

Marcello 'Grip' on State Denied by Mafia Panel

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BATON ROUGE — The Legislative Mafia Investigating Committee charges Life magazine with irresponsible reporting and sensational journalism in denying allegations that underworld figure Carlos Marcello dominates state government but does acknowledge a "suspicion" of corrupt influence.

A report by the committee on its findings after nine months of public

hearings and investigation into criminal influence and corruption in government is scheduled to be released tomorrow or Wednesday.

It was precipitated by a Life article in April, 1970, which related a long series of incidents and allegations, climaxed by the claim that Marcello and organized crime dominated and controlled state government.

AT LEAST SOME parts of the committee's work has become known.

In some parts it denies, or finds no evidence to support, the Life charges and in others it does agree with Life charges.

The committee has a long string of recommendations to make in the report, including transfer of its duties as a watchdog agency over wrongdoing to an already established legislative committee.

Some individual members of the committee have indicated disagreement with some of the conclusions and are considering, even at this late date, having their own views entered with the report as addendums.

THE COMMITTEE report is much stronger than many anticipated and considerably stronger than a first draft put together by a subcommittee.

Rep. Joe Cooper of Mansfield and Jim Levy, editor of the Bunkie Record, were largely responsible for pushing for a stronger report.

Cooper rallied sufficient backing from other members of the committee to overcome efforts by Sen. Adrian DuPlantier of New Orleans, chairman, for production of a much milder report.

Among the highlights of the report's recommendation for legislation are:

—ASSIGN BROAD duties of investigation of wrongdoing in government to the already created joint legislative audit review committee. This would bring the legislative auditor more

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deeply into the work.

—STRENGTHEN the organized crime section of the state police.

—OUTLAW GAMBLING-type pinball machines.

—ABOLISH the Alcoholic Beverage Control Board and assign its duties to the Department of Revenue.

—GRANT IMMUNITY to witnesses before legislative committees and grand juries.

—HAVE A STUDY made toward abolition of levee boards.

—REQUIRE district attorneys to give written reasons for not pressing (dismissing) cases.

—REQUIRE better screening of appointees to state boards and commissions and key government posts, ending the practice of routine approval by the Senate.

—REQUIRE candidates to file information on contributions involving political expenditures with the secretary of state.

—STUDY THE possibility of giving greater latitude to appointing authorities over employes. This involves a study of the civil service system and was pushed by Rep. Carl Bauer.

—REQUIRE that Mineral Board members have no interest in any matters that might come before it.

—PUT LOUISIANA in an interstate network for exchange of intelligence information on criminal activities.

These are items proposed uniformly or individually by members of the committee and are outlined in the report.

In castigating Life magazine, the committee said that use of the words dominate and control by Marcello of state government was "irresponsible" and "sensational journalism."

The committee acknowledges that organized crime exists in the state but is not willing to say that it flourishes.

The extent of criminal influence on government became the focal point of disagreement between various factions within the committee.

THOSE SUPPORTING the administration of Gov. John J. McKeithen op-

posed admitting any influence whatever but wanted to consign special treatment accorded such figures as Marcello and his associates as a result of laxity and bad administration.

The Revenue Department is hit the hardest in the report, which says that the favoritism shown the Marcello combine provides a "suspicion of corrupt influence."

However, the committee said it was unable to conclude if this was influence exerted on government employes, or the system was taken advantage of.

The administration of the Revenue Department by former revenue collector Ashton Mouton "was difficult to understand," according to the committee.

The committee said that the administration left much to be desired and that drastic and far-reaching reforms are necessary for the Revenue Department.

It charged the department with gross and culpable inefficiency in the handling of tax matters, noting that thousands of persons failed to file returns.

However, the committee was unable to agree that Marcello controlled the Revenue Department's employe hiring as Life claimed.

One of the biggest clashes within the committee came over what would be said about Mouton.

The original draft contained words of praise for Mouton, who has since been transferred to the Hospital Department as director.

However, Cooper won a majority backing from committee members to delete the praise from the report.

Labor leader Victor Bussie, who has given favorable comments on Mouton

during public hearings, attempted to have the praising statement restored but was unsuccessful by a narrow vote.

There was an indication that Bussie may attach a separate statement outlining his views on Mouton.

Other highlights of the committee's findings include:

THE COMMITTEE concluded that David Chandler, author of the Life article, relied on bad information without verifying it in reporting that a number of prominent citizens had been called by phone from a motel room in Houston which was raided by police.

—THE COMMITTEE says it finds no evidence that the relationship between

Marcello and C. H. "Sammy" Downs, director of public works, was more than the acquaintanceship that Downs acknowledged. Life had described him as a close friend.

—THE COMMITTEE found no evidence to support the claim by Life that Highway Director Leon Gary was the man to see to arrange free accommodations for legislators in Las Vegas with a Marcello associate.

—IT FOUND THE special treatment of J. Marshall Brown, close political ally of the governor, by the state Revenue Department on a \$10,000 tax debt difficult to understand. It acknowledges, thanks to a report by a special accountant hired temporarily by the committee, that Brown received continued favoritism even when he ignored agreements he had made to pay the four-year-old debt.

—THE ALLEGATIONS by Life about Tom Ashy, former racing commission member, that he was a bookie were said to substantially correct.

—THE RELATIONSHIP between Zip Chimento, an investigator for the Jefferson Parish district attorney, and Marcello was such that it could have a bearing on the proper discharge of Chimento's work and that of the district attorney's office.

—THE COMMITTEE also raised the question about appointment of Mrs. Francis Pecora to the Fire Insurance Rating Commission when she is the wife of a known associate of Marcello. It noted there was no statutory authority blocking such appointments, and added the question addressed itself to the governor.

—THE APPOINTMENT of Emmett Batson, former Revenue Department employe, as chief counsel of the agen-

cy after it was known he had not filed tax returns timely was said to be contrary to the best interests of the department.

—THE COMMITTEE found that Marcello benefitted materially from the construction of a levee on his Churchill Farms property at a cost of about \$500,000 to the state, even though some allegations connected with it were not substantiated. It notes that approval of the levee contract came on the last day of the Jimmie Davis administration in 1964.

The committee was not able to verify the Life claim that Marcello was paid \$500,000 for right of way, which records show was donated to the Lafourche Levee Board. Nor was it able to verify the claim that the property was drained by the Bayou Segnette pumping station, which was built with funds from another drainage district.

Nonetheless, the committee concluded that the system lent itself to the allegation that specific levee board action is the result of influence. This is one reason why the committee recommended abolition of the levee board with transfer of such duties.

The committee found no evidence that Marcello had any interest in the Evangeline Hotel in Lafayette which was purchased by the Office Building Corp. from private interests.
