

\$50,000 in Fake Gifts Made Agnew Event

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The chairman of the Maryland Republican Party conceded yesterday that he had asked for—and received—an undisclosed \$50,000 in cash from President Nixon's re-election committee and used the money to make a May, 1972, testimonial for Vice President Agnew "look like a success."

In a telephone interview, Alexander Lankler, Maryland GOP chairman and a prominent Washington lawyer, said the "Salute to Ted Agnew Committee" hid the source of the money by reporting it as tickets purchased by people who in fact had not bought them.

He said the scheme was agreed to by top state Republicans when it appeared that ticket sales to the event were lagging. The money was subsequently passed through a Nixon fund-raising committee in Maryland and then returned to the national Finance Committee for the Re-election of the President.

The original report to the General Accounting Office listed 33 donors to the Agnew committee, 31 of whom were dropped from the report in the amended version. In telephone interviews last night, eight of the 31 said they had not given the contributions, one said he had and one refused comment. Several other listed contributors could not be reached or were not listed under the addresses reported in the GAO report.

Under a 1971 Maryland law, anyone knowingly making or receiving a campaign contribution under a false name is guilty of a prohibited practice with a penalty up to \$1,000 and a year in jail. The law sets no time limit for changing signed reports to conform with new facts.

The original financial reports by the fund-raiser's organizers to state and federal election officials carried the money as the ticket purchases which in fact were never made. Those false reports have been changed, Lankler said. He said the reports were "amended" by Maryland Republican officials in the aftermath of the suicide of Rep. William O. Mills (R-Md.) last month.

Mills committed suicide last month after it was dis-

closed that his 1971 congressional campaign had received an undisclosed cash \$25,000 contribution from the President's re-election committee.

Lankler disclosed the details of the transaction after Hugh Sloan, the former treasurer of the Committee for the Re-Election of the President, named Lankler as the person to whom he turned over \$50,000. Sloan in testimony before the special Senate Watergate committee yesterday said he understood the money was for "start-up" expenses in producing the Agnew fund-raiser.

J. Marsh Thomson, Agnew's press secretary, said, "we have no knowledge" of any of the financial arrangements for the testimonial. He said the testimonial was strictly a Maryland affair and that Agnew was simply the guest of honor.

"The salute to Agnew was not going well," Lankler said. "We hadn't sold the house out. We knew the press would look at the success of the affair. Don't forget, Agnew was not yet on the ticket. We were anxious to make Agnew look as good as possible."

Acting on behalf of the committee, Lankler said, he contacted Maurice Stans, then Chairman of the Finance Committee for the Re-Election of the President, and asked for the money. Lankler said he had met with Stans on many previous occasions, often working as a go-between in introducing Stans to potential campaign donors.

"Then I went to see him," Lankler said. "He said to me, 'now, Sandy, we're going to get this money back, right?' I said, 'yes and you're going to get 50 per cent of the proceeds.'"

At that point, Lankler said, Sloan came into Stans' office and turned over an envelope with \$50,000 in \$100 bills.

Lankler said he put the money in his briefcase and "put it under my bed in my house." He said he took the money with him when he attended a testimonial dinner for Sen. Charles McC. Mathias (R-Md.) at the Hunt Valley Inn in Baltimore County, placing the cash in the inn's vault.

Following the Mathias reception, he said he transferred the money to Lynn Meyerhoff, the chairman of the Salute to Ted Agnew Committee. Mrs. Meyerhoff, a

Event

prominent Baltimore-area Republican, deposited the money in an account at the Maryland National Bank.

The \$50,000, Lankler said, was then attributed to ticket sales and the amount raised that night inflated for "public relations reasons." He said Republican donors were glad to see themselves reported as making large

contributions, when in fact they had not. He refused to name the donors who cooperated.

The Agnew committee made out two \$25,000 checks to the Maryland Committee for the Re-Election of the President, Lankler said, to cover the \$50,000 loan. An additional \$25,000 actually raised from the testimonial was given to the Maryland Re-Elect Committee as a donation, which then was transferred the funds to the national re-election committee in Washington.

In the interview, Lankler said his action had been "stupid" but insisted it was done strictly for "cosmetic reasons."

Inflating the gate at political functions is a standard operating procedure in Maryland. Normally, however, the sponsoring committee will report the phony excess in a lump sum, attributed to ticket sales of less than \$50 that under Maryland law do not have to be reported.

A new law requires that donors purchasing more than \$250 in \$50 or less tickets be publicly reported.

Mrs. Myerhoff, the Agnew event's chairman and chief fund raiser, said yesterday the money "was a loan and it was repaid," she said.

She declined to discuss why the committee's original report had been amended for the GAO beyond saying, "The treasurer has filed an amended report and the total income and expenditures are the same for both reports."

In a report filed with the General Accounting Office last Sept. 28, the "Salute to Ted Agnew Committee" listed \$50,650 in receipts it received between June 8 and Aug. 31, 1972.

According to the original report, the entire \$50,650 came from proceeds of the May 19 Agnew dinner. It then listed 24 individual do-

JUN 7 1973

Look Good

nors of amounts ranging from \$250 to \$2,500, and totaling \$50,650.

The named donors included State Sen. Edward P. Thomas (R-Frederick), listed as giving \$2,500, and State Sen. Jervis S. Finney (R-Baltimore County), listed as giving \$1,000.

Thomas, who was chairman of the Maryland Committee to Re-Elect the President, said yesterday he did not give the \$2,500 he was listed as contributing. Thomas insisted that he knew nothing of a transfer of funds from the national Nixon campaign and that he learned only recently that he had been listed as a contributor to the Agnew event.

Thomas said he had agreed earlier to allow his name to be used by the committee, but was not told for what purpose.

Sen. Finney could not be reached for comment.

Another prominent member of the Salute committee, Tilton H. Dobbin, denied any knowledge of the fund transfer. Dobbin was named last month an assistant secretary of Commerce in the Nixon administration.

Last Monday, the Agnew event committee filed an amended report of its receipts between June 8 and

Aug. 31, 1972, with the General Accounting Office. The amended report also showed a total of \$50,650 in receipts for the period, but listed contributions from only two donors, totaling \$750, as coming from the Agnew dinner. The remaining \$49,900 was listed as a transfer of funds from the Finance Committee to Re-elect the President that was made on June 14, 1972.

Among those listed as contributors in the original report to the GAO was F. Randall Smith of 2446 Kalorama Rd. NW. in Washington, who with Lankler founded the National Journal and remains the Journal's largest single stockholder. Smith and his wife each were listed as contributing \$2,500. Smith said neither he nor his wife gave the money.

"Sandy (Lankler) asked me as an accommodation to him if I would allow my name to be used in connection with contributions to the Agnew dinner," Smith said. "He told me that if I were ever asked about it I should say I never gave the money. I wanted to be sure I could always tell the truth about it."

Contributing to this account were Staff Writers Philip A. McCombs and Bill Richards.