

Ex-Aide Says Gurney Ordered Press Misled to Stem Scandal

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TAMPA, Fla., June 10—A one-time top aide to former Senator Edward J. Gurney testified today that while Mr. Gurney was sitting as a member of the Senate Watergate Committee in 1973 he was secretly trying to contain a scandal involving his office.

"The sky was falling in," the former aide, James L. Groot, testified at the trial of Mr. Gurney and three others in United States District Court. "Senator Gurney said, 'I was afraid something like this would happen.' He lamented that we were in a horrendous situation."

Mr. Gurney and the three co-defendants are charged with bribery, conspiracy, receiving unauthorized compensation and four counts of making false statements to a grand jury in connection with an alleged political slush fund from contractor's contributions in exchange for favored treatment from the Federal Housing Authority.

'Very Panicky'

Mr. Groot, former administrative assistant to Mr. Gurney, was a defendant at the trial until last week, when he pleaded guilty to a charge of conspiracy and agreed to testify for the prosecution.

Mr. Gurney, a Florida Republican who did not seek re-election last year, instructed Mr. Groot to try to contain the scandal through misleading statements to the press, Mr. Groot said. The Senator, however, declined to meet personally with associates who were under press scrutiny, the witness said.

Mr. Groot quoted Mr. Gurney as having told him, "We've seen enough of this Watergate thing that I think the last thing

I should do is start meeting with these people."

Mr. Groot said a "very panicky situation" developed in Mr. Gurney's office after two reporters for The Miami Herald, James Savage and Mike Baxter, interviewed Larry E. Williams in Orlando in June of 1973 about his fund-raising work for Mr. Gurney.

"Larry called and said the sky was about to fall in," Mr. Groot recalled. "He could tell from their questions that they had a great degree of knowledge about his activities, they had a good overview of the big picture."

"Senator Gurney told me, 'You better get with those people, call those people and see what the temperature is,'" Mr. Groot related.

After he met with Mr. Williams and other persons involved in the fund-raising in Orlando, Mr. Groot said, he gave Mr. Gurney "a blow-by-blow account" of the situation.

Mr. Groot said that as a "fallback position" he volunteered to resign and take the blame for the wrongdoing to protect Mr. Gurney. However, the Senator "wanted to protect me," Mr. Groot said.

Mr. Gurney agreed to go along with a public statement prepared by Mr. Groot and released to the press opting for "complete deniability" regarding Mr. Williams, Mr. Groot said.

On July 8, 1973, The Miami Herald published a major report linking Mr. Williams to Mr. Gurney, Mr. Groot said.

Williams warned then that "there was a lot more to come, this thing is not going to go away, I know the press," the witness said.