

Senator Murphy Defends Fee He Receives From Technicolor

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WASHINGTON, March 12—Senator George Murphy has been receiving a \$20,000-a-year private corporate retainer since he came to the Senate in 1965. He says he does not regard this as an impediment to his re-election next fall.

The California Republican has conceded that Technicolor, Inc., headed by Patrick J. Frawley Jr., is paying him that salary as a public relations consultant, providing him with a credit card for travel and paying half the rent of his \$520-a-month apartment in Washington.

Senator Murphy issued a statement today contending that any question as to the propriety of the income and benefits provided by the motion picture corporation had been

“resolved once and for all” by clearance by the chairman of the Senate Select Committee on Standards and Conduct.

The chairman, Senator John C. Stennis, Democrat of Mississippi, reviewed Mr. Murphy's contract with Technicolor last month at Mr. Murphy's request, and found it “reasonable and not a conflict of interest if

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carried out under the terms of contract.”

Asked if published reports about the Senator's outside income would have any effect on his intention to seek renomination in California this year, a Murphy spokesman replied: “Absolutely not.”

There have been recurrent reports for the last two years that some Republicans, both in California and Washington, would prefer to see Robert H. Finch, the Secretary of Health, Education and Welfare, as the party's candidate for the Murphy seat next fall.

Mr. Finch, a liberal who resigned as Lieutenant Governor of California to join the Nixon Cabinet, is regarded as a stronger vote-getter than Senator Murphy. Although long interested in a Senate race, he has made it clear that he would not challenge Mr. Murphy for the nomination.

Reports from California today indicated that Gov. Ronald Reagan was giving Senator Murphy somewhat less than whole-hearted support on the corporate retainer. While de-

nying that any wrongdoing was involved, the Governor said he could not do the same thing “in my position.”



United Press International
Senator George Murphy

“I myself have spoken of the appearance of evil,” Mr. Reagan told a news conference. “I don't see that this is an appearance of evil. This is somebody suddenly finding something that nobody is hiding.”

Senator Murphy's arrangement with the California Corporation was first reported by Jack Anderson in his syndicated column, “The Washington Merry-Go-Round,” published yesterday and confirmed by the Senator in an interview with The Los Angeles Times.

“I am pleased and gratified,” Senator Murphy declared today, “that this situation, which has been the basis of unfounded rumors, has been resolved once and for all by the statement of Senator Stennis.”

The clearance provided Sen-

ator Murphy came from the committee chairman, supported by the committee counsel, Benjamin Fern, and not from the six-member panel. Senator Stennis said his conclusion was “so clear that it did not seem necessary to refer the question to the full committee.”

Financial Report Planned

Senator Murphy plans to make a public report on his personal finances, including his 1969 income tax returns, within the next two weeks or so. An aide said today that the Senator made a campaign pledge in January to take such a step and would merely be following up on it.

Any California Republican considering a primary campaign against Senator Murphy on the basis of conflict of interest has a short time in which to decide. The deadline for filing to run in a Senate primary there is March 20.

Before Mr. Murphy first ran for the Senate in 1964, he received \$40,000 a year as a vice president of Technicolor and was frequently active in political causes supported financially by Mr. Frawley, the corporation's president.

When he won the Senate seat, Mr. Murphy reported, he became a consultant at \$20,000 a year, plus free travel privileges and the rent subsidy.

“If there had been any impropriety,” the Senator declared, “I would never have taken the consultant job.”

While he is in Washington, Senator Murphy uses the two-bedroom apartment that he says contains projection equipment and is also available to Technicolor executives. His wife, an invalid, lives in their home in Beverly Hills.