

NY Times JUN 29 1973
Montoya Denies Hiding Origins of Campaign Funds

WASHINGTON, June 28 — Senator Joseph M. Montoya, Democrat of New Mexico, a member of the Senate Water-gate committee, denied today that he had concealed the origins of as much as \$100,000 in contributions to his 1970 re-election campaign, in violation of New Mexico's election law.

The allegations were made in an article published in today's Wall Street Journal. The newspaper said that the Senator's fund raisers "laundered" large donations from labor unions and other special-interest groups by funneling them through phony re-election committees set up in Washington.

The sums were not reported to the secretary of state of New Mexico, as required by state law, the article said.

Montoya Cites New Law

Senator Montoya said in a statement issued from his office that "the receipts and expenditures relating to New Mexico have been properly handled." He said that the Wall Street Journal's article was "seeming based" on a 1972 law not in effect at the time of his campaign.

"My 1970 campaign was carried out almost two years before the present, rigid reporting law went into effect," he said.

According to the article, \$57,000 in unreported contributions

came from "various political-action arms of labor unions" and about \$45,000 from other special-interest groups," including rural election-action groups, construction contractors, restaurant owners, scrap dealers and peace groups.

The concealment, the article said, was an attempt to avoid the appearance that Senator Montoya was beholden to organized labor, a charge it said was made by Republican opponents during the campaign.

At least seven "dummy committees" that existed only on paper, with names such as "Boosters for Montoya, Friends of Montoya, and Citizens for Montoya," were set up in

Washington for the Senator by his campaign treasurer, Jack Beaty, the Journal said. It quoted Mr. Beaty as having said, "There's no use wasting your breath any further," when asked for information on the contributions. Mr. Beaty was not available for comment after publication of the article today.

"After narrowly winning re-election, the Senator himself filed a sworn financial statement" with New Mexico's secretary of state "that failed to acknowledge the receipt of money channeled through the dummy committees or the sources of contributions to those committees," the newspaper said.