Teen In Hard Work

Sen. Ben Sasse’s daughter got a month-long education in caring for cattle and driving a tractor.

By Kyle Peterson

[Wall Street Journal](#), April 5, 2016

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The Morality Of Unemployment

Jerry Brown offers a gospel lesson in bad economics.

[Wall Street Journal](#), April 5, 2016

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Lawmakers Need To Strike The Right Balance On Judicial Reform In Maryland

[Washington Post](#), April 5, 2016

AN EMERGING bipartisan consensus that too many people are behind bars often frays when it comes to how, and how drastically, to pare prison rolls. In Maryland, lawmakers are debating a pair of competing reform bills, and the skirmish lines are not neatly partisan.

Lawmakers are right to reexamine policies on sentencing, parole and probation, especially for nonviolent and drug offenders, with the goals of trimming the prison population, eliminating racial disparities in the judicial system and shifting funds to fight recidivism, treat addicts and ease reentry for ex-convicts. America’s incarceration rate, a

product of get-tough policies stemming from the crime wave of the 1960s and ‘70s, far exceeds that of other countries.

But lawmakers also are right to balance those priorities with the objective of public safety. Hard-nosed sentencing measures likely contributed to — though don’t wholly explain — plummeting crime rates over the past two decades. In Maryland, those rates for a range of violent and property offenses hit all-time lows in 2014, the last year for which complete statistics are available. Maryland’s toll of roughly 365 murders in 2014 was almost unchanged from the mid-1980s, despite a 25 percent population jump. That’s no small feat.

In Annapolis, the state Senate has taken a restrained legislative approach to reducing the prison population, one that critics consider halfhearted. It would halt a 6 percent projected increase (owing mainly to longer sentences) over the next decade in the prison rolls, now nearly 21,000, achieving a small cost savings. The House of Delegates’ more ambitious measure would reduce the prison population by some 3,500 inmates in the same 10-year span, saving the state an estimated \$247 million.

The savings in the House bill have grabbed headlines but amount to a relatively modest bit of austerity against state corrections spending that exceeds \$1.3 billion annually. The real goal should be not fiscal, but fair and rational steps to improve the criminal justice system.

The Senate’s strategy strikes a better balance. It would cut inmate counts by trimming sentences for some nonviolent drug and theft offenders and chip away at needlessly long mandatory minimum terms for others currently behind bars. It would also streamline parole procedures for nonviolent offenders who are at low risk of committing new crimes and limit the amount of additional prison time some would serve for so-called technical violations of their probations — if a judge determined they posed no threat to safety.

The House bill goes too far in granting more lenient parole policies for nonviolent offenders and tighter caps on additional prison time that judges could impose for probation infractions. Judges and parole hearing officers would be empowered to exercise little discretion.

Advocates of the House bill note that other states have embraced similar reforms, with no spike in crime rates. But Maryland’s incarceration rate has been falling for years and is already below the national average. Most inmates who enter its prisons are nonviolent offenders, but the state’s violent crime rate remains significantly higher than most other states’. Reform is critical; so is prudence.

Woodrow Wilson*

[Wall Street Journal](#), April 5, 2016

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