

Hughes Aide Says \$100,000 Was for '68, '70

Nixon, Testimony in Conflict

By Morton Mintz

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President Nixon's Friday night report on the \$100,000 in currency secretly supplied by billionaire recluse Howard Hughes conflicts with sworn testimony given by one of the President's long-time friends.

The principal conflict concerns the intended use of the cash.

Mr. Nixon, treating two separate \$50,000 payments as one, said the money was given for his 1972 re-election campaign.

Richard G. Danner, long a Nixon associate and managing director of the Hughes-owned Sands hotel and gambling casino on the Las Vegas strip, says the first \$50,000 was intended for Mr. Nixon's 1968 presidential campaign and the second for the 1970 congressional elections.

Mr. Nixon gave his version at his press conference. Danner's is in a deposition made Sept. 4 in connection with litigation between Hughes and the former manager of his Nevada operations, Robert A. Maheu.

Maheu, in his sworn deposition in July, agreed with Danner that the first \$50,000 was intended for Mr. Nixon's 1968 campaign.

But while Danner related the second \$50,000 to the 1970 House and Senate campaigns, Maheu related it to a problem Hughes was having with the anti-trust divi-

sion of the Justice Department.

Thus neither Danner nor Maheu, although differing with each other under oath, supports the President's contention that all of the \$100,000 was contributed for the President's re-election campaign.

It is undisputed, however, that none of the cash actually was spent for political purposes. Instead, another close friend of the President, C.G. (Bebe) Rebozo, his next-door neighbor in Key Biscayne, Fla., kept the currency in safe deposit boxes for approximately three years, only to refund it to Hughes several months ago.

Rebozo reported the retention and refund to Senate Watergate committee investigators on Oct. 8. The President confirmed the account Friday night, terming Rebozo "a totally honest man."

The committee plans to hold a week of public hearings during which it will summon Rebozo, Danner and Chester C. Davis, the Hughes lawyer to whom Rebozo made the refund.

The committee would like to subpoena Hughes, but he is notoriously resistant to efforts to dislodge him from his hideouts—currently, a London hotel.

Some of the questions that perplex the committee arise from the assertions by the President, Danner and

Maheu that the \$100,000 was given to presidential and/or congressional election campaigns. Among them:

Why wasn't the money reported, as was required for general elections by the old Corrupt Practices Act of 1925?

Were gift taxes paid, as the law requires for anyone who in a single year gives more than \$3,000 to a single recipient? If Hughes did not pay gift taxes on the \$100,000 Mr. Nixon says Hughes donated, did the Internal Revenue Service try to collect? If not, why not?

At the President's press conference, James Deakin of the St. Louis Post-Dispatch asked, in part:

"And if this was a campaign contribution, as your press secretaries say, who authorized Mr. Rebozo to collect contributions for your re-election, or for the Republican Party? What campaign committee was he an official of?"

The President, in responding, did not say who may have "authorized" Rebozo to collect campaign contributions, although "I have refused always to accept contributions myself."

Maheu provided a possible clue in testifying in July about the first \$50,000. "Mr. Bebe Rebozo . . . had been chosen by Mr. Nixon as the person to whom the money should be delivered," Maheu said.

The President also did not

say Friday night what campaign committee may have had Rebozo as an official. The 1925 law required reports from "any committee . . . which accepts contributions . . . for the purpose of . . . attempting to influence the election of candidates . . ."

Mr. Nixon said he had a rule that was adhered to not only by Rebozo, but also by Herbert W. Kalmbach, his personal lawyer and backstage fund-raiser, and Maurice H. Stans, the former Commerce Secretary who succeeded Kalmbach on becoming chairman of the Finance Committee to Re-elect the President.

"I have refused to have any discussion of contributions," Mr. Nixon said. He emphasized that until the 1972 election was over, "I did not want to have any information from anybody with regard to campaign contributions."

"Now, with regard to Mr. Rebozo . . . he received a contribution. He was prepared to turn it over to the finance chairman, when the finance chairman was appointed."

Stans did not become finance chairman until February, 1972. Maheu and Danner both swore that Rebozo got the first \$50,000, intended for the 1968 campaign, three years earlier.

Danner testified that the money "had been agreed upon" at a meeting during

the 1968 campaign attended by Rebozo, Hughes lawyer Edward Morgan of Washington, and Danner.

Maheu testified that efforts to deliver the \$50,000 to Rebozo before and soon after the 1968 election failed, but that Danner effected delivery in Key Biscayne in 1968.

The month of delivery was August, Danner has told the IRS. Subsequently, he reserved a "doubt," saying delivery might possibly have been a year later.

In 1970, Maheu said, Hughes ordered him to dispatch Danner from Las Vegas to Washington "to convey a request of Mr. Hughes" to then Attorney General John N. Mitchell.

On Danner's return, Maheu said, he told Thomas G. Bell, a conduit for political contributions from the Hughes-owned Silver Slipper casino, "that certain political obligations had to be met."

Bell then supplied \$50,000 of Silver Slipper cash. Maheu said Danner delivered it to Rebozo at the Western White House in San Clemente during the summer of 1970. Danner gave a similar date in a deposition to the IRS, although he told the agency later he was uncertain.

About six weeks after the 1970 delivery date given by Maheu, Mitchell granted the request relayed by Danner: to approve, over antitrust division objections, acquisition of the Dunes Hotel. This would have given Hughes a fifth hotel and a sixth casino on the Las Vegas strip, but the acquisition fell through.

President Nixon told the press conference that in the "interlude" of up to three years before Stans took over, the Hughes organization "had an internal fight of massive proportions." This led Rebozo to refund the Hughes money, rather than to hold it for the 1974 congressional elections, because retention "might prove to be embarrassing," Mr. Nixon said.

The "internal fight" was a reference to Hughes' dismissal of Maheu on Dec. 5, 1970. This was about five months after Rebozo got the second \$50,000, and one month after the congressional elections for which—according to Danner—the second donation had been intended.

Danner, a former FBI agent, said in his deposition that he first met Nixon in 1947, saw him socially on a number of occasions, and was his host in Florida when the then senator vacationed there in 1950. After the 1968 campaign, in which Danner worked for the Nixon organization, he and two other close friends of the President-elect were Nixon's guests on Walker Cay in the Bahamas.



By Joe Helberger—The Washington Post

Some demonstrators wore costumes to indicate their opinion of the President.