## Kelley Undergoes Back Surgery Post 8/17/76 FBI Denies Story on Workers' Party Probe

FBI Director Clarence M. Kelley yesterday denied a report that the bureau will continue its investigation of the Socialist Workers Party under intelligence guidelines that apply to groups with foreign connections.

The statement denying the report published by The New York Times yesterday was issued by Kelley shortly before he underwent surgery in Kansas City to correct a back problem. An FBI spokesman said the operation on a pinched nerve was "a complete success," and that Kelley would be "back on his feet in two days and back to work in two to three weeks."

The SWP and the Young Socialist Alliance have filed a \$37 million lawsuit against the FBI, the CIA, and other government agencies, charging them with harassing the two Marxist organizations.

The suit also seeks a court order against future FBI surveillance, which the SWP says has been going on for 38 years.

In his statement yesterday, Kelley reiterated his intention "to transfer all domestic intelligence investigation into the general investigative division where they will be managed like all other criminal cases in that division."

Kelley first announced the FBI reorganization in a news conference Wednesday. The shift was described by bureau sources as an attempt by Kelley to strengthen his control over intelligence activities that involved the FBI in charges of wrongdoing.

The Justice Department is investigating charges that FBI agents, involved in domestic intelligence investigations, engaged in burglaries and other illegal activities against the SWP. Under the guidelines announced Wednesday, the FBI could investigate domestic organizations only if there were allegations of criminal wrongdoing.

Previously the FBI had investigated the SWP, the Communist Party, and other organizations under counterintelligence guidelines, which are not as strict as the rules governing the investigation of a criminal case.

A Justice Department spokesman denied the New York Times report that the FBI had submitted a statement to Attorney General Edward H. Levi outlining its intention to treat the SWP as a counterintelligence case.

Kelley said that the domestic security investigations "are required to be reviewed by the Attorney General and a periodic determination made as to whether they should be continued." But an FBI spokesman said Kelley was standing by his decision to move the SWP and other domestic cases out of the intelligence division.