

Elections Unit Skips Mills Fund Probe

By Douglas Watson

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ANNAPOLIS, June 6—

Maryland's Board of Elections declined today to act on a demand by a Montgomery County legislator for a full, immediate investigation into the \$25,000 undisclosed cash contribution to the 1971 campaign of the late Rep. William O. Mills (R-Md.).

Instead, the five-member board voted to wait for an auditor's report on the transactions of the Mills financial committees before taking final action on the request by State Del. Charles A. Docter (D-Montgomery).

Mills committed suicide May 24, the day after it was made public that the \$25,000 contribution from the National Finance Committee to

Re-elect the President to the Mills campaign was not reported to Maryland officials.

Assistant Maryland Attorney General Stephen Derby did not urge the board to pursue an immediate, full-scale investigation. Instead, he said, "Some of the principals in the campaign are deceased" and therefore there might be no one to prosecute.

Derby also told the board that chances of tracing the \$25,000 are not good. "It looks like what is being talked about here is cash, and cash moving into a campaign is the hardest kind of thing to have some records on," he said.

State officials have said that if the \$25,000 was delivered and spent in Maryland

—as several persons close to the Mills campaign have said it was—then by law it should have been reported to the state Board of Elections.

Docter officially requested an investigation of the \$25,000 contribution before Mills' death. The board took the matter up today in response to that request.

The board's vote authorized Albert J. Lawler, a private accountant, to continue an audit begun this week.

Later, when questioned by reporters whether he would question people as well as check the Mills campaign finance reports, Lawler said, "I will do whatever is necessary to come up with a final report."
Ken Rietz, a former part-

ner in the campaign consultant firm of Allison and Treleven Inc., which worked for Mills' 1971 campaign, has said that he delivered the \$25,000 in an envelope to James L. Webster, who then was Mills' campaign manager.

Webster and two other Mills' campaign aides were killed in an automobile accident in February, 1972.

Before shooting himself in the chest with a shotgun on a farm near his home in Easton, Md., Mills left seven suicide notes saying that he had done nothing wrong. He previously had released a statement to the press saying, "I personally did not receive or disburse any money during my campaign. . . . My campaign manager advised

me that the (Nixon) administration had arranged for funds to be made available."

It continued, "My campaign manager at the time was Col. James L. Webster, now deceased. Col. Webster was a totally honest man and I am satisfied that all expenditures were legal and proper . . ."

In moving that the board wait for the limited auditor's report, board member Theodore N. Clark said, "I think it's a very touchy situation." Then, noting that Mills and Webster are dead, he added, "They have no way to defend themselves."

Derby told the board that it could only recommend legal action and that a decision on whether to prosecute

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cute for failure to report the \$25,000 contribution would then have to be made by the Anne Arundel County state's attorney because the violation apparently occurred at the Board of Elections office here. The penalty for violation is up to one year in jail and a \$1,000 fine.

Derby said that even though state law at the time of the special May, 1971, election did not require committees outside Maryland to report their contributions, the Mills campaign was required to report its campaign receipts.

Mills was elected to succeed Interior Secretary Rogers C. B. Morton, as congressman from Maryland's Eastern Shore First District. He was re-elected last fall.

Hugh Sloan Jr., former treasurer of the national Finance Committee to Re-Elect the President, has said he delivered the \$25,000 to an aide to Morton after Morton had sought funds in Washington. Robert J. Hitt, an aide to Morton, has said the money was turned over to Rietz for delivery to the Mills campaign.

According to reliable sources, Sloan was ordered by former White House chief of staff H. R. (Bob) Haldeman to make a \$25,000 loan to the Mills campaign.

Haldeman stipulated that the money was to be a "loan," according to the sources. The sources said that Lee Nunn, an assistant at the Finance Committee to Re-elect the President, tried

unsuccessfully three times to get the money back from the Mills campaign organization.

Asked about this, Nunn said he has no memory of the incident. He said he had raised \$50 million for the Republican Party over the years and that any attempt to retrieve \$25,000 from the Mills organization was not significant to recall.

"I expended no money, made no loans, have no records," he said. "I don't recall anything about the transaction, because I had no authority, I didn't sign any checks . . . That was clear outside my area."

Members of the elections board showed little interest today when asked whether they would seek to question the Finance Committee to Re-elect the President, Rep. Mills' congressional staff or the U.S. General Accounting Office that first reported the \$25,000.

"Our province is the state," said Willard Morris, state administrator of election laws.

"We have no subpoena power," said Derby.

Members of the Board of Elections are appointed to four-year terms by the governor. The board adopts and administers regulations governing the conduct of elections in the state.

Mills Eulogized On House Floor

The late Rep. William O. Mills (R-Md.) was eulogized by fellow members of Congress last night on the House floor.

The tributes were lead by liberal Republican Gilbert Gude of Montgomery County, who called Mills "dependable, reliable and—most important—representative of the conservative district from which he came."

Democrat Paul Sarbanes of Baltimore said Mills "shared the spirit of the Eastern Shore and shared its concerns." Parren Mitchell, also a Baltimore Democrat, praised his "meticulous attention to detail."