The Henry Cisneros payments controversy was a lengthy investigation begun in 1995 into allegations that Henry Cisneros, United States Secretary of Housing and Urban Development during the Presidency of Bill Clinton, had lied to the FBI background check investigators about payments he had made to his former mistress. Independent Counsel David Barrett was appointed to investigate the matter. In 1995 Cisneros was indicted; in 1997 he pled guilty to a misdemeanor; in 2001 he was pardoned by President Bill Clinton. The Independent Counsel investigation continued, however, focusing on allegations of obstruction of justice by the Clinton administration. It issued a final report, known as the Barrett Report, in 2006 that did little to resolve matters. [1]

1 Independent Counsel’s investigation

In March 1995, Attorney General of the United States Janet Reno secured the appointment of an Independent Counsel, David Barrett to investigate allegations that Cisneros had lied to FBI investigators during background checks prior to being named Secretary of HUD. He had been asked about payments that he had made to former mistress Linda Medlar, also known as Linda Jones. The affair had been ‘public knowledge’ for a number of years—during the 1992 presidential campaign, U.S. Treasurer Catalina Vasquez Villalpando publicly referred to Cisneros and candidate Clinton as “two skirt-chasers”—but Cisneros lied about the amount of money he had paid to Medlar. The investigation continued for three and a half years.

In December 1997, Cisneros was indicted on 18 counts of conspiracy, giving false statements and obstruction of Justice. Medlar used some of the Cisneros hush money to purchase a house and entered into a bank fraud scheme with her sister and brother-in-law to conceal the source of the money. In January 1998, Medlar pleaded guilty to 28 charges of bank fraud, conspiracy to commit bank fraud and obstruction of justice.

In September 1999, Cisneros negotiated a plea agreement, under which he pleaded guilty to a misdemeanor count of lying to the FBI, and was fined $10,000. He did not receive jail-time or probation. He was pardoned by President Clinton in January 2001 (see: List of people pardoned by Bill Clinton). The independent counsel investigation continued after the pardon focusing on alleged obstruction of justice. In May 2005, Senator Dorgan (D-ND) proposed ending funding for the investigation; negotiators refused to include the provision in a bill funding military operations in Afghanistan. The funding at that point for the investigation totaled $21 million.

According to a New York Daily News report on October 3, 2005, “lawyers are fighting to suppress a potentially embarrassing final report from the probe that found Housing Secretary Henry Cisneros lied to the FBI about paying $250,000 in hush money to his ex-mistress... Lawyers at the Washington firm Williams & Connolly who work for Cisneros and both Clintons have argued to judges overseeing the case that allegations of illegal activity, for which no charges were filed, should be snipped before the report is made public.”[1]

On January 19, 2006, the New York Times reported that the independent counsel is finally closing his investigation with a report accusing the Clinton administration of thwarting the inquiry into Cisneros.[2]

The office of the independent counsel issued a press release along with the final report stating:

An accurate title for the Report could be, What We Were Prevented from Investigating. After a thorough reading of the Report it would not be unreasonable to conclude as I have that there was a coverup at high levels of our government and, it appears to have been substantial and coordinated. The question is why? And that question regrettably will go unanswered. Unlike some other coverups, this one succeeded.[3]

The Independent Counsel’s report has been a source of partisan bickering because it was heavily redacted with an estimated 120 pages removed by court order.[4]

2 Analysis by opponents of the investigation

Barrett’s investigation of this relatively minor matter lasted for many years and resulted in the end in Cisneros’ guilty plea to a misdemeanor with a promise from Barrett that he would not serve any jail time.

Nonetheless, Barrett continued his investigation for several years more, believing that there was a conspiracy
among the IRS and the Department of Justice to obstruct his investigation. Eventually he had to be ordered by the Special Division of the Court of Appeals, which supervises independent counsels (and which is headed by conservative Republican Judge David Sentelle), to wrap up his investigation.

Despite fervent speculation that the report contained damning evidence about corruption in the Clinton Administration, the report when released demonstrated only the dangers of independent counsels operating without ordinary prosecutorial supervision; indeed Barrett’s abuses were routinely cited as one of the reasons the Independent Counsel Act was not renewed. He brought no charges and the report contained no evidence of any conspiracy. Since the release of Barrett’s report, no one has paid any attention to it, and the Republican journalists and politicians who made accusatory statements prior to its release were strangely silent afterwards.

3 Analysis by supporters of the investigation

Barrett wrote what was rumored to be a damning report. Release of the report was blocked for a time by parliamentary maneuvers by Clinton’s personal attorney David Kendall.

Columnist Emmett Tyrrell wrote the following about the report: “When Barrett completed his report the Clintons’ lawyers, led by that legendary Clinton pettifogger, David Kendall, tried to kill off the report either by gutting it with redactions or by getting it buried altogether. Kendall entered some 140 motions pursuant to this goal. The report has been ready for publication since August 2004, but Kendall’s nuisance tactics have worked, and now what do we hear from the Clintonistas? They complain that Barrett has cost too much and taken too long. As they are themselves the reason for much of the cost and delay, advocates of good government should be up in arms. This stratagem has been used too frequently by the Clintonistas to smear an officer of the court.”

Prior to his appointment as White House Press Secretary, Tony Snow wrote, “By all accounts, the 400-page Barrett report is a bombshell, capable possibly of wiping out Hillary Rodham Clinton’s presidential prospects. At the very least, it would bring to public attention a scandal that would make the Valerie Plame affair vanish into comical insignificance.”[5]

In April 2005, Senators John Kerry (D-Mass.), Dick Durbin (D-Ill.) and Byron Dorgan (D-N.D.) tried to end the $22 million investigation, including $1 million for the first six months of 2005 - by cutting Barrett’s budget, saying “it’s a waste of money.”[1]

Kendall has not commented to the news media.

Barrett’s report was released in January 2006, but three judges -- David Sentelle (D.C.), Thomas Reavley (Texas) and Peter Fay (Florida) -- blacked 120 pages worth of redactions. Barrett’s investigation was far and away the longest independent counsel investigation in history. After agreeing to permit Cisneros - the target of his investigation - to plead guilty to a misdemeanor with no jail sentence, Barrett thereafter spent six years investigating whether the Department of Justice and the Internal Revenue Service had impeded his investigation.

4 References


5 External links

- Collection of articles from the Washington Post about the Cisneros investigation
- Office of Independent Counsel David Barrett
- CNN on Cisneros 1999
- CNN on Cisneros
- Time.com on Cisneros
6 Text and image sources, contributors, and licenses

6.1 Text

- **Henry Cisneros payments controversy**  

6.2 Images

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