

Nixon Contributions 'Urged'

Politics and SBA Loans

Washington

Minority recipients of Small Business Administration contracts were urged in 1972 to contribute to President Nixon's re-election campaign, a Senate subcommittee disclosed yesterday.

A letter written by Charles Wallace, president of the Wallace and Wallace Fuel Oil Co. Inc., of Hollis, N.Y., went to all SBA minority contractors, said Senator Alan Cranston (Dem-Calif.), chairman of the small business subcommittee.

Wallace, identified by a Cranston aide as a major New York supporter of the President, and a large contri-

butor to his campaign, could not be reached for comment.

Wallace's Sept. 12, 1972, letter said, "I cannot tell you how important it is that we go out into the field and try to get the President re-elected."

There is also a questionnaire enclosed asking the minority businessman if he supports the President's efforts to help minorities and asking if he will "get out and help the President be re-elected so that he can continue this program?"

"If your answer is 'NO,' please let me know so that we can attempt to solve your problem," the Wallace

letter added.

Attached to each letter was a copy of a September, 1971, letter from President Nixon praising the SBA's program to award government contracts to minority businesses.

Cranston said the Wallace letter clearly implied that if minorities with SBA contracts wanted to keep receiving government assistance "they should contribute to the Committee to Re-elect The President."

The senator said the letter and other new evidence of "improper political interference" with SBA had been turned over to the Senate Watergate committee.

SBA Administrator Thomas Kleppe, appearing before the subcommittee on a matter affecting the agency's loaning power, said he was unaware of the Wallace letter.

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