

Mills and Humphrey Rebut Campaign Fund Charges

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Special to The New York Times

WASHINGTON, June 27—

Two 1972 Democratic Presidential aspirants rebutted in strong terms today preliminary reports from the Senate Watergate committee's staff that were critical of the financing of their campaigns.

Representative Wilbur D. Mills, Democrat of Arkansas, said when reached at his home here by telephone:

"It's all distorted. It's nothing but a bunch of lies. This is just a leak to smear me."

Senator Hubert H. Humphrey, Democrat of Minnesota, after avoiding reporters, issued a statement late this afternoon. It said that both he and his office had cooperated with the Senate investigators, and that any charges that laws were violated when he used his own funds to finance his own campaign were "malicious and unfounded."

The "leak" to which Mr. Mills referred was the unofficial release to the press yesterday of drafts of two staff reports. They dealt with the Mills and Humphrey campaigns and, both drafts said, were prepared by bipartisan investigators.

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According to the reports, both Jack Cestnut, who headed Mr. Humphrey's campaign, and Joseph Johnson, who was listed in April, 1972, as heading a Mills for President organization, had declined to testify before the committee staff about thousands of dollars of apparently illegal cam-

aign contributions from corporate sources.

Both men cited constitutional rights to avoid self-incrimination, the reports said.

Also, the reports said, both the Senator and the Representative declined to appear.

The initial draft reports were prepared by the deputy minority counsel, Donald Sanders, with revisions made in conjunction with the two assistant chief counsels, James Hamilton and David Dorsen.

Both investigations dealt with donations to the campaigns by dairy farmer cooperatives. Senator Humphrey's report also included use of funds donated to him by Dwayne O. Andreas, a Minneapolis businessman.

Mr. Mills said that Joseph Johnson worked with him in his campaign but was not his campaign manager.

Concedes He Got Gifts

He also acknowledged that he had received money from milk producers but added, "I reported it all." He said that the total was \$45,000 from three different milk groups. "That's all I received," he said.

The draft report said that Mr. Mills had "received the benefit of about \$75,000 in corporate assets" of the largest of the cooperatives, the Associated Milk Producers, Inc.; \$15,000 from Mid-America Dairymen, Inc., and \$40,000 in donations from A.M.P.I. employees and officers.

Mr. Mills conceded that he had received donations from Minnesota Mining and Manufacturing Company, but had thought they were personal

contributions from a "personal officer."

"I had no way of knowing he would be reimbursed by his company," Mr. Mills said.

"What disturbs me is the way they [the drafters of the report] evaluated me with Nixon," he said.

In the foreword to the report on Senator Humphrey, the authors said:

"The purpose of this exposition is to rectify any misapprehensions that the work of the staff was myopic, or that miscreants were found only among those endeavoring to re-elect President Nixon.

"An examination of several Democratic campaigns reveals misdeeds there as well. One does not justify the other, but the point that we must bear in mind is that what we are really interested in doing is elevating the integrity of the elective process.

"We must not allow this historic inquiry of the Senate to be construed as a partisan exercise."

Mr. Mills said that he at first could not recall receiving a letter requesting his appearance, but that it turned up after his staff checked the files. The letter, he said, requested him to appear before the committee staff.

"A member of Congress does not appear before a staff," he said. "I'll appear before a committee, but not a staff."

Repeated attempts were made to interview Senator Humphrey. At one point, a reporter tried to reach him while he was on the Senate floor for a roll-call vote.

A Senate aide was sent in to ask him to step outside for a minute but returned saying that the Senator was late for

a meeting with a group of high school students. The Senator left the chamber by another door.

In his statement late today, Mr. Humphrey said that he did not wish to comment on a draft report, but that "since unsubstantiated charges are receiving such wide coverage, I feel it is essential to respond at this time to those mentioned thus far by the press."

In his statement, Mr. Humphrey said that he established a "blind" trust in 1965 while he was Vice President. Such a trust gives the person who sets it no control or knowledge of the investment made.

Stock Reported Sold

The report said that \$86,000 in stock in one of Mr. Andreas's companies had been sold by the trust for use in Mr. Humphrey's campaign, and that Mr. Andreas was a trustee of the fund.

"There is now law that prohibits a Presidential candidate from spending his own funds in a Presidential campaign — and, when I spent my money, there was no limit on the amount of funds a candidate could spend," the Senator said.

He said of "alleged corporate contributions" from Minnesota Mining that it consisted of ten \$100 checks, and that he had not known whether the donors had been reimbursed with company money.

Mr. Andreas has been indicted by the Watergate special prosecutor on misdemeanor charges over contributions to Mr. Humphrey's 1968 campaign. He has pleaded not guilty, and the case is awaiting trial in Minneapolis.

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