Mills Fretted All Week Before

By Bill Richards and Douglas Watson Washington Post Staff Writers

A week before public disclosure that Rep. William O. Mills (R-Md.) had accepted an unreported \$25,000 campaign contribution, Mills in high agitation contacted his closest advisers and political friends seeking suggestions on how to deal with the impending news, these persons say.

Mills, who committed suicide last Thursday, told friends of fears that he would not be able to prevent the disclosure from having an adverse impact on himself and

his campaign aides.

These persons say Mills told them he did not sleep the first night after learning that the General Accounting Office (GAO) soon would report publicly that an undisclosed \$25,000 contribution had been arranged for Mills' 1971 special election campaign by the inner circle of the Nixon administration.

Mills apparently learned of the GAO investigation about

May 11. The GAO made the cash contribution public on May 19, and news media reported it May 20. Mills issued a statement May 22 saying, "I have done nothing improper." He declined to say whether contribution had been received or reported in accordance with Maryland law.

Sources have said the money was ordered delivered as a loan from the Finance Committee to Re-elect the President by then White House chief of staff H. R. Haldeman

and Attorney General John Mitchell.

The GAO inquiry was aimed at finding out what had happened to \$1.7 million in unreported Nixon re-election funds, and not at the \$25,000 Mills got from it, even though Maryland law was violated by Mills' failure to report the contribution there.

Federal investigators repeatedly have told The Post that Mills himself was not being investigated by anyone.

A GAO official said his office had even overlooked as insignificant the fact that one official who was queried by GAO gave them two versions of who requested the

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money—naming Mills in the first version and then deleting the congressman in the second account.

This conflicting statement, and various other accounts of whether Mills had any prior knowledge of the \$25,000 cash contribution, or the circumstances surrounding the failure to disclose it, have been made to Post reporters in recent days by Mills campaign aides and other advisers and acquaintances.

Many of these persons, who talked to Mills about the undisclosed gift in the days between May 11 and last

Thursday, have since talked to The Post.

A former Mills campaign committee treasurer said the congressman told him that word had been passed to Mills by his ex-campaign manager not to make an accounting of the \$25,000, a violation of the Maryland election law,

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Peter Thompson, treasurer of one of five Mills campaign committees, said Mills related during a conversation about the money and the investigation in mid-May that Mills had been told by his campaign manager, Col.

James L. Webster, in 1971 that no accounting was needed in the state.

Webster died in an auto accident in 1972 and Thompson said the source of the no-disclosure order was apparently never learned by Mills. "We just assumed it would be recorded somewhere else," Thompson said. "We did not ask where."

Thompson said that after Mills learned of the GAO queries about the money he communicated his worry to him. "We were both scared at first," said Thompson, an Easton, Md., stock and fund raiser for both Mills and Interior Secretary Rogers C. B. Morton, who formerly held Mills' congressional seat.

Thompson said that during the week before the contribution was made public he sought reassurance during a transatlantic telephone call with Morton, who helped arrange the loan, that he would not be involved in the investigation.

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"Rog told me not to worry and to have a good vacation," Thompson said. He said he had called Morton on another matter unrelated to the GAO inquiry.

Over the same week, Robert J. Hitt, Morton's executive assistant and former executive director of the Republican National Committee, gave the GAO two versions of who approached Morton and asked him to raise the money for the Mills campaign.

One version contained Mills' name as one of those who made the personal appeal to Morton. A second account, sent a week later to the GAO, deleted Mills' name and mentioned only Thompson.

Despite these uncertainties and the complete lack of information about where the money ended up once it was absorbed into the Mills campaign, no evidence has surfaced linking Mills or any of his campaign staff with anything but a possible violation of the Maryland election law for not reporting the money.

Willard A. Morris, state administrator of election laws, said yesterday that he would present the facts on the \$25,000 contribution to the state board of elections at its weekly meeting next week for possible action.

Morris said that if the \$25,000 was delivered and spent in Maryland, as Mills' associates have said was the case, then by law it should have been reported to the State Board of Elections, which it was not.

The web of events surrounding the campaign contribution and the twisted path of the money itself was reconstructed this week through interviews with more than a dozen persons connected with the 1971 campaign.

When Morton was appointed Secretary of Interior and resigned his House seat, a special congressional election was called for May 25, 1971, to fill the vacancy. The Republicans tapped Mills, who had served for years as Morton's administrative assistant, to seek to succeed his boss.

The Mills campaign found it hard to raise funds locally less than half a year after soliciting donations for Morton's election, so they went to the new Interior Secretary for help.

Morton said yesterday that Hitt conferred with him before sending the first letter. Morton said he asked Hitt to substitute the second letter to GAO "after Rep. Mills reminded me he never personally requested" the \$25,000.

Morton said he decided to approach the Finance Committee to Re-elect the President because it seemed to be the only GOP campaign organization with plenty of money.

The request was made at the highest levels of the Nixon administration. Haldeman, former White House chief of staff, authorized providing \$25,000 for Mills' campaign, according to a source that was close to the finance committee.

Morton said former Attorney General Mitchell approved the transfer, but Morton added, "I'm sure that John (Mitchell) didn't do it without talking to Haldeman."

Former Mills campaign committee treasurer Thompson said that when a worried Mills came to him about May 11 to discuss the unreported \$25,000, he remembered that Jim Webster said we were not to report it." Thompson said he had understood that Webster "was told not to report it."

Mills referred vaguely to this in the statement he released to the press maintaining his innocence of any wrongdoing and saying, "Webster advised me that spending approval and all reporting of this fund was being handled by a committee in Washington."

In a subsequent interview Thompson said Mills had instead told him, "We didn't have to report it. (the \$25,000)"—not that they were to avoid reporting it.

Morton said he never spoke to anyone in Mills' campaign about whether the \$25,000 was to be reported or not. It is unknown who, if anyone, told the Mills campaign not to report the \$25,000 contribution.

The \$25,000 contribution was not listed among \$115,318 in campaign contributions reported by the 1971 Mills

campaign to the Maryland Board of Elections. The largest listed donations were three \$5,000 contributions.

The total included \$43,297 raised by the Mills for Congress Committee, \$22,359 collected by the First Congressional District Republican Committee, \$21,283 raised by a bull roast attended by Vice President Spiro T. Agnew and Morton, \$18,625 reported by Thompson as Mills' treasurer, \$8,989 raised by the Mills for Congress, Annapolis Committee, and \$975 raised by a Mills For Congress, Anna Arundel County Committee.

The finance committee had considered the \$25,000 a loan, though no note was formally signed. Morton said that in repayment he made a number of campaign appearances for President Nixon and "I feel like they got their money's worth." The \$25,000 was never returned to the finance committee, several persons said.

In the statement he released before killing himself, Mills did not even directly acknowledge that his 1971 campaign had received the \$25,000 from the finance committee, saying only, "My campaign manager (Webster) advised me that the (Nixon) administration had arranged for funds to be made available."

However, Rietz said he is "sure" that Mills knew the \$25,000 had been received by the campaign, though he does not know whether Mills knew it was not reported. Thompson also said that Mills was aware the \$25,000 had been received.

Asked why Mills' campaign staff did not report the \$25,000, Thompson noted a change in attitude that has occurred, saying that two years ago, "If a White House doorman told you to jump through a hoop, you'd do it. Now, if the President told you to blow your nose, you'd think twice."

Thompson said that when the anxious Mills talked to him on May 11 about the unreported \$25,000, Mills told him, "I don't want to drag you into this." After conferring with a lawyer, Thompson said he advised Mills not to worry about the legal implications because, "We didn't know anything about it."

Mills also talked to Rep. Bob Wilson, the 1972 Republican Congressional Campaign Committee chairman, on May 16 or 17, saying, "I really got a problem." Wilson this week recalled that Mills told him the \$25,000 was "White House money" contributed to his campaign, but "I never saw it. I don't know where he (Col. Webster) spent it."

Wilson said that Mills was talking about resigning, but "I said, 'Billy, if you're telling the truth, you're making a mistake to resign.'" Wilson said he saw Mills a week later and that Mills seemed "pained" by an article in this newspaper reporting the unreported \$25,000, but that he gave no hint he was contemplating suicide.

No one was given any warning by the 48-year-old congressman, regarded by his many friends as an affable, if unexciting, politician and one of the last persons who would be likely to commit suicide.

At 10 p.m. on the evening before his death Mills called WEMD radio station in Easton and dictated his previously released statement in which he said, "I have done nothing improper." George W. Dietrich, station manager at WEMD and a friend of Mills, recalled that Mills' voice was strong but he sounded tired.

At 7:05 a.m. the next morning a farmhand heard a shot and found Mills' body outside a barn where he stabled his horses.

Mills left seven notes, all similar and each maintaining his innocence. State's Attorney William Horne has refused to release the notes, though one was addressed to Mills' constituents.

Mrs. Mills said yesterday the congressman's family does not want the notes released.

Yesterday the state medical examiner's office officially confirmed that the shotgun blast that caused his death was self-inflicted, which Horne said ends the investigation.

John W. Rue, Mills' former administrative aide, was named by clerk of the U.S. House as administrator of Mills' office until a new congressman is chosen in a special election.