Nelson Admits Connally Bribe

WASHINGTON (AP)—Harold S. Nelson, former head of the nation's largest milk producers co-operative, pleaded guilty

to conspiring to bribe John B. Connally for helping get government milk price supports increased in 1971.

Nelson admitted authorizing a \$10,000 payment to Connally by Associated Milk Producers Inc. in 1971.

Nelson, former general manager of the co-op, also pleaded guilty to conspiring to donate more than \$300,000 illegally from the milk producers' funds during the elections of 1968, 1970 and 1972.

The funds included \$100,000 to President Nixon's fund raiser Herbert L. Kalmbach in 1969, \$8,400 to Sen. Edmund S. Muskie's 1970 Senate race, \$5,000 to the 1970 Senate campaign of Democrat Philip Hoff and various amounts to three successive campaigns by Sen. Hubert H. Humphrey.

Both the alleged bribery of Connally and the illegal corporate donations were combined into a single charge of conspiracy brought by the Watergate special prosecution force.

Nelson faces a maximum possible punishment of five years in prison and a \$10,000 fine. He was released in the custody of his lawyer, Anthony Nicholas of San Antonio, Tex., following his guilty plea.

A federal grand jury indicted Connally on Monday on charges of receiving a \$10,000 bribe and of giving perjured testimony as part of an illegal conspiracy to conceal the act.

Connally has repeatedly denied taking the money and said he will fight the charges against him. He is scheduled to enter a plea Aug. 9.

With Nelson's guilty plea, the Watergate prosecutors appear to have at least three witnesses who are prepared to testify about the alleged bribe to Connally.

The others are former co-op lobbyist Bob A. Lilly and Texas lawyer Jake Jacobson, a one-time White House aide to President Lyndon B. Johnson.

Lilly gave investigators their first clues about the alleged incident last November after he was given immunity from prosecution. Jacobsen, who was indicted with Connally on a bribe charge, has been reported ready to plead guilty and testify against Connally.

Lilly has testified that Jacobson asked him for the money to give to Connally and that Nelson authorized him to do so.

Jacobson has admitted taking the money from Lilly but said that Connally refused it.