£B93FX 16 Nov. 1966

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LAS VEGAS, NEV., NOV. 16 (AP)-FBI AGENTS "BUGGED" THE DESERT INN HOTEL-CASINO OFFICES OF NORRIS B. (MOE) DALITZ FROM MARCH 22, 1962, TO AUG. 15, 1963, AN ASSISTANT U.S. ATTORNEY SAID TODAY.

BUT NO INFORMATION OBTAINED IN THE ELECTRONIC EAVESDROPPING WAS USED IN AN INDICTMENT CHARGING DALITZ AND HIS ACCOUNTANT, ELI BOYER. WITH INCOME TAX EVASION, SAID MICAHEL DEFFEO CAPS D, F) IN A MEMORANDUM FILED IN U.S. DISTRICT COURT.

JUDGE ROGER D. FOLEY HAD ORDERED DISCLOSURE OF ANY BUGGING IN A BILL OF PARTICULARS FILED BY DALITZ' LAWYER, BRUCE i. HOCHMAN.

"UNDER DEPARTMENTAL PRACTICE IN EFFECT FOR A PERIOD OF YEARS PRIOR TO 1963 THE DIRECTOR OF THE FBI WAS GIVEN THE AUTHORITY TO APPROVE THE INSTALLATION OF SUCH DEVICES," DEFEO SAID.

HE SAID AUTHORITY HINGED ON QUESTION OF "INTELLIGENCE (AND NOT EVIDENTIARY) PURPOSES WHEN REQUIRED IN THE INTEREST OF INTERNAL SECURITY, OR NATIONAL SECURITY, INCLUDING ORGANIZED CRIME, KIDNAPPING AND MATTERS WHEREIN HUMAN LIFE MIGHT BE STAKE."

THE MEMORANDUM SAID FBI DIRECTOR J. EDGAR HOOVER APPROVED INTALLATION OF A LISTENING DEVICE TO MONITOR TELEPHONE CONVERSATIONS IN THE DESERT INN OFFICE.

DALITZ, 66, AND BOYER, 46, WERE CHARGED WITH TAX EVASION IN A GRAND JURY INDICTMENT RETURNED DEC. 16, 1965. THEY ARE ACCUSED OF A CONSPIRACY TO EVADE PAYMENT OF ABOUT \$15,000 PROFIT ON A STOCK PURCHASE AND SALE IN 1958 AND 1959. THEY DENIED THE 12 AND WERE DENIED A DISMISSAL JUNE 8.

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"NO RECORDINGS OF ANY MONITORED CONVERSATIONS EXIST TODAY," DEFEO SAID.

HE SAID THE FBI RECORDED ONLY CONVERSATIONS "THOUGHT TO BE OF SIGNIFICANCE." THE CONVERSATIONS WERE REVIEWED BY AGENTS DEAN ELSON AND R. BURNS TOLSON, WHO PREPARED SUMMARIES OF THE TAPES, WHICH WERE THEN ERASED, DEFEO SAID.

"BOTH THE LOGS AND THE SUMMARIES ARE IN THE POSSESSION OF THE U.S. COURT OF APPEALS FOR THE 10TH CIRCUIT. .;" THE MEMORANDUM SAID.

ALSO CITED IN THE MEMORANDUM WERE THE NAMES OF 23 FBI AGENTS WHO 'PARTICIPATED IN THE OBTAINING AND PREPARATION OF INFORMATION OBTAINED BY THE USE OF ELECTRONIC DEVICES."

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