Cabinet Nominee Kerik Pulls Out; Bush's DHS Pick Cites Nanny Issue

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Body

Former New York City police commissioner Bernard B. <u>Kerik</u> withdrew as President <u>Bush's nominee</u> for secretary of homeland security last night, saying he had not paid taxes for a domestic worker who may have been an illegal immigrant.

The White House made the announcement in a two-sentence e-mail at 10 p.m. but did not give any cause beyond saying that *Kerik* "is withdrawing his name for personal reasons."

<u>Kerik</u>, 49, elaborated in a written statement, saying that in filling <u>out</u> forms required for Senate confirmation, he "uncovered information that now leads me to question the immigration status of a person who had been in my employ as a housekeeper and *nanny*."

"It has also been brought to my attention that for a period of time during such employment required tax payments and related filings had not been made," he wrote.

"Nanny problems" have sunk several high-profile nominations in recent years. In 2001, Linda Chavez withdrew as Bush's first nominee for labor secretary after it was learned she had housed an illegal immigrant. The departures of Chavez, and now Kerik, recalled the nomination of Zoe Baird to be President Bill Clinton's attorney general. Baird withdrew after it became known that she had employed an illegal immigrant couple and failed to pay Social Security taxes.

Republican officials said the White House counsel's office had asked <u>Kerik</u> about the matter repeatedly in investigating his background before the nomination was announced last week. A Republican source said some White House officials found it highly suspicious that <u>Kerik</u> was not aware of a potential problem with a <u>nanny</u> who left the country very recently.

Employers can face fines and other sanctions for hiring any of the 8 million to 10 million illegal immigrants who are estimated to live in this country, and it is also illegal not to pay Social Security and Medicare taxes for domestic employees.

Because of the past incidents, <u>nanny issues</u> are among the first that administration officials explore, and among the ones they probe most aggressively. Administration officials said such concerns have sunk other potential <u>nominees</u>, in addition to Chavez, that <u>Bush</u> has considered over the years.

Even before the <u>nanny issue</u> arose, Democrats had targeted <u>Kerik</u> as the most vulnerable of <u>Bush's</u> second-term nominations. White House officials realized he was becoming a lightning rod, although they had thought he would survive.

Democrats were focusing on the quick riches <u>Kerik</u> had accumulated since resigning in 2002 as police commissioner, a post he held during the 2001 terrorist attacks on the World Trade Center. Since leaving his city office, he had earned \$6.2 million by exercising stock options he received as a consultant and director for Taser International, a maker of stun guns that did business with the Department of Homeland Security.

Democrats had raised numerous questions about <u>Kerik's</u> records and qualifications, including his role in training Iraqi police as interim minister of interior and senior policy adviser for the Coalition Provisional Authority in Iraq.

<u>Kerik</u> was expelled from Saudi Arabia in 1984 after a power struggle with the head of a hospital complex where he helped command the security staff. <u>Kerik</u> was using surveillance and other techniques to investigate employees' private lives, which he said was necessary because of the Saudi laws prohibiting drinking and mingling of the sexes in public.

With <u>Kerik</u> at his side, <u>Bush</u> said in announcing the nomination at the White House on Dec. 3 that his <u>pick</u> was "one of the most accomplished and effective leaders of law enforcement in America."

In his statement Friday night, <u>Kerik</u> said he had "initiated efforts to fulfill any outstanding reporting requirements and tax obligations related to this <u>issue</u>" but said he realized that disclosure of the <u>issue</u> would generate "intense scrutiny" that would distract from the missions of the Department of Homeland Security. Among them is enforcement of the nation's immigration laws.

The disclosure disrupts the swift and orderly schedule <u>Bush</u> had tried to impose for replacing nine of his 15 <u>Cabinet</u> secretaries after winning reelection last month.

Former New York mayor Rudolph W. Giuliani, who had made <u>Kerik</u> corrections commissioner and later police commissioner, had recommended him strongly to <u>Bush</u>. Giuliani said in a telephone interview that <u>Kerik</u> had employed the woman recently to take care of his two young children. Officials would not provide the woman'<u>s</u> name or native country.

"Bernie told me that they really loved her and the kids loved her, but she had to go back to her country," Giuliani said. He said she returned voluntarily but would not say what country it was. He did not have the date but said it was "pretty recently," although he said he believes it was before the nomination.

"When he actually sat down and did the form, he realized there was a real problem here," he said. "He hadn't focused on it. There are personal reasons for it."

The White House released a four-paragraph letter from <u>Kerik</u> to <u>Bush</u> that <u>cited</u> personal reasons without elaboration. "I cannot permit matters personal to me to distract from the focus and progress of the Department of Homeland Security and its crucial endeavors," the letter said. "I personally apologize to you for not having focused on this earlier."

White House press secretary Scott McClellan said that at about 8:30 p.m., <u>Kerik</u> had a brief telephone conversation with <u>Bush</u>, who was at the White House for a holiday party. McClellan said it was <u>Kerik's</u> decision to withdraw, and that the president "will move as quickly as we can to name a new *nominee*."

Republican officials said Friday night that they were grateful the discovery came as quickly as it did, although they said it was still a huge embarrassment for <u>Bush</u>. "We took more on faith than we probably should have," said an official close to the White House. "It was a combination of biography and his close association with the mayor."

Staff writers Brooke A. Masters and John Mintz contributed to this report.

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