

Reinecke Set To Testify On Mitchell

By Lou Cannon
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California Lt. Gov. Ed Reinecke has told Watergate prosecutors that he is willing to testify that former Attorney General John N. Mitchell did not tell the truth when he denied knowing of an offer by the International Telephone and Telegraph Corp. to help finance the 1972 Republican National Convention, informed sources said yesterday.

Reinecke, who is fighting for his political life in California, reportedly has told the prosecutors he discussed the prospective contribution with Mitchell prior to the 1971 settlement by the Justice Department of a massive antitrust case against ITT.

Reinecke, who was then trying to help San Diego become the site of the convention, has given varying accounts of his conversations with Mitchell. His latest version, and the one reportedly given to the prosecutors, is that he did discuss the issue with Mitchell prior to the settlement.

Both men denied this under oath in 1972 testimony before the Senate Judiciary Committee during confirmation hearings on the nomination of Richard Kleindienst to be Attorney General.

A White House statement issued Jan. 8 when President Nixon was in San Clemente said that the antitrust settlement and the selection of San Diego as the GOP convention site were "separate and unrelated."

According to the statement, the settlement was agreed to in principle by the Justice Department and ITT on July 31, 1971, and "a large part" of the cash bid to San Diego was committed by the Sheraton Hotel Corp., a subsidiary of ITT, about June 1, 1971.

"The exact provisions of the donation were and are unclear," the White House statement said. "Apparently, ITT-Sheraton offered \$200,000 with some requirement of matching by other San Diego businessmen as to one-half of the commitment."

Reinecke, who was hand-
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picked by Gov. Ronald Reagan as his eventual successor when Lt. Gov. Robert Finch joined the Nixon administration in 1967, had been considered the political favorite to win the GOP nomination in this year's California gubernatorial race.

But Reagan's backers have deserted Reinecke en masse in recent weeks after repeated reports that the lieutenant governor stood to be indicted in the ITT case.

Reinecke last week told the Los Angeles Times that he had asked the office of Watergate Special Prosecutor Leon Jaworski to tell him within a week whether he stood to be cleared or indicted for perjury. A spokesman for Reinecke was quoted as saying that his political "career is at stake" and that it is unfair to keep him wondering about his status.

On Monday the lieutenant governor left Sacramento without announcement and flew to Washington for the second time in a week. His whereabouts was discovered only because the Democratic president of the

state senate issued a release as "acting governor," in the absence from the state of both Reagan and Reinecke.

After his first trip to Washington, Reinecke said he did not expect to be indicted.

"Certainly my motives were not in any way wrongful and so any action that they [federal prosecutors] might take that would be on the negative side would certainly be a total surprise to me," he said in an interview with the Los Angeles Times.

The lieutenant governor foreshadowed his own present cooperation with the Watergate prosecutors in a newspaper interview last month with Leo Rennert of the Sacramento Bee. Reinecke said he had informed Mitchell of the offer before the settlement, and added that it would not be politically damaging to testify against the former Attorney General because "Mitchell is not exactly a popular figure."

Mitchell, along with former Commerce Secretary Maurice H. Stans, is under indictment in New York for perjury and

obstruction of justice in connection with a \$200,000 contribution to President Nixon's re-election campaign by financier Robert L. Vesco.

Mitchell has been under intensive investigation in connection with both the Watergate scandal and the administration's controversial settlement of several antitrust suits against ITT.

Watergate prosecutors have been poring over the Senate committee's ITT documents in a room set aside for them on Capitol Hill in recent weeks.

Any new indictments naming the former Attorney General are not expected to be returned until after a jury has been picked and sequestered in the New York case. His Washington attorney, William G. Hundley, was quoted last month as saying that he did

not know whether Mitchell would be indicted in the ITT case, but Hundley said, "I've certainly been told he's a target."

There are no signs that Reinecke has been offered immunity from prosecution in exchange for his willingness to testify. He long ago announced that he had made "a mistake" in his testimony to the Senate committee.

But sources close to Reinecke say that his political career is in ruins no matter what happens in the court. He has been deserted by his major prospective contributors, most of whom are now signed up as supporters of state Controller Houston I. Flournoy, who has assumed Reinecke's former role of favorite for the GOP gubernatorial nomination.

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