

# Mitchell Ignores the Party Label

By Jack Anderson

Attorney General John Mitchell, who has had a fine time indicting big-name Democrats, must now decide whether to prosecute two prominent Republicans. They are:

West Virginia's Gov. Arch Moore, a Phi Delta Phi mountaineer with a clean-cut, all-American look, who has been accused by Internal Revenue of pocketing over \$80,000 in campaign contributions. The case has been forwarded to the Justice Department's Tax Division for action.

Rep. James Collins, the aristocratic multimillionaire from Dallas, who has been accused by this column of taking kickbacks from his office help. His 78-year-old father, Carr Collins, received a personal birthday greeting last month from President Nixon, and the Collins fortune has helped to bankroll the Republican cause in Texas.

Among those who have received financial support from Collins is Will Wilson, now the Assistant Attorney General in charge of the Criminal Division. The kickback case, therefore, has been turned over to his deputy, Henry Petersen, who has ordered a full FBI investigation.

Gov. Moore's tax troubles came to the attention of the White House recently when he was recommended for an appointment to a presidential advisory committee. White

House troubleshooter Clark Mollenhoff heard rumors of the tax investigation and asked Internal Revenue to send him the file. After reviewing the evidence, he strongly recommended against Moore's appointment.

Result: Instead of receiving presidential honors, the governor had his tax case referred to the Justice Department.

## Played the Market

He allegedly transferred campaign contributions to his personal accounts and invested the money on the stock market. Under the law, funds that are diverted from political to personal use must be reported as income. The governor explained to tax agents that he had invested the campaign money in the hope of increasing the amount, but that he had intended eventually to use it for political purposes. He refused to return repeated calls from this column seeking his comment.

The huskily handsome Moore had been caught in financial irregularities before he was elected governor. As a congressman, he arranged for the taxpayers to pay part of his printing bill and provide him with a private pilot. His pilot, Floyd Graham, was carried on Moore's congressional payroll for 20 months. Yet at the same time Graham was employed, supposedly full time, by Ohio Valley Aviation, Inc., in Wheeling, W.Va., as-

signed to fly Moore around the state.

Moore also sent his private printing business to the Art Press in Washington and worked out a neat scheme for paying the bills without cost to himself. He simply put the print shop's Carl Baron on the public payroll. The printer did no work for the taxpayers and credited government paychecks against Moore's personal printing bill.

"Gentleman Jim" Collins, as the impeccable congressman from Dallas is known, collected kickbacks from his staff to help finance office projects. Most of the money was turned over to his administrative assistant, George Haag, who signed a statement on March 7, 1970—two days after our expose appeared that he had never received any kickback money.

This is now being contradicted by Haag himself in a statement to FBI agents Forrest F. John and Alfred C. Ellington. Haag admitted to the agents that he accepted money from employees to help pay "needed additional" office expenses. He insisted, however, that the payments were voluntary, not compulsory.

It is a federal violation for a congressional office to take kickbacks of government payroll money for any purpose.

## Tell of Kickbacks

Noel Reed, who also signed a statement on March 7 that

he had never "received or given any money of any type to anyone that works in Congressman Collins' office," has now admitted in a sworn statement: "I would give George A. Haag some of my own money to use for these (office) projects."

Carolyn Conner, the former manager of Collins' Dallas office, has sworn to FBI agents that she collected kickbacks from Reed and delivered the money in sealed envelopes to Haag. She backed up her statement with detailed notations from a shorthand notebook.

Her former secretary, Carole Joyce Ancelein, also confirmed Miss Conner's story to the FBI in Ankara, Turkey, where she is now working for the Air Force.

This column also has affidavits from Sue Gutterman and Lea Baker, two part-time workers, who kicked back part of their government salaries to Collins' Washington office manager, Bernard Wunder.

The FBI is still trying to nail down the role of Ray Fortner, who was paid \$25,616 annually as "director of field work." As an example of Fortner's work, Collins told this column that he paid his aide \$2,174.74 a month to count all the homes in the congressional district displaying the flag last Fourth of July.