

# FUND-RAISING CURB

## IS LAID TO GURNEY

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Witness Asserts Ex-Senator  
Told Him to Stop Seeking  
Gifts From Some Builders

Special to The New York Times

TAMPA, Fla., May 12—The prosecution's chief witness at the trial of former Senator Edward J. Gurney of Florida testified today that in June, 1972, Mr. Gurney told him to stop raising funds from builders dealing with Federal housing agencies.

The witness, Larry E. Williams of Orlando, also testified, however, that the next day, June 12, 1972, he was once again promising favors to Florida builders from whom he expected financial contributions to a Gurney campaign fund.

Mr. Williams, who is 30 years old, said that he had resumed his fund-raising activities, which netted close to \$480,000 by late 1973, under instructions from Mr. Gurney's administrative assistant in Washington, James L. Groot. He said that Mr. Gurney had limited the prohibition to builders dealing with the Federal Housing Administration.

"I think you have to understand the kind of situation at the time," Mr. Williams explained. "Mr. Groot wasn't a back-room employe. He was the Senator's A.A. [administrative assistant]."

### An Unlisted Partner

Even as Mr. Gurney was telling him to stop raising funds from F.H.A. builders, Mr. Williams said, he was agreeing to put up \$10,000 to be an unlisted partner in Oxnard, Inc., a real estate speculation concern headed by Mr. Williams. Later, Mr. Williams said, Oxnard was used as a "front" to channel illegal campaign contributions.

Mr. Gurney, 61, Florida's first Republican Senator since Reconstruction, is on trial in the United States District Court

on multiple felony charges stemming from an alleged influence-peddling conspiracy to raise funds for his planned 1974 re-election campaign. That campaign never took place, since Mr. Gurney, who was elected to his only term in the Senate in 1968, abandoned his re-election plans after he was indicted last summer.

Among the charges against Mr. Gurney is one of making false statements under oath to a Federal grand jury in Jacksonville for allegedly saying on May 13, 1974, that he learned of the fund raising work in his name at his June, 1972, meeting with Mr. Williams.

Others on trial here since Feb. 24 are Mr. Groot, Joseph Bastien, Mr. Gurney's former aide in his office in Winter Park, Fla.; Ralph M. Koontz, former assistant to the Florida director of the Department of Housing and Urban Development in Jacksonville and K. Wayne Swiger, former F.H.A. director in Tampa.

Mr. Williams, who pleaded guilty to two felony charges and served five months in prison for his part in the fund raising activities, has been on the witness stand for 10 days. In midafternoon, Mr. Gurney's lawyer, C. Harris Dittmar of Jacksonville finished three days of cross-examination, and Mr. Groot's lawyer, Robert L. Floyd of Miami, took over.

### Contradictions Cited

Under Mr. Dittmar's questioning, Mr. Williams admitted to a number of contradictions between his trial testimony and statements that he made to Federal agents investigating the fund raising.

However, Mr. Williams insisted that the "substance" of his testimony had not changed.

Mr. Williams said that he had never given Mr. Gurney any of the funds he collected from builders. However, he said that in early 1972, about \$400 from those funds was spent to buy Mr. Gurney new clothes after "there had been some comments" in Washington about Mr. Gurney's wearing old suits.

Additionally, Mr. Williams said, the funds were used to pay for care of the lawn and swimming pool at Mr. Gurney's home in Winter Park and for groceries for the Senator.

Mr. Williams said that Mr. Gurney hired him as a fund raiser in a telephone call on Jan. 19, 1971, although details of the operation were later made clear by other Gurney political associates. Mr. Dittmar told the jury that when Mr. Gurney takes the stand in his own defense, he would say that he "does not recall" that telephone conversation.