

THE WHITE HOUSE

WASHINGTON

August 29, 1994

MEMORANDUM FOR CABINET MEMBER AND FULL-TIME EXECUTIVE  
BRANCH PRESIDENTIAL APPOINTEES  
FROM: LLOYD N. CUTLER  
SPECIAL COUNSEL TO THE PRESIDENT

SUBJECT: Use of Company Aircraft and Accommodations

As Presidential appointees, the actions we take reflect directly upon this Administration and on the President. We must therefore adhere strictly to the Standards of Ethical Conduct for Employees of the Executive Branch (Standards), 5. C.F.R. Part 2635. In addition, we must meet the even higher standard of avoiding conduct, however lawful, that public opinion regards as inappropriate for a Presidential appointee.

In this spirit, the White House Chief of Staff has directed me to issue the following policy on the use, by Cabinet members and other full-time Executive Branch Presidential appointees, of aircraft and accommodations owned or maintained by certain companies. For the purposes of this policy, "company" means a corporation and subsidiaries it controls, non-profit foundation of a company, association, firm, partnership, society, joint stock company, or union; it does not include independent non-profit or other organizations.

1. With the exceptions noted below,

(a) Cabinet members and other full-time Executive Branch Presidential appointees may not travel on aircraft owned, chartered, or maintained by a company primarily for company use rather than commercial use if the company is regulated by or doing business with their employing agency. This policy applies to all travel -- personal, political and official travel -- and is in addition to the restrictions imposed by the Standards or by any other applicable law or regulation.

(b) Cabinet members and other full-time Executive Branch Presidential appointees may not stay in overnight accommodations owned or maintained primarily for company use rather than commercial use if the company is regulated by or doing business with their employing agency. This policy applies without regard to whether you use is related to personal, political or official purposes and is in addition to the restrictions imposed by the Standards or by any other applicable law or regulation.

(c) Because of the broad scope of matters handled by the White House, companies may be considered to be regulated by or doing business with the White House when a matter is pending in another agency subject to Presidential review. Therefore, appointees in the

White House Office and Office of Policy Development shall consult with the White House Counsel's Office and obtain its approval for any use of company aircraft and accommodations.

(d) Paragraphs (a), (b), and (c) above apply regardless of whether the appointee or agency intends to reimburse the company for the cost of value of the travel or accommodations.

2. The only exceptions to this policy are:

(a) travel and related expenses for Cabinet members or other Executive Branch Presidential appointees to attend official meetings or similar functions consistent with 31 U.S.C. 1353 and 41 C.F.R. Part 304 (before authorizing acceptance of such an offer without reimbursement, agencies should carefully apply the regulation's conflict of interest factors when a company is regulated by or does business with the agency);

(b) where no other travel arrangements or accommodations are practically available; or

(c) where the offer of an aircraft or accommodations owned or maintained by a company regulated by or doing business with your agency results from the business or employment activities of your spouse and it is clear that such benefits have not been offered or enhanced because of your official position. 5 C.F.R 2635.204(e).

In addition to any other required approval, reliance on any of the exceptions must be approved in advance by your agency's ethics official, who may consult the White House Counsel's Office before approval. Reliance on those exceptions authorizing the use of aircraft owned, chartered or maintained by a company for its own use must be approved in advance by the White House Counsel's Office.

This policy is effective immediately. If you have any questions regarding this policy, please direct them to your ethics officer or to Cheryl Mills, Associate Counsel to the President, at (202) 456-7900.