Withdrawal/Redaction Sheet
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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	
001. draft	Draft Statement for H.R. 1058 Securities Litigation Reform (2 pages)	n.d.	P5	16621
002. fax	Draft Statement for H.R. 1058 Securities Litigation Reform [with handwritten comments and notes] (2 pages)	12/12/1995	P5	16622
003. draft	Draft Statement for H.R. 1058 Securities Litigation Reform. (2 pages)	n.d.	P5	16623

COLLECTION:

Clinton Presidential Records
Counsel's Office
Bruce Lindsey
OA/Box Number: 7357

FOLDER TITLE:

Draft Signing Statement

2009-1522-F
bm747

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Draft Signing Statement for H.R. 1058
Securities Litigation Reform

Today I am signing into law H.R. 1058, the "Private Securities Litigation Reform Act of 1995." This Act has received broad bipartisan support as well as support from the investor and business communities. The Act is designed to reform portions of the federal securities laws to end litigation abuses while protecting the rights of investors to pursue civil actions against financial fraud.

The current system for dealing with securities fraud litigation is sorely in need of repair. Changes in stock prices are a necessary part of our economic system, and should not be an excuse for expensive litigation that is paid for by stockholders and distracts management from pursuing the opportunities for economic growth so vital to this country. And markets will function more efficiently if corporations are able to provide the public with their best good faith assessment of future prospects -- which are by their very nature uncertain -- without fear of costly litigation should that assessment turn out to be wrong.

Provisions of this bill will deter frivolous litigation, increase investor control of class actions, prohibit use of "professional plaintiffs," reform the method of calculating attorneys' fees relating to settlement of a class action, and significantly improve the information stockholders will receive prior to deciding whether to accept a settlement offer. The Securities and Exchange Commission would clearly be authorized to bring aiding and abetting actions, ending uncertainty caused by the Supreme Court's 1994 decision in Central Bank. And, the quantity and quality of information available to investors should be improved by reducing substantially the litigation risk to companies that make forward-looking statements, provided they include meaningful cautionary statements about risk factors important to the outcome projected.

Despite its improvements over the existing system, however, I sign this bill with mixed feelings. While the bill improves upon the status quo in a number of ways, it also raises some questions. For example, I am concerned that both the revised pleading standard and the Rule 11 and bonding provisions if interpreted without regard to the purpose of the securities laws -- to inform and protect investors -- could impair the ability of investors harmed by actual fraud to obtain redress. Similarly, the Act's safe harbor must not become a license to lie -- or to omit discussion of critical or particularly important risk factors. The term "meaningful cautionary statements" must be interpreted to require inclusion of these factors. I am also disappointed that Congress did not reinstate private plaintiffs' right to sue those who aid and abet a securities fraud, nor did it extend the statute of limitations on these cases to the more reasonable period that obtained before the Supreme Court's decision in Lampf et al v. Gilbertson.

It is essential that this Act not move us from an era of irresponsible and expensive litigation to an era of unredressed fraud. I urge ~~am asking~~ the Securities and Exchange Commission, as the agency of government directly charged with implementing the securities laws and protecting investors, to monitor the implementation and impact of this legislation carefully -- and to increase enforcement activities if necessary. The budget plan I submitted to Congress last week authorizes and expands fees assessed upon transactions in the securities and bond markets. Combined with future appropriations, these fees will improve the Commission's ability to enforce securities laws and to protect investors. I am also asking the Commission to report to me and to the Congress next December 15 about the impact of this legislation on the effectiveness of the securities laws and on investor protection. In the event there are indications that portions of the Act are having a negative impact on the integrity of our markets, I will recommend amendments.

This Act has been the subject of much concern from interested parties on all sides. I believe there is much in it that will strengthen our markets while maintaining the level of protection from fraud to which American investors are rightly accustomed. We will be watching carefully to make certain the Act achieves this promise without adverse consequences.

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note: that's current law

Provisions of this bill will deter frivolous litigation lawsuits, increase investor control of class actions, prohibit use of "professional plaintiffs," reform the method of calculating attorneys' fees relating to settlement of a class action, and significantly improve the information stockholders will receive prior to deciding whether to accept a settlement offer. The Securities and Exchange Commission ~~would~~ will clearly be authorized to ~~bring~~ aiding and abetting actions, ending the current uncertainty caused by the Supreme Court's 1994 decision in Central Bank. And, the quantity and quality of information available to investors should be improved by reducing substantially the litigation risk to companies that make forward-looking statements, provided they also disclose ~~include~~ meaningful cautionary statements about risk factors important to the outcome projected.

Despite its improvements over the existing system, I sign this bill with mixed feelings. While the bill improves upon the status quo in a number of ways, it also raises ~~some~~ several questions. For example, I am concerned that both the revised pleading standard and the Rule 11 and bonding provisions if interpreted without regard to the purpose of the securities laws -- to inform and protect investors -- ~~could~~ may impair the ability of investors harmed by actual fraud to obtain redress. Similarly, the Act's safe harbor must not become a license to lie -- or to be interpreted to allow the omission of ~~omit discussion of~~ critical or particularly important risk factors. The term "meaningful cautionary statements" must be interpreted to require ~~inclusion~~ the disclosure of these types of factors -- and not to excuse their ~~purposeful~~ deliberate concealment. (*) I am also ~~disappointed that~~ dispirited and at a loss to explain why Congress did not reinstate private plaintiffs' right to sue those who aid and abet a securities fraud, ~~nor did~~ or to ~~it~~ extend the statute of limitations on these cases to the more reasonable period that obtained before the Supreme Court's decision in Lampf et al v. Gilbertson.

(*) Insert

The pleading standard should not, however, immediately require plaintiffs to produce a "smoking gun"

would restore both of those ... investors

As Oliver Wendell Holmes once said, however, the law is nothing but a prediction of what the courts will do.

lead the courts to the correct application of these newly crafted measures, ~~and~~ to

- 2 -

It is ~~essential~~ urge that this Act not move us from an era of irresponsible and expensive litigation to an era of unredressed fraud. I ~~am asking~~ the Securities and Exchange Commission, as the agency of government directly charged with implementing the securities laws and protecting investors, to monitor the implementation and impact of this legislation carefully, and to increase enforcement activities if necessary. The budget plan I submitted to Congress last week authorizes and expands fees assessed upon transactions ~~in the securities~~ and bond markets. Combined with ~~future~~ appropriations, these fees will improve the Commission's ability to enforce securities laws and to protect investors. I am also asking the Commission to report to me and to the Congress next December 15 about the impact of this legislation on the effectiveness of the securities laws and on investor protection. In the event ~~there are~~ indications ~~that~~ arise suggesting that portions of the Act ~~are~~ having a negative impact on the integrity of our markets, I will recommend amendments.

bullshit the budget remains flat

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e had

This Act has been the subject of much concern from interested parties on all sides. I believe ~~there is~~ much in it ~~that~~ will strengthen our markets while maintaining the level of protection from fraud to which American investors are rightly accustomed. ~~We~~ I will be watching carefully to make certain the Act achieves ~~this~~ its promise without adverse consequences that to investors

as applied by the federal judiciary

I

or on the ability of ~~legitimately~~ ~~damaged~~ legitimate plaintiffs to have ~~victims~~ ~~of financial fraud~~ ~~to have~~ their day in court under fair rules

~~Judges should not~~ ~~...~~ should not have a dramatic

(K)

The safe harbor provision ~~as~~ a codification of the "bespeaks caution" doctrine

I am confident ~~...~~ ~~judges~~ that the safe harbor ~~should~~ provision will ~~it~~ provides judges with the flexibility to ~~...~~ separate the ~~...~~ cases, meritorious ~~separating them~~ from the meritless suits — as many federal judges do today ~~when applying~~ under the "bespeaks caution" doctrine.

Draft Signing Statement for H.R. 1058
Securities Litigation Reform

Today I am signing into law H.R. 1058, the "Private Securities Litigation Reform Act of 1995." This Act has received broad bipartisan support as well as support from the investor and business communities. The *purpose of the* Act is [designed] to reform portions of the federal securities laws [to end] *which allow costly* litigation abuses, while *at the same time preserve* [protecting] the rights of investors to pursue *meritorious* civil actions against financial fraud.

The current system for dealing with securities fraud litigation is sorely in need of repair. [Changes in] *Precipitous* stock price[s] *changes* [are a necessary part of our economic system, and] should not [be an excuse] *solely provide the basis* for expensive litigation [that is paid for by stockholders] *which* [and] distracts management from pursuing the opportunities for economic growth so vital to this country *and which shareholders themselves ultimately must pay for.* And markets will function [more] *most* efficiently if corporations [are able to] *can* provide the public with their best [good faith[1]] assessments of future prospects -- which by their very nature are uncertain -- without fear of costly *and unfounded* litigation should that assessment turn out to be wrong.

Provisions of this bill will deter frivolous litigation, increase investor control of class action[s] *lawsuits*, prohibit use of "professional plaintiffs," reform the method of calculating attorneys' fees relating to settlement of a class action, and significantly improve the information stockholders will receive prior to deciding whether to accept a settlement offer. The Securities and Exchange Commission [would] clearly *will* be authorized to *pursue* [bring] aiding and abetting actions, ending *the current* uncertainty caused by the Supreme Court's 1994 decision in <u>Central Bank</u>. And, the quantity and quality of information available to investors should be improved by reducing substantially the litigation risk to companies that make forward-looking statements, provided they *also disclose* [include] meaningful cautionary statements about risk factors important to the outcome projected.

Despite its improvements over the existing system, however, I sign this bill with mixed feelings. While the bill improves upon the status quo in a number of ways, it also raises [some] *several* questions. For example, I am concerned that both the revised pleading standard and the Rule 11 and bonding provisions if interpreted without regard to the purpose of the securities laws -- to inform and protect investors -- [could] *may* impair the ability of investors harmed by actual fraud to obtain redress. *The pleading standard should not require plaintiffs immediately to produce a "smoking gun."* Similarly, the Act's safe harbor must not become a license to lie -- or [to] *be interpreted to allow the omission of* [omit discussion of] critical or particularly important risk factors. The term "meaningful" cautionary statement"

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[1]Good Faith is already current law!

must be interpreted to require [inclusion] *the disclosure* of these *types of* factors -- *and not to excuse their deliberate concealment. I am confident that the safe harbor provision will provide judges with the flexibility to separate meritorious from meritless suits -- as many federal judges do today under the "bespeaks caution" doctrine.*

I am also [disappointed that] *dispirited and at a loss to explain why* Congress did not reinstate private plaintiffs' right to sue those who aid and abet a securities fraud, [nor did it] *or to* extend the statute of limitations on these cases to the more reasonable period that obtained before the Supreme Court's decision in Lampf et al v. Gilbertson. *Next week I will transmit to Congress legislation that would restore both of those key investor protections. And I urge its prompt enactment.*

It is essential that this Act not move us from an era of irresponsible and expensive litigation to an era of unredressed fraud. I [am asking] *urge* the Securities and Exchange Commission, as the agency of government directly charged with implementing the securities laws and protecting investors, to *lead the courts to the correct application of these newly crafted measures through intrepretive rules*, to monitor the implementation and impact of this legislation carefully, and to increase enforcement activities if necessary. **The budget plan I submitted to Congress last week authorizes and expands fees assessed upon transactions in the securities and bond markets. Combined with future appropriations, these fees will improve the Commission's ability to enforce securities laws and to protect investors.**[2] *One by-product of the Act may be that the SEC requires additional resources to carry out these function, the provision of which I strongly support.* I am also asking the Commission to report to me and to the Congress next December 15 about the impact of this legislation on the effectiveness of the securities laws and on investor protection. In the event [there are] *that* indications [that] *arise suggesting that* portions of the Act [are] hav[ing]*e had* a negative impact on the integrity of our markets, *on investor confidence in the qualith of information disseminated by publically traded companies* or on the ability of legitimate plaintiffs to have their day in court under fair rules, I will recommend amendments.

This Act has been the subject of much concern from interested parties on all sides. I believe [there is] *that* much in it [that] will strengthen our markets while maintaining the level of protection from fraud to which American investors are rightly accustomed. *As Oliver Wendell Holmes once said, however, the law is nothing but a prediction of what the courts will do. I* [We] will be watching carefully to make certain the Act achieves [this] *its* promise without adverse consequences *to investors.*

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[2]Jeff thinks that this bolded part is bullshit. The budget remains flat.

Withdrawal/Redaction Sheet
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	
001. fax	Statement by the President. (1 page)	10/17/2000	P5	1624
002. draft	[Draft statement concerning H.R. 4392] (1 page)	n.d.	P5	1625
003a. draft	[Draft statement concerning H.R. 4392] (1 page)	n.d.	P5	1626
003b. draft	[Draft statement concerning H.R. 4392 with handwritten comments] (1 page)	n.d.	P5	1627
004. draft	Statement by the President [with handwritten comments] (1 page)	n.d.	P5	1628
005.	Personal (1 page)	10/17/2000	P6/b(6)	

COLLECTION:

Clinton Presidential Records
Counsel's Office
Bill Marshall
OA/Box Number: 20835

FOLDER TITLE:

Signing Statements - October 2000

2009-1522-F
jm479

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
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Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
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b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

STATEMENT BY THE PRESIDENT

Today, I have signed into law H.R. 4392, the "Intelligence Authorization Act for Fiscal Year 2001." The Act authorizes appropriations for intelligence and intelligence related activities of the United States during fiscal year 2001. This legislation contains numerous provisions that will contribute to the effectiveness, efficiency and security of essential U.S. intelligence activities.

This Act also establishes a new felony offense for the unauthorized disclosure of classified information. Specifically, t~~T~~he Act prohibits a person with authorized access to classified information from disclosing classified information to someone he or she knows is not authorized to receive it. This applies only to information that is properly classified under the applicable Executive Order, meaning that a proper determination was made that its unauthorized disclosure of that information reasonably could be expected to result in damage to the national security. In that connection, it is important to note that ~~T~~the Executive Order ~~that requires that determination~~ also specifically prohibits classifying information in order to conceal violations of law, inefficiency, or administrative error or to prevent embarrassment to the government.

Unauthorized disclosures of classified information can be extremely ~~every bit as~~ harmful ~~as espionage in terms of potential danger~~ to the national security interests of the United States. ~~They~~ Unauthorized disclosures can hinder ~~the~~ my ability to make decisions affecting our nation's security and put at risk ~~the~~ scarce and irreplaceable intelligence sources and methods indispensable for acquiring the information necessary in order to make ~~for~~ those decisions in the most best possible way~~. In general~~Although I believe it would probably be preferable ~~, the preferred way~~ to address this problem ~~is~~ through stricter application of personnel security ~~practices~~ practices, including ~~and~~ administrative sanctions where appropriate, ~~. This~~ this law may provide an even stronger deterrent. I am concerned to ensure, however, that this new provision ~~it~~ not be applied in a manner that could chills legitimate, Constitutionally protected activity or ~~turns debates over the exercise~~ transform questions of judgment into criminal referrals. For these reasons, I believe it is extraordinarily important ~~I expect~~ that the Justice Department ~~will~~ use its prosecutorial discretion wisely when apparently unauthorized disclosures are referred to it for possible prosecution under this new provision.

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12957 has been

this ?? Executive Order # 12958

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This Act also establishes a new felony offense for the unauthorized disclosure of classified information. Specifically, the Act prohibits a person with authorized access to classified information from disclosing classified information to someone he or she knows is not authorized to receive it. This prohibition applies only to information that is properly classified under the applicable Executive Order, meaning that a proper determination has been made that unauthorized disclosure of that information reasonably could be expected to result in damage to the national security. In this connection, it is important to note that the Executive Order also specifically prohibits classifying information in order to conceal violations of law, inefficiency, or administrative error or to prevent embarrassment to the government.

Unauthorized disclosures of classified information can be extremely harmful to the national security interests of the United States. Unauthorized disclosures can hinder my ability to make decisions affecting our nation's security and put at risk scarce and irreplaceable intelligence sources and methods indispensable for acquiring the information necessary to make those decisions in the best possible way. Although many of the problems this legislation seeks to address should normally be handled through strict application of personnel security practices, including administrative sanctions where appropriate, this new law provides an alternative in circumstances where other measures may be necessary. I strongly believe, however, that this new provision should not be applied in a manner that could chill legitimate activity or transform questions of judgment into criminal referrals. It is extraordinarily important, therefore, that the Justice Department use its prosecutorial discretion wisely when apparently unauthorized disclosures are referred to it for possible prosecution under this new provision.

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Today, I have signed into law H.R. 4392, the "Intelligence Authorization Act for Fiscal Year 2001." The Act authorizes appropriations for intelligence and intelligence related activities of the United States during fiscal year 2001. This legislation contains numerous provisions that will contribute to the effectiveness, efficiency and security of essential U.S. intelligence activities.

This Act also establishes a new felony offense for the unauthorized disclosure of classified information. Specifically, the Act prohibits a person with authorized access to classified information from disclosing classified information to someone he or she knows is not authorized to receive it. This prohibition applies only to information that is properly classified under the applicable Executive Order, meaning that a proper determination has been made that unauthorized disclosure of that information reasonably could be expected to result in damage to the national security. In this connection, it is important to note that the Executive Order also specifically prohibits classifying information in order to conceal violations of law, inefficiency, or administrative error or to prevent embarrassment to the government.

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