

# U.S. to Pay \$903,000 In Wiretap Suit

Washington

The Justice Department must pay \$903,232 in damages to Fred B. Black Jr., a once - prominent Washington lobbyist and former business associate of Senate aide Robert G. (Bobby) Baker, because the FBI illegally eavesdropped on him 12 years ago in a Washington hotel room.

The ruling yesterday by U.S. District Judge Charles R. Richey is the first time the federal government has ever been ordered to pay damages growing out of an illegal surveillance, according to attorneys for the Justice Department and for Black.

The ruling apparently ends — at least on the trial court level — a series of criminal and civil cases arising out of the FBI's placing an illegal microphone in a wall of Black's suite at the Sheraton - Carlton Hotel on Feb. 7, 1963.

The bug operated for 2½ months and there have been reports that information gathered on the illegal tap, pertaining to some of the country's highest political officials at the time, was disseminated to various law enforcement agencies.

The Justice Department said no decision has been made on whether to appeal the order, which followed a three - week trial last summer to assess the amount of damages against the government.

In awarding the money to Black, Judge Richey expressed his displeasure that the Justice Department had refused to turn over documents during the trial relating to the surveillance. The Justice Department had claimed executive privilege on the documents, a claim rejected by Judge Richey nearly one year ago in a ruling in which he said, "Any evidence which concerns the government's illegal acts are not privileged."

Since the documents were not turned over, Judge Richey said he had to accept Black's claims as to the harm caused by the surveillance.

Of the total award granted, Judge Richey granted \$843,232 to Black for lost income.

Before the FBI hid its microphone in Black's hotel suite walls, he had been making at least \$542,779.60 a year, according to his tax returns.

After the tap went on and reports on it were filed with the Organized Crime and Racketeering Section of the Justice Department and 26 other government agencies involved in the fight on organized crime, his income dropped to \$4500 in 1965 and \$2500 in 1966, according to Judge Richey's opinion.

Black was indicted in March 1963, on criminal income tax evasion charges, and convicted on May, 1964.

During Black's appeal of that conviction, the U.S. solicitor general informed the Supreme Court of the illegal wiretaps, saying further that FBI reports about it were "captioned anti - racketeering since these dealt with (Black's) possible affiliation with organized crime activity in the U.S." The solicitor general made it clear that there was no suggestion that "any wrongdoing on the part of (Black) was uncovered by the monitoring."

Black was subsequently retired and acquitted on the tax charges.

Black, 60, is now unemployed and has been involved in various business ventures over the past few years, all of which failed, Richey pointed out.

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