

Indicts Senator



Sen. Kay Bailey Hutchison

U.S. senator to be indicted while in office.

Hutchison, 50, defeated appointed Democratic Sen. Bob Krueger in a See SENATOR, Page 2

Hutchison became the second U.S. senator under indictment. Sen. Dave Durenberger, a Minnesota Republican, faces federal trial in January on charges he illegally claimed reimbursement from the Senate for a Minneapolis condominium he secretly owned. He announced less than two weeks ago that he wouldn't see reelection to a fourth term. Hutchison is the 10th

Fee Negotiations Revealed

Loving Seeks Return of \$6 Million Treasurer's Office Paid

By Paul English
Capitol Bureau

The Oklahoma Securities Department has been involved for some time in confidential negotiations aimed at recovering \$6 million in allegedly excessive fees paid by the state treasurer's office, Attorney General Susan Loving said Monday.

Loving said the settlement negotiations "with various securities entities" are the result of facts gathered in her office's investigation and an investigative audit by state Auditor and Inspector Clifton Scott. "The goal of those negotiations is

to see that the state is fully compensated for any and all its losses," she said.

In documents filed Friday and released Monday, Loving called for dismissal of a "taxpayers' lawsuit" against state Treasurer Claudette Henry and Henry's former chief trader, Patricia Whitehead.

Loving said the lawsuit filed Aug. 27 could "jeopardize delicate negotiations" and hamper a federal-state criminal investigation.

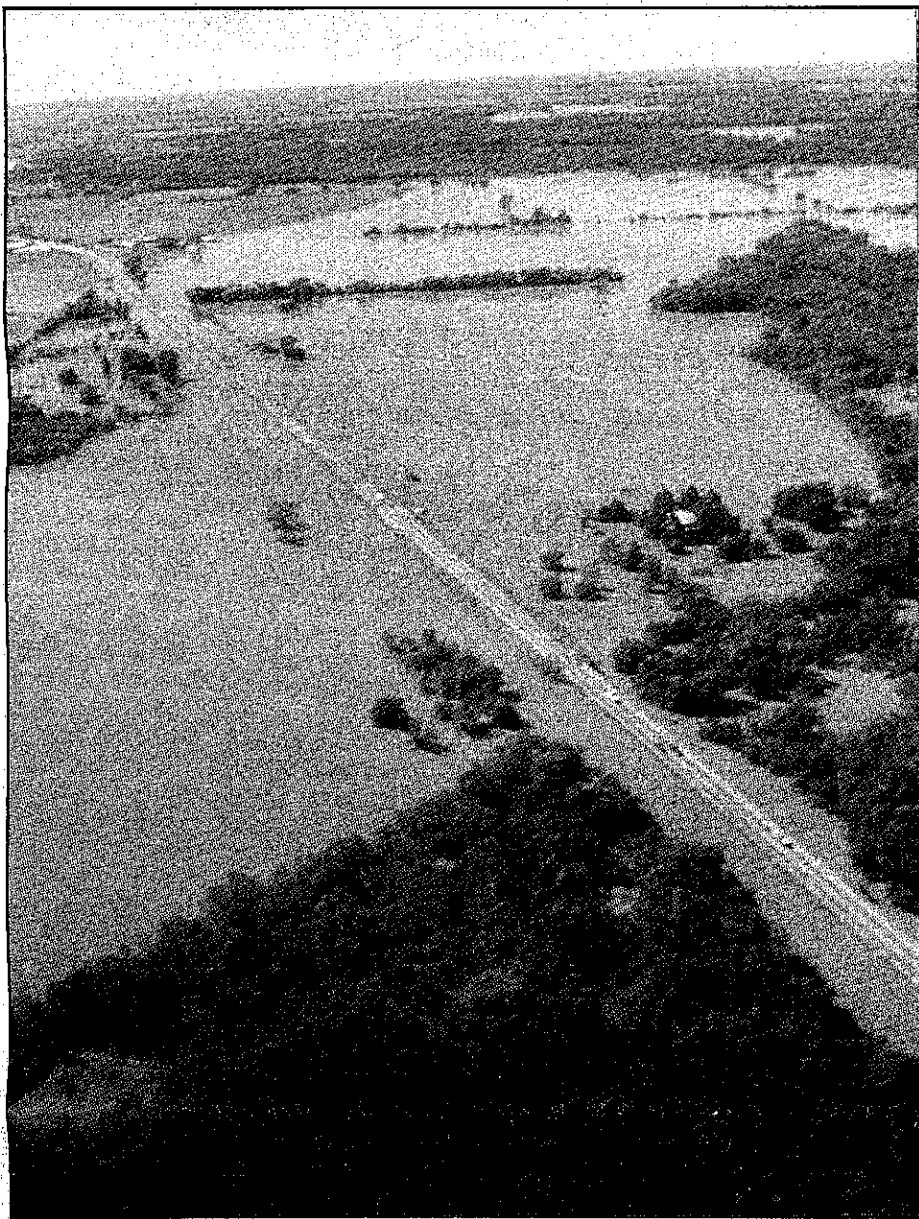
In an affidavit, Loving said that as a result of her office's investigation, which began late last year, federal and state law enforcement

agencies were notified of possible criminal violations.

She said her office has "an ongoing working relationship with various federal and state law enforcement agencies regarding the investigation of the allegations of criminal wrongdoing related to business in the treasurer's office.

"Our cooperative investigation is active, has been ongoing for several months, and will continue until completed," she said.

She said it was agreed early in the investigation that the securities department would "spearhead the See LOVING, Page 2



— AP Photo

U.S. 69 south of Miami, OK, is surrounded Monday by floodwaters from the Neosho River. The Neosho spilled over its banks Saturday in Craig and Ottawa counties after torrential rains fell in southeastern Kansas, and is expected to fall back below flood stage Thursday. The nearby Spring River also flooded.

Miami Shelters People, Items From Flooding

From Staff and Wire Reports

MIAMI, OK — Volunteers stacked rescued furniture and appliances in Miami's civic center Monday and officials transformed a college gymnasium into a temporary nursing home as floodwaters ran through parts of the city.

"We hope that we have seen the worst of it and we are going to see it top out in just a little bit," said Keith Manion of the Miami Fire Department.

Terry Durborow, Miami civil defense director, said more than 500 people had been evacuated or had left their homes voluntarily because of rising water. About half that number was in Miami.

The Spring and Neosho rivers began spilling over their banks Saturday in Ottawa and Craig counties after torrential rains fell in southeastern Kansas.

Durborow said the Neosho River at Commerce crested at about 24.4 feet Monday afternoon. It is expected to fall below the flood stage of 15 feet by Thursday morning.

The Spring River reached an estimated 41.2 feet at 1 a.m. Monday, which was 21.2 feet above flood stage. The National Weather Service said the river should fall back below flood stage tonight.

Gov. David Walters toured flood-damaged areas in Miami, Wyandotte and Quapaw by helicopter Monday.

"I saw a lot of damage out there. At first, it sounded like a more remote kind of out-of-the banks problem, but this looks like a lot of damage," he said.

"If it looks like it's warranted — and I'd be surprised if it didn't — we'll go ahead and sign a request to the president for a federal declaration to make available some additional support."

Ottawa County commissioners joined other officials Monday in declaring a state of emergency.

State Sen. Rick Littlefield, D-Grove, said the water rose with little warning, causing destruction he said appeared worse than that of the 1986 floods, although the water levels aren't as high.

"This was like turning on the faucet or breaking the dam. It has an immediate impact," he said.

"It looks like a tremendous amount of damage. It's hard to assess damage on some of the county roads because they are still underwater."

Manion said water was standing in some Miami businesses and a theater See FLOODING, Page 2



— AP Photo

Caught in the Act

Protesters at Russia's parliament building in Moscow catch a hard-line lawmaker Monday after security forces threw him back over a barricade when he tried to reach the building. President Boris Yeltsin ruled out any compromise with opponents holding the building.

Limit New Missions, Clinton Urges U.N.

UNITED NATIONS (AP) — President Clinton told the United Nations on Monday that Americans will support sending U.S. troops to keep peace around the world only if new missions are sharply limited.

"The United Nations must know when to say, 'No,'" he declared.

Noting that he is the first president born after the world body's creation, Clinton insisted on new rules for "new times" as he outlined his foreign-policy views.

Clinton is prepared to send as many as 25,000 American troops to Bosnia if peace terms can be worked out there, and he defended keeping 4,700 U.S. peacekeepers in

tatives of more than 180 nations the United Nations must limit its involvement in international fighting, beginning "by bringing the rigors of military and political analysis to every U.N. peace mission."

He proposed a network of nuclear arms restraints, including a worldwide ban on stockpiling of weapons-grade uranium, but hinted he might abandon his 3-month-old ban of underground weapons blasts if China resumes its testing program.

At a news conference later with Japanese Prime Minister Morihiro Hosokawa, Clinton said the United States sent peacekeepers to Somalia in December "with our eyes open"

Given Firms

July 1993 while it was under investigation in connection with failure of a New Mexico trust documents show. Second firm, Chicago-based Thornton, received 17 contracts worth \$4.5 million over the period even though it had failed in one thrift failure in and remains under investigation in connection with another documents showed. Though the regulations prohibit waivers to allow such to get new business, the granted them for only two 42 contracts. member of the House com-



■ ARGUS
HAMILTON

Show Business Has Liberal Bent

HOLLYWOOD — Happy Tuesday, Oklahoma, and how's everybody?

Everybody in show business is a liberal. Few dare to be different. But statistics show that one out of three Hollywood conservatives goes on to become president of the United States.

Hillary Clinton got the support of Dr. C. Everett Koop for health care reform. This doctor has done plenty of damage control. He was the plastic surgeon general under the Reagans.

President Clinton asked Koop to hold a series of conferences with doctors across the country. He can't believe the prognosis for his presidency could be so bad. He wants another opinion.

Koop marks the second time Clinton has gone to a Reagan aide for emergency help. He called in David Gergen after Travelgate. Next, he'll be asking Oliver North to do something about Ross Perot.

Hillary Clinton made sure the health care plan was published as a book. It shows how the plan virtually pays for itself. It's at your local bookstore in the science fiction aisle.

Hillary went to Capitol Hill to hold a health care class for congressmen. The class even had a practice fire drill. After the 1994 election, everybody may have to get out of the building.

Congress held two meetings on the Clinton health care plan. First, lawmakers listened to

Flooding

From Page 1

along a 1½-mile stretch of Steve Owens Boulevard. He said the stretch was in a low-lying area of the city of 13,100 about 95 miles north of Tulsa.

Manion said there were no reported deaths or injuries caused by the flooding.

A nursing home was evacuated and beds were set up in the gymnasium of Northeastern Oklahoma A&M College.

"People don't want to leave their homes until it is almost too late," said Pat Pulley, a civil de-

fense volunteer.

An upstairs room in the civic center was converted into a storage area for filled with stoves, sofas, mattresses and other pieces of furniture people removed from their homes before the flooding hit.

About 50 baseball and football players from the college were helping Monday.

"The civil defense called me about 5:30 and said the city had exhausted its volunteers," said Jerry Carroll, university president. "Some of our coaches emp-

tyed their dorms and the trucks came by and loaded them up." He commended the work the students had done for the city.

Classes were canceled at the junior college because of the limited access from roads.

Miami was accessible only from one road from the north and south. The rising Neosho River pushed up against the edges of U.S. 69 northbound.

Water covered nearly all of the first floor of a farmhouse near the river and the water level rose beyond the windshield on a

pickup truck beside the house.

Declaration of a state of emergency allowed Walters to send Oklahoma National Guardsmen to help with roadblocks and evacuations. Seventy-five guardsmen, 10 trucks and four boats were sent in.

The Oklahoma Highway Patrol said State Highway 10 east and west out of Miami was closed. That also knocked out access to SH 137, which leads north to Quapaw.

A stretch of U.S. 60 between Fairland and Wyandotte was re-

opened at the Spring River bridge but SH 125 south of Miami remained closed, the patrol said.

Delores Hollenbeck, Wyandotte town clerk and treasurer, spent Sunday night with friends because of the flooding threat.

She stacked furniture up high and returned Monday to find the water didn't reach her house.

"I said I wasn't going to complain about having to put my furniture back because it was dry," she said.

Staff writer Stacy D. Johnson and The Associated Press' Doug Ferguson contributed to this story.

Fair — Loving — Senator

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homa City police Chaplain Jack Poe and his wife, Phyllis.

Phyllis Poe, a volunteer police chaplain, is general manager of the fair chaplains, Williams said.

The fair's chaplaincy program is interdenominational and includes about 65 volunteers from a variety of religious backgrounds, Williams said. The Rev. Elias G. Karim, an Orthodox priest, is chief of chaplains.

"Our main focus is on employees, exhibitors, carnival personnel, all of the people who make the fair operate," Williams said. "That numbers 25,000 people over the 17

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state's civil recovery efforts."

Loving said other efforts "to ensure a full recovery for the state are ongoing and are being vigorously pursued in a joint effort with other federal agencies."

The "taxpayers' lawsuit" was filed by Tulsa attorney Thomas Dee Frasier on behalf of 12 taxpayers. Also named as defendants in the lawsuit are Mabon Securities Corp., Planners Independent Management Inc., and Adler, Coleman & Co. of New York.

Frasier sent a letter to Loving on July 26, demanding that she pursue recovery by civil proceedings against all people who participated in or knew of the paying of the excessive fees.

Frasier wrote that if Loving refused or failed to institute civil actions to recover the money within 30 days, he would file a lawsuit.

Loving said Monday that Frasier made the demand on the wrong person — her instead of Henry.

"Contrary to Mr. Frasier's allegations, the attorney general has not failed, refused or neglected to take action in the matter at hand," Loving told the court.

"Mr. Frasier's pleading ... is less than forth-

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June 5 special election for U.S. Treasury Secretary Lloyd Bentsen's former seat. The victory made her Texas' first woman senator.

Days later, a grand jury began looking in to misconduct allegations.

The five-count indictment accuses her of using state employees, facilities, equipment

and supplies for "her personal benefit" and of destroying computer records from the treasury.

Also indicted were Michael Barron, former deputy state treasurer, and David Criss, the agency's planning director.

Barron was charged with official misconduct, tampering with governmental records

and tampering with physical evidence. Criss was charged with official misconduct.

Hutchison is allowed to remain in the Senate while she fights the charges.

More than 30 former Treasury aides and Hutchison campaign operatives went before the grand jury.

At a news conference

in Washington, Hutchison said she would seek a quick trial on the charges. Filing for the March 1994 primary will be in December and early January.

"We can have this trial in four months and I hope we will," she said. "I'm going to vigorously challenge all of the charges."

She could face 60 years in prison.

Water

From Page 1

stronger drinking water laws and stricter enforcement. Olson also advised citizens to find out from state or local authorities what is in their water.

Earlier this year, an estimated 350,000 people in Milwaukee got sick from contaminat-

quire expensive new equipment, he said. Ridding water of one particular contaminant could cost an estimated \$1 billion per life saved, Nickles

must be reauthorized before the end of the 1994 legislative session.

He said he would try to ensure a "commonsense" approach is