SFChronicle May 1 4 1974 Sen. Gurney Testifies to Grand Jury

Jacksonville, Fla.

U.S. Senator Edward J. Gurney, somber and refusing to respond to questioning newsmen, appeared voluntarily yesterday to testify before a federal grand jury investigating his campaign financing practices.

Gurney, one of three Republican members of the Senate Watergate committee, fulfilled a promise made in a statewide televised news conference last December.

He said he would go before federal grand juries in Miami and Jacksonville who are investigating allegations his office took political contributions totaling more than \$300,000 from Florida builders in return for federal housing commitments.

Political observers say the grand jury appearance could have an important bearing on Gurney's political future. He has announced he will be a candidate for re-election this fall.

Gurney's testimony is expected to end the secret grand jury proceedings begun last summer into charges of irregularities in the awarding of Federal Housing Administration contracts.

United Press