WXPost MAR 2 5 1974 Milk Group Aided Mills Campaign

By Brooks Jackson .

Associated Press

Rep. Wilbur D. Mills' brief Democratic presidential campaign got early financial support in corporate contributions from the nation's largest dairy cooperative, according to a report on the dairy group's political dealings.

Federal law prohibits the use of corporation funds for political contributions.

The financial support came in the last months of 1971 and the early weeks of 1972, before the Arkansas Democrat announced he was a candidate for the nomination.

Mills, chairman of the House Ways and Means Committee, said through a spokesman that he had been una ware corporate money was being used.

The report, obtained from court records, says two top workers in the Mills campaign were paid in corporate funds from the Texas-based Associated Milk Producers, Inc.

The cooperative also paid rent for the Washington apart ments of the campaigners, as well as rent for their leased furniture, the report said.

The Associated Press also confirmed independently that cooperative officials drawing corporate salaries took over the organization and financing of a 1971 gathering of farmers in Ames, Iowa, at which Mills

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was the featured speaker in a lineup that also included top Iowa Republicans.

On Saturday, the Associated Press reported that AMPl spent \$137,000 in corporate funds on computer mailing lists for campaign use by Midwestern Democrats, including Sens. Hubert H. Humphrey (D-Minn.) and James Abourezk (D-S.D.).

Last year an official of Gulf Oil Corp. pleaded guilty to federal charges of donating \$15,000 in company funds to Mills' presidential effort. Mills later refunded the money from his personal bank ac-

Also, a former official of the milk producers' cooperative, Bob A. Lilly, has been quoted as saying he relayed \$5,000 in company funds which he was told was for Mills. Mills said through the spokesman he knows nothing of such a contribution.

The new allegations are contained in a report by Edward L. Wright of Little Rock, Ark., a former president of the American Bar Association. It was commissioned by the milk producers' board of directors after reports began to surface of illegal campaign donations by former officials of the organization.

The co-op board has fur nished copies of the report to the Watergate special prosecution force and to the Senate Watergate committee.

The Wright report quotes one of Mills' former campaigners, Betty Clement Bullock, as saying David L. Parr, one of the milk producers' top officials and a long-time backer of Mills, sent her to work at the Mills presidential headquarters in Little Rock July 1 1971.

She later worked on the Ames rally on Oct. 2, 1971, and joined the Mills campaign in Washington. Her \$750-a-month salary was paid by the milk producers through a third party, the report says. The cooperative reimbursed her directly for the \$290 per month rental on her Washington apartment and the \$77.80 monthly rental on her leased furniture, according to an audit of company records.

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The report also said the Joe P. Johnson, an official of the milk producers who acted as a campaign advance man, received his salary from the cooperative's corporate account while working for Mills. The report didn't disclose the amount of his salary.