

Witness Admits Lies on Baker Deals

Continued From Page 1, Col. 3

been made out to him, that he had cashed them and had delivered the cash to Mr. Baker.

Mr. Bromley also said that, on instructions of Mr. Baker, he had reported \$11,000 of these payments as his own income on his 1963 tax form, and had then deducted that amount as a business expense for legal fees.

Mr. Baker is on trial on a nine-count indictment charging him with income tax evasion, theft and conspiracy to defraud the Government.

At the outset of the Federal District Court trial six days ago, Judge Oliver Gasch told the jurors they should properly weigh the credibility of witnesses. Today, Mr. Baker's lawyers spent most of the day attacking the credibility of Mr. Bromley.

Friendly Days Recalled

Most of the cross-examination was undertaken by Boris Kostelanetz, a New York lawyer specializing in tax litigation.

Mr. Kostelanetz began by having Mr. Bromley tell how he and Mr. Baker had gone to the Capitol Hill school for pages together, had been fraternity brothers, and had taken their law degrees together from American University.

"He was my closest friend," Mr. Bromley said.

Then, Mr. Kostelanetz asked Mr. Bromley whether he had not testified before the grand jury in June, 1965, that he had borrowed \$3,000 from Mr. Baker in 1962 and \$3,000 more during 1963 and 1964.

Was this not the same \$11,000 deduction he had reported on his 1963 income when he finally filed it on Dec. 31, 1964, Mr. Kostelanetz asked, and was not this \$11,000 really payment on his loans from Mr. Baker?

Mr. Bromley said he had testified about the loans but had got the years wrong. He denied the \$11,000 deduction in the tax report represented payments on loans.

Admits Lying to F.B.I.

Mr. Kostelanetz then questioned Mr. Bromley about a check for \$5,000, received on March 7, 1963, "for services rendered" to a group seeking a charter for the Redwood National Bank in San Rafael, Calif.

Yesterday, Mr. Bromley testified that he had endorsed the check and that Mr. Baker had cashed it, had given him \$2,500, and had instructed him to report the full \$5,000 on his 1963 income tax. Mr. Baker promised to reimburse him for the extra tax, Mr. Bromley said.

After eliciting from Mr.



Wayne L. Bromley

Associated Press

Bromley that he had reported the \$5,000, Mr. Kostelanetz questioned him on what he had told various Government investigators before he engaged Mark B. Sandground as his attorney on Feb. 2, 1965. This exchange took place:

Mr. Kostelanetz — on Nov. 1, 1963 [a month after Mr. Baker resigned his Senate post], did two F.B.I. agents come to see you and did you tell them you kept all the money from Redwood?

Mr. Bromley — Yes.

Q.—It was a false statement, wasn't it? A.—Yes, sir, it was.

Q.—Did you tell them you used the money to pay a bill at the Carroll Arms Hotel—between \$2,000 and \$3,000—in cash? A.—I do not recall exactly what I told the F.B.I. I hoped they'd go away.

Lie to Rules Panel

Mr. Bromley then said that he had made a false statement to investigators for the Senate Rules Committee on Nov. 12, 1964, when he told it he knew nothing about Mr. Baker's financial affairs.

He said further that he had falsely sworn to an affidavit he had given to Joseph P. Rossetti of the Internal Revenue Service on April 29, 1964, saying there had never been a loan between himself and Mr. Baker over \$100.

Then the following exchange took place about a meeting on Nov. 19, 1964, with Samuel Scott, investigator for the Rules Committee.

Mr. Kostelanetz—Did you tell him that Baker kept a part of the Redwood money? Did you

tell him you didn't want your wife to know about it—particularly how you spent it? Did you say you spent \$2,500 on a bill at the Carroll Arms and wasted part of the rest on items for your new house?

Mr. Bromley—I don't think I used the word "wasted."

Mr. Bromley also testified that he had made false statements about the Redwood payment to agents of the Controller of the Currency's office on Jan. 4, 1965.

Mr. Kostelanetz then asked Mr. Bromley whether he had told William O. Bittman, the Government lawyer, about these false statements when he first visited the prosecution on Feb. 15. This was two weeks after he retained Mr. Sandground.

Mr. Bromley said, "I don't recall telling them. It's rather obvious that I did."

Tells of Apprehension

Then this exchange took place:

Q.—When you hired Sandground, were you somewhat apprehensive of indictment? A.—I was well aware of the investigation [of Mr. Baker] in process and my role in the investigation. It was completely in the realm of possibility I could come out with some kind of indictment for some kind of offense.

Q.—After hiring him, you were not so apprehensive? A.—I was less apprehensive.

The Government won two victories at the outset today.

First, Judge Gasch denied two defense motions. The first motion was to dismiss the indictment on the grounds that the Government had violated Mr. Baker's right to counsel and his right against self-incrimination when it recorded electronically a conversation in Los Angeles on March 27, 1965, between Mr. Bromley, Mr. Baker and Clifford Jones, an officer of the First Western Financial Corporation of Las Vegas. The second motion was to suppress all evidence of this monitored conversation.

The second victory came when Judge Gasch allowed the admission into testimony of a statement allegedly made by Mr. Baker to Mr. Bromley and Mr. Jones during the Los Angeles meeting. The statement was that Mr. Jones was "in trouble for perjury and I am in trouble for illegal campaign contributions."

According to earlier witnesses, Mr. Baker was given \$99,600 in October and November, 1962, by California savings and loan executives. The money was to be distributed to Senatorial candidates, the witnesses said. But the indictment charges that Mr. Baker stole this money.