

5/16/69

FEE IS EXPLAINED

Justice Concedes He Made Arrangement on a Life Stipend

Letters and statements will be found on Page 20.

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Special to The New York Times

WASHINGTON, May 15—

Abe Fortas announced today his resignation from the Supreme Court, becoming the first Justice in the history of the Court to step down under the pressure of public criticism.

President Nixon quickly announced his formal acceptance of the resignation. The action will permit him, if he wishes, to attempt to change the liberal cast of the Supreme Court by replacing Justice Fortas and Chief Justice Earl Warren, who will retire next month.

Mr. Fortas sent his resignation to the President. He also wrote a letter to Mr. Warren explaining why he was stepping down from the nation's highest tribunal.

"There has been no wrongdoing on my part," Justice Fortas insisted in his letter to the Chief Justice.

Concedes Fee Arrangement

However, he conceded that he did arrange in 1965 to receive a fee of \$20,000 a year for life, and for the life of his wife, for "continuing services" to the family foundation of Louis E. Wolfson. Mr. Fortas received one \$20,000 payment, which he returned 11 months later.

It was the disclosure of the financial link between the Justice and Wolfson, now serving a one-year prison term for selling unregistered securities, that touched off a storm of controversy around Mr. Fortas. It led to initial steps in the House of Representatives yesterday that could have led to impeachment proceedings against the man who only last year was nominated to succeed Mr. Warren as Chief Justice.

In a letter to the Chief Justice, Mr. Fortas disclosed that since he became a member of the Court in October, 1965, Wolfson on several occasions consulted him about "his problems."

"But I have not interceded or taken part in any legal, administrative or judicial matter" affecting Wolfson, the 58-year-old jurist declared.

A Sense of Relief

Justice Fortas implied in his

letter to the Chief Justice that he would return to private law practice.

Chief Justice Warren issued a brief statement this afternoon expressing the hope that "throughout the years which lie ahead" Mr. Fortas "will enjoy both success and happiness in the pursuit of his profession."

Most of official Washington reacted with an apparent sense of relief that the threatened impeachment action had been avoided. The initial signs on Capitol Hill were that there would be no outcry for continued Congressional proceedings in connection with the Wolfson fee. A Justice Department spokesman, while declining to comment, privately discouraged speculation about further action in the case.

The first word that Justice Fortas had decided to step down went to the White House yesterday in a telephone

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call to Mr. Nixon from the Chief Justice.

Mr. Warren was told last week by Attorney General John N. Mitchell that the Justice Department had information that could lead to a bruising public struggle to impeach Justice Fortas if he attempted to remain on the Court.

Letter Reaches Nixon

Justice Fortas's letter of resignation reached the White House about 5:30 P.M. yesterday, a few hours before President Nixon made his televised speech about Vietnam.

The White House press secretary, Ronald L. Ziegler, said today that the resignation was not announced last night because Mr. Nixon did not sign his letter of acceptance until this morning.

At 8:45 A.M. today, when the White House had not yet announced the resignation, Justice Fortas telephoned Banning E. Whittington, the Supreme Court's press officer, and asked him to make the resignation public.

Mr. Whittington released the four-page letter from Justice Fortas to Chief Justice Warren, dated yesterday, in which Mr. Fortas explained that he had decided to step down to spare the Court the "extraneous stress" of the continued Wolfson controversy.

It was in 1965, when he was in private law practice here, that he first met Wolfson, Justice Fortas said. Two Wolfson companies, the New York Shipbuilding Corporation and Merritt-Chapman and Scott, now now defunct, retained the firm of Arnold, Fortas & Porter.

Enters Into Agreement

Wolfson told Mr. Fortas at that time about the Wolfson family foundation's interest in

"the promotion of racial and religious cooperation."

In December, 1965, after he began to sit on the Court, Justice Fortas entered into the agreement that was supposed to give him a lifetime stipend of \$20,000 a year.

His role to "participate in and shape the foundation's program" was to be a continuing one, he said, so the fixed compensation was felt to be better than variable compensation from time to time.

He said that he received a check for \$20,000 in January, 1966, but that he began to have second thoughts about the arrangement because his judicial duties had proved to be more time-consuming than he had anticipated and because he had learned that the Government had moved to indict Wolfson.

This prompted him, he said, to cancel his long-term arrangement with the foundation by letter on June 21, 1966. After Wolfson was indicted for securities violations in both September and October, 1966, Justice Fortas decided to return the \$20,000, the letter said.

Returns the \$20,000

"The services which I had performed should be treated as a contribution to the foundation," he said. He did not specify what the services had been. He said he returned the money in December, 1966.

Justice Fortas concluded with the declaration that he had done no wrong but that he was resigning to still the controversy over the incident.

After the letter was made public at midday, the White House released Justice Fortas's brief letter of resignation to Mr. Nixon. It said simply that Justice Fortas was tendering

his resignation, effective yesterday.

Mr. Nixon responded with one-sentence letter that stated without expressing regrets, that the resignation was accepted as of yesterday.

The events brought to an end a four-year judicial career in which Justice Fortas distinguished himself for his brilliant performance of judicial duties and his controversial actions off the bench.

The Luster Is Dimmed

His judicial luster was first dimmed when his longtime friend and confidant, President Lyndon B. Johnson, nominated him to be Chief Justice last summer and he failed to be confirmed by the Senate. The struggle over his confirmation brought to light his extensive extrajudicial activities on behalf of Mr. Johnson, plus the fact that he had accepted a \$15,000 lecture fee solicited by his former law partner from a group of wealthy industrialists.

The current controversy was touched off 11 days ago by an article in Life magazine that told of the \$20,000 fee and asserted that Justice Fortas's name had been dropped in strategic places by Wolfson in his efforts to stay out of jail

Kennedy Comments

Asked about the Fortas resignation as he was leaving a luncheon in New York yesterday, Senator Edward M. Kennedy, Democrat of Massachusetts, said: "It's most extremely unfortunate, the whole thing is. And I don't think it would be proper for me to make any further comment."