

NYTimes
**Ex-Head of Milk Co-op Pleads
Guilty of Plot to Bribe Connally**

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WASHINGTON, July 31 —

The former head of the nation's largest milk cooperative pleaded guilty today to a charge that he conspired to bribe former Secretary of the Treasury John B. Connally, who was indicted Monday on a charge of accepting \$10,000 in illegal payments.

The dairy official, Harold S. Nelson, former general manager of Associated Milk Producers, Inc., was the third principal in the case to be charged. Jake Jacobsen, a Texas lawyer who represented the co-op, was indicted Monday along with Mr. Connally, and was charged with making the alleged payments.

Mr. Nelson entered his plea in response to an information filed today with the Federal District Court here. He waived indictment on the charge, which is a felony.

Mr. Connally was accused of accepting the money in exchange for recommending an increase in milk price supports in 1971, when President Nixon overruled his Secretary of Agriculture and ordered the price-support level raised.

Mr. Nelson was also charged today with conspiracy in connection with illegal corporate contributions to campaigns of a long list of public officials, including Senators Hubert H. Humphrey, Democrat of Minnesota, and Edmund S. Muskie, Democrat of Minnesota, and

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Edmund S. Muskie, Democrat of Maine.

Both Senators have denied any knowledge of the corporate origins of the contributions.

Mr. Nelson faces possible penalties of up to five years in prison and a \$10,000 fine.

A single count of conspiracy was accepted by Henry S. Ruth, deputy special prosecutor, under an understanding, stated in a letter, that Mr. Nelson would testify fully on "all relevant information" in milk fund cases.

The letter, addressed to Anthony Nicholas, Mr. Nelson's attorney, specifically ruled out, however, any immunity from prosecution for possible violations of bribery status "in

connection with the March 25, 1971, milk price support decision."

Mr. Nelson thus became the third possible witness against Mr. Connally in the milk fund case.

Mr. Jacobsen has previously testified that he offered the money to Mr. Connally but that it was turned down. Mr. Jacobsen is understood, however, to have agreed to change his testimony to say that Mr. Connally accepted the money.

In addition, Bob A. Lilly, who was an assistant to Mr. Nelson, has testified under a grant of immunity that Mr. Jacobsen asked him for the money for Mr. Connally and that Mr. Nelson authorized him to provide it.

Mr. Connally has repeatedly denied accepting the money.

Mr. Nelson entered his plea today in Federal District Court here. The 56-year-old dairy official stood beside his lawyer, head bent over a copy of an information containing the charges to which he was pleading.

Eight-Page Indictment

Mr. Nelson shifted uncomfortably, clasping and unclasping his hands, occasionally folding his arms, while Judge George L. Hart first advised him of his rights and then droned through the reading of eight pages containing 14 items outlining the indictment against him.

"Did you, in fact, participate in the conspiracy alleged?" the judge asked him. Mr. Nelson said that he did.

The information filed with the court asserted:

"It was part of said conspiracy and among the means by which said conspiracy was carried out for Harold S. Nelson, the defendant, to authorize Bob A. Lilly to give Jake Jacobsen \$10,000 to give to John B. Connally, then Secretary of the Treasury of the United States, for and because of his performance of an official act, to wit: John B. Connally's recommendations in his official capacity concerning an increase in the Federal milk-price support level to be fixed by the Secretary of Agriculture, announced on March 25, 1971."

Mr. Nelson was the second former Associated Milk Producers official to be charged with conspiracy in illegal campaign contributions. Last week his second in command, David L. Parr, pleaded guilty of conspiracy in corporate contributions to the campaigns of several politicians.

Today's charges cited some of those same contributions. In addition, the following were itemized:

¶ Payment of \$100,000 to Herbert W. Kalmbash in August, 1969, "for the purpose of securing access to White House officials by officers of A.M.P.I."