

# Dairy Fund-Raising Said To Follow Nixon Meeting

WASHINGTON, May 10 (AP)—Top dairy cooperative leaders tried to raise \$300,000 for President Nixon's campaign within hours of a White House meeting on milk price supports in March, 1971, according to secret Senate testimony.

The Senate Watergate committee has been told that this testimony lends support to an allegation that milk price supports were raised in 1971 as part of a deal to get campaign money, sources say.

D. Paul Alagia, former executive director of Dairymen, Inc., testified that leaders of two other dairy cooperatives asked him for the money at a 4 A.M. meeting, March 24, 1971, at the airport in Louisville, where the cooperative is based.

Mr. Alagia said he quickly refused the request. "we didn't have that kind of money," he said. The cooperative did, however, donate \$25,000 to the Nixon campaign the same day. The Administration announced the milk-price increase the next day, March 25.

Mr. Alagia's testimony was cited by the Senate committee's assistant chief counsel, David M. Dorsen, in a briefing to committee members late Thursday, according to sources who were at the meeting.

Mr. Dorsen said the House Judiciary Committee's impeachment investigators appeared to be relying on the fruits of the Senate committee's inquiry into the milk-fund affair, the sources said. Mr. Dorsen was quoted as saying that the evidence of a deal to raise prices in return for money is stronger than the House investigators have yet indicated publicly.

## Account Confirmed

Mr. Alagia, in a telephone interview, confirmed the account of his testimony and added some details.

He said he was among the several dairy cooperative officials who visited President Nixon at the White House on March 23, 1971.

Mr. Alagia said that after the White House meeting he flew to Chicago on business, and when he returned to Louisville in the smile hours of March 24 he was met at the airport by a delegation of dairymen who had been with him earlier at the White House meeting.

Present were Harold Nelson, David Parr and Bob A. Lilly of Associated Milk Producers, Inc., and Gary Hanman of Mid-America Dairymen, Inc., Mr. Alagia

said. They had flown to Louisville in one of the milk producers' jets. The three dairy co-ops, are the nation's three biggest.

Mr. Alagia said the others wanted his group's political arm to lend \$200,000 to \$300,000 to the political trust of Mr. Hanman's group, so it could be donated to Mr. Nixon. Mr. Alagia said the others made no mention of a deal to raise milk prices, or of a promise from Mr. Nelson and Mr. Parr to raise \$2-million for Mr. Nixon's re-election. "They didn't ask me for any quid pro quo that I was aware of," Mr. Alagia said. "I wouldn't do that kind of thing anyway." He said he has found out about the \$2-million promise to the President only recently, through newspaper accounts.

## Reversal Ordered

After the March 23 meeting with dairymen, the President ordered the Agriculture Department to reverse itself and raise prices, the White House has said. It said he knew about the \$2-million promise but had not been influenced by it. Congressional pressure was said to have played a role in the decision.

After the pre-dawn meeting in Louisville, Mr. Nelson, Mr. Parr and Mr. Hanman returned to Washington, where they attended a Salute to the President fund-raising dinner on the evening of March 24. The President's order to raise milk prices had not been announced.

Around midnight of March 24, according to testimony reportedly given by former Herbert L. Kalmbach, who was Mr. Nixon's personal attorney, Mr. Nelson was asked by the late Murray M. Chotiner, a White House aide, to confirm his group's \$2-million promise.

According to the reported Kalmbach account, Mr. Chotiner said that Mr. Nixon's chief domestic adviser, John D. Ehrlichman, wanted Mr. Nelson to reaffirm the \$2-million commitment in light of the forthcoming price increase, and Mr. Nelson did so. The next day the Agriculture Department announced that prices would go up cents per hundredweight.

The House Judiciary Committee has asked for 45 Presidential tape recordings related to the milk-price affair, but the President's lawyer says he has decided not to turn over any more White House material to impeachment investigators or to the Watergate special prosecutor.