

Humphrey Testifies on Dairymen's Gift

NEW YORK, May 6 (AP)—Sen. Hubert Humphrey and a former lobbyist for Associated Milk Producers, Inc., have testified they knew of a contribution by the dairymen to the Minnesota Democrat's 1970 senatorial campaign. The lobbyist admitted he knew the contribution was illegal.

Humphrey, a former vice President, and the lobbyist, Bob A. Lilly, testified Monday at the trial of Jack L. Chestnut. Chestnut, from Minneapolis and Humphrey's campaign manager in 1970, is accused of arranging an illegal \$12,000 corporate contribution for the senator's 1970 run. *S (MAY*

"You were aware that was illegal?" Lilly was asked.

"Yes, I was," he replied.

Lilly, 55, has received immunity from prosecution in return for his testimony as a government witness.

Chestnut, 42, was indicted Dec. 23 on a charge brought by the Watergate special prosecutor who alleged he arranged for AMPI to pay an advertising bill owed by the Humphrey campaign organization. Humphrey is not implicated.

The defense has argued that language in the statute governing contributions in 1970 made it illegal to give the \$12,000 but not illegal to receive it. U.S. District Court Judge Edward Weinfeld rejected the argument and refused to dismiss the case. The language of the law has since been rewritten.

The senator, preceding Lilly on the stand, said he was aware of AMPI's contribution to his reelection campaign, and regard it as legal. He said he personally had solicited campaign support from the 22-

state-cooperative, the nation's largest.

"Do you know the amount of money contributed?" asked Assistant U.S. Attorney Eugene F. Bannigan asked the senator.

"No, I do not," said Humphrey.

Lilly testified that he delivered the \$12,000 personally to Chestnut.

"He said, 'Thank you,'" the witness said, quoting Chestnut's response.

Speaking of donations generally, Lilly said they were made not only by AMPI but also by its non-corporate arm, Trust for Agricultural Political Education (TAPE).

"Did TAPE make any contributions to Sen. Humphrey's 1970 campaign?" asked Bannigan.

"They did not," Lilly said, adding that TAPE funds were kept apart from those of AMPI.

In his opening statement to

a jury, defense attorney Douglas Thomson argued that the Humphrey campaign money was legally channeled through TAPE. He said the organization had "contributed many sums of money to politicians throughout the country."

Humphrey testified that he had been referring to TAPE when he mentioned soliciting money from the dairymen:

"That's the only legal fund," he said.