

Banks Offer To Oversee Party Funds

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CHICAGO, Oct. 7—The

chairman of the American Bankers Association said today that the Justice Department has declined to give a go-ahead to a plan that would have banks serve as conduits for political contributions.

Eugene C. Adams, speaking to newsmen at the opening of the annual banker's convention here, said the ABA had formulated such a plan to take "some of the stigma" away from "political contributions that we now have in this country."

He was referring specifically, he said, to the alleged illegal contributions to the Republican Party last year as well as the pall created by Watergate.

Adams said the bankers proposed the plan to the Justice Department last August and asked the department to rule on whether it would be legal for banks to make themselves vehicles for individual political contributions.

"Justice, in its typical stance," called it an "interesting proposition, but declined to rule on it," Adams said. He said the bankers have taken the plan up with both major political parties, which have expressed interest.

Adams acknowledged the proposal is vague. The bankers have not developed any specific procedures directing banks on methods of accepting and processing political contributions, nor has the association surveyed banks to determine how many would be interested in being conduits.

Justice Department officials acknowledgeable about the plan were unavailable for comment yesterday.

Adams, who is also chairman of the First National Bank of Denver, said the plan he envisions would permit individuals to give contributions to banks which would channel them to the party or the candidate designated. Banks also would report the contributions on some regular basis. Adams implied that such a procedure could reduce or eliminate scandals involving unreported or illegal contributions.