

U.S. Won't Prosecute Jacobsen

Special to The Washington Post

DALLAS, Sept. 12 — Federal prosecutors officially declared today that they do not plan to prosecute lobbyist Jake Jacobsen for alleged misdealings in a Texas savings and loan company.

U.S. Attorney Frank McCown, acting on instructions from Deputy Attorney General Laurence H. Silberman, said the government would hold up its end of a plea bargain with Jacobsen in exchange for his testimony that he gave former Treasury Secretary John B. Connally a \$10,000 bribe.

Last Friday, U.S. District Court Judge Robert M. Hill turned down a motion by prosecutors that he dismiss the indictments against Jacobsen, which were unrelated to the bribery action. Jacobsen pleaded guilty Aug. 7 to one count of bribery in exchange for the dismissal by the government of all other charges against him.

Judge Hill said today he did not know what action he could or would take in the matter. He indicated last Friday that he expected the government to follow through on its prosecution after he refused to dismiss the indictment.

McCown said in his notice of intention not to prosecute that the vigorous prosecution of the case by the government had been down before Jacobsen pleaded guilty to the bribery charge.

The notice said the government's action regarding Jacobsen has no effect on its efforts concerning his defendant, Ray Cowan of Austin.

The two had been indicted for misapplication of funds involving \$825,000 in loans from the First Savings and Loan Association in San Angelo, Tex.