Reinecke's Plea to Drop Case

Washington

Lieutenant Governor Ed Reinecke of California testified yesterday that federal prosecutors who have brought a perjury indictment against him implied they would not do so if he cooperated in their investigation.

One of the prosecutors denied that any threats or deals were extended to Reineeke.

Reinecke testified at a pre-trial hearing at which U.S. District Judge Barrington Parker said he would hear final arguments this morning on motions by the lieutenant governor's attorneys to dismiss the three-count indictment or, failing that, shift the trial to San Francisco or Sacramento.

Reinecke, a candidate for the GOP nomination for governor of California, testified that he first met with Joseph J. Connolly, an as-

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sistant Watergate prosecutor, last July 30 and was told that "if I wanted to preserve my credibility I ought to stop talking to the press...

"There was a possibility I could be more helpful to them as a constructive material witness than as a defendant," he said.

"Did you get the impression you might not be prosecuted?" asked one of his attorneys, James E. Cox.

Reinecke said "It was certainly implied by Mr. Connolly . . . that I was marginal in the entire arena."

Reinecke was indicted on three counts of perjury on April 3. The charges accused him of lying to the Senate Judiciary Committee during hearings which dealt with the International Telephone & Telegraph Co., its antitrust settlement, and efforts to have the 1972 Republican National Convention held in San Diego.

Reinecke, 50, played a key role in convention negotiations. The site later was shifted to Miami Beach.

Frank Pagliaro Jr., who represented Reinecke up until the time of his indictment, produced a memo which he wrote shortly after a meeting last July 13 in which he quoted the prosecutors: "They said the lieutenant governor is in real

trouble and tney may be willing to trade an indictment for perjury in exchange for his cooperation and testimony."

Richard Davis, representing the Watergate prosecuror's office, questioned Pagliaro at length about why he never raised the suggestion of an agreement prior to Reinecke's indictment.

"I believed that I was dealing with fellow members of the bar, that I was dealing with honorable men," Pagliaro said. "My client and I were in a very touchy situation...

"I didn't want to prejudice my client's position by yelling 'foul.' We were in a very delicate situation where we had been cooperating all along and I did not want to jeopardize that position," he said."

Pagliaro acknowledged that he had repeatedly pressed the prosecutors for a prompt decision, saying that Reinecke might be governed in his own political course by whether he was indicted or not.

Reinecke said he would like to be tried in California — if he is to face trial at all — and cited a public opinion survey which he said showed that 80 per cent of the people in the capital

area believe that anyone who is indicted is guilty.

Before Reinecke took the stand, Connolly denied categorically that he had made any threats or offered leniency in return for Reinecke's cooperation.

"I don't remember Mr. Pagliaro making any suggestions that he (Reinecke) not be indicted," said Connolly.

But Connolly said "it was clear to me that what Mr. Pagliaro wanted was that his client wouldn't be charged."

Connolly said he warned Pagliaro that Reinecke could be indicted in the case.

"Did you tell Mr. Pagliaro that the investigation was proceeding rapidly and if Reinecke wanted to cooperate he had better do it right away?" Connolly was asked.

The prosecutor replied that he did not have any recollection of making that remark. When Cox pressed for a yes or no answer, Connolly said, "I didn't make a statement that it was a now or never situation."

Connolly said Pagliaro repeatedly indicated that he wanted to cooperate fully with the prosecutor's office. He said that Pagliaro told him that Reinecke wanted to "open up office files" to us.

"Mr. Pagliaro believed that Mr. Reinecke's cooperation would result in us having a favorable opinion of him," testified Connolly.

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