

Justice Clears Sen. Dodd in Use of Funds

By William Chapman
Washington Post Staff Writer

The Justice Department will not bring a criminal prosecution against Sen. Thomas Dodd, the Connecticut Democrat who was censured by the Senate for diverting campaign contributions to his personal use.

Attorney General John N. Mitchell said in a letter to Dodd's lawyer, Edward Bennett Williams, that after an investigation the department decided "that no criminal prosecution is warranted."

After the letter was released yesterday, Dodd said he considered it proof that he had been "cleared of any wrongdoing."

He reaffirmed his intent to run for a third term in the Senate next year.

See DODD, A2, Col. 1



United Press International

Sen. Dodd tells of Justice Dept. clearance in probe.

DODD, From A1

In Connecticut, political sources acknowledged the Justice Department statement would give the sagging Dodd forces a boost but said he will face a tough contested primary next summer.

The announcement did not clear up the matter of civil liability that Dodd may face on his income tax returns for a four-year period. After an investigation for criminal charges is completed, the local IRS office is free to determine whether taxes for previous years and interest penalties are due.

Normally, a three-year statute of limitations prevails for back taxes. However, Dodd has voluntarily waived that limitation pending resolution of the investigation for criminal charges.

Dodd's lawyer said the IRS at this point, has not asked for any adjustments on Dodd's past tax returns.

The attorney general's letter

said the decision was based on recommendations of the staffs of Justice's Tax and Criminal Divisions and the assistant attorneys general in charge of both. A spokesman for the department declined to elaborate on the letter's contents.

According to published reports, the Hartford office of IRS had recommended criminal prosecution of Dodd. Neither Justice nor IRS would comment.

Dodd was censured by the Senate nearly two-and-a-half years ago after a special Sen-

ate committee determined he had used at least \$116,083 in political campaign contributions for his personal expenses.

The Senate committee had also called the Justice Department's attention to several matters it had uncovered, including the tax status of \$449,000 in campaign or testimonial contributions, an \$8,000 contribution by the International Latex Corp. and Dodd's free use of autos supplied by a Connecticut firm interested in government contracts.

The attorney general's letter contained no explanation of what had been learned about those matters.

Dodd was smiling and at ease as he and Williams faced reporters in the Senate press gallery. He willingly acknowledged that in his campaign next year he would not use testimonial dinners of the sort that caused much of his previous trouble.

He testily denied a rumor that the Justice Department investigation may have influenced his vote rejecting Judge Clement F. Haynsworth's nomination for the Supreme Court.

He was asked if he had

promised to vote for Haynsworth, if his vote would have made the difference, in return for a promise not to be subjected to criminal charges.

"There's not a scintilla of truth in that story," Dodd declared. Dodd had waited until after the first roll call when it seemed certain Haynsworth was beaten, to cast his vote against the judge. He said yesterday he frequently missed the first round on a roll-call vote.

Throughout his troubles in the Senate, Dodd insisted that the voters of Connecticut would have their chance to vindicate him in 1970, and yesterday he added reaffirmation. "I plan to run," he said.

One potential opponent has been campaigning for several weeks. He is Joseph D. Duffey, chairman of the presidential campaign in Connecticut last year for Sen. Eugene J. McCarthy (D-Minn.). Duffey has the support of the liberal wing of the party that last year backed either McCarthy or Robert F. Kennedy.

Other possible Democratic opponents are New Haven Mayor Richard C. Lee, Rep. Emilio Q. Daddario and Secretary of State Ella Grasso.

To become a candidate in the Democratic primary next August, a candidate must win at least 20 per cent of the delegate votes in the Democratic convention in June.