

Firm Cited for Pollution Gave Allen PAC \$100,000

Gift Comes During Negotiations With State

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RICHMOND, Oct. 24—In his quest to finance a Republican takeover of the state legislature, Gov. George Allen has accepted \$100,000 in political contributions from a meatpacking company that is under investigation by his administration for dumping improperly treated animal waste into a Tidewater river.

The gifts make Smithfield Foods Inc. the largest corporate contributor to Allen's political action committee and are more than 12 percent of the money he has raised since April for campaign activities.

The checks were written as the Smithfield, Va., food processor was negotiating with Virginia regulators who repeatedly have cited the plant for releasing polluted wastewater into the Pagan River, a tributary of the Chesapeake Bay. The company, whose recent problems have made headlines repeatedly in downstate newspapers, has been cited by state officials two dozen times in the last 18 months and could face millions of dollars in fines. It also faces a federal probe into the disappearance of

thousands of environmental documents.

The Smithfield contributions are part of an unprecedented wave of cash pouring into political coffers from special interests this year, as both parties struggle for control of Virginia's General Assembly in the Nov. 7 elections. The Republican Party could gain control of both the House and the Senate by picking up seven seats.

Candidates had collected more than \$14 million as of Sept. 30, already outstripping the \$10 million spent during the entire campaign in 1991, the last time the full legislature was on the ballot. That doesn't include the nearly \$800,000 raised in the last six months by Allen, who unlike any governor before him has aggressively built his own organization to try to influence the elections. Allen sees a GOP majority as vital to his effort to scale back government

See ALLEN, A14, Col. 1

Company Under Probe Tops Allen Donors

ALLEN, From A1

and revamp education in his last two years in office.

Campaign finance reports filed with the state indicate that Smithfield gave Allen's PAC, called the Campaign for Honest Change, a \$50,000 check on May 11 and another \$50,000 check on Sept. 4. Only one other donor has been as generous; Republican presidential candidate Robert J. Dole's PAC gave \$100,000. Such large gifts are rare in Virginia politics.

It could not be determined today whether Smithfield contributed to Allen's 1993 gubernatorial campaign. Smithfield officials did not return several telephone calls. The Almanac of Virginia Politics did not include the company in its list of the governor's largest benefactors.

Virginia law imposes virtually no limits on campaign donations as long as they are publicly disclosed, but several government ethicists and environmentalists said the governor's acceptance of such a large amount of money from Smithfield compromises his administration's ability to regulate the company.

"It should have never been accepted in the first place," said Julie Lapham, executive director of Common Cause of Virginia, a government watchdog group. "It's just too close for comfort, and that's conflict of interests, and that's poor ethics, and that's poor values. And for an administration that preaches values, it's appalling."

A top Allen environmental official denied any connection between the contribution and Smithfield's negotiations with the state, saying he was not aware of the gifts until a reporter's inquiry.

"I just doubt very seriously whether anybody knows or cares," said Tom Hopkins, the deputy secretary of natural resources. "We do not react in our agencies on the basis of who's making political contributions. Certainly, that's illegal and unethical and immoral. . . . There's no connection between anything that Smithfield is doing in terms of political contributions and the regulation of their operations."

Allen's office referred questions on the Smithfield contributions to PAC director Chris Nolen, who solicited the money. Nolen said he was unaware of the company's legal problems with the state. "This is the first I

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heard of it," he said. Had he known at the time, "then, yeah, we would have sat down and evaluated the situation."

Allen has used his PAC to pay for media advertising for favorite candidates, for his campaign travels across the state and for a state-wide television commercial in which he pleads with voters to send him allied lawmakers.

Allen routinely has ridiculed environmental groups in speeches, saying they care more about snail darters than jobs.

Since taking office, he has decentralized the Department of Environmental Quality, signed legislation granting amnesty to certain polluters who disclose their own violations, put business representatives on environmental panels and sued the federal government to avoid enforcing the Clean Air Act.

Hopkins said the governor favors a constructive style of regulation that seeks to ensure industry compliance without hurting the state's economy. "Throwing people in jail and charging huge penalties and fines and

those sorts of things are not going to clean up the environment," he said.

But environmentalists say they consider Allen a sellout to industry, and they see the Smithfield gifts as the latest evidence.

"It's really beyond comprehension that the chief elected official of a state would take that kind of money from a company that depends on the state for its permits and for enforcement," said Kay Slaughter, a lawyer with the Southern Environmental Law Center who lost a congressional race to Allen in 1991. "It's a disastrous combination, and it's very arrogant of the company . . . to make those contributions."

Smithfield has had a history of pollution problems but appeared to have cleaned up its operations until May 1994, when new violations began occurring.

The company slaughters thousands of hogs a day for bacon, sausage and ham, washing out the waste through treatment facilities before dumping 3 million gallons of water a day into the Pagan.

The most common violations, state officials say, have been excessive levels of fecal coliform, a bacterium that indicates the presence of manure—sometimes many times the permitted amount.

The company has attributed the problems to an employee in charge of monitoring water quality, who has since been reassigned and is under investigation in the disappearance of 5,000 lab reports in 1992 and 1993. Officials in the state environment department's regional office said that the company has made improvements and that no violations have been reported since July.

"To my knowledge, we haven't received any inquiry whatsoever from the governor or the secretary," said Harold J. Winer, the regional compliance manager in Tidewater. "Any case decision will be decided here."

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