

NYTimes JUN 8 1974  
Turmoil Besets the U.S. Attorney's Office

By STEVEN K. WEISMAN

Six months of turmoil in the office of the United States Attorney for the Eastern District of New York began last Dec. 4 with the suicide of the man who had held the job for two and a half years.

The focus over the last few days has been the question of whether the drugging of Peter R. Schlam, a 30-year-old prosecutor in the office, was intentional or accidental—and who did it? The incident occurred during the politically explosive trial of Representative Angelo D. Roncallo of Long Island, who had been indicted on extortion and conspiracy charges as part of the office's controversial investigation of high-level Republicans.

Upon his acquittal May 17, Mr. Roncallo demanded an inquiry into the circumstances of his indictment, which he and other Republicans say was politically motivated and fueled by the ambitions of Edward J. Boyd 5th, Acting United States Attorney at the time of the prosecution.

Mr. Boyd has contended that he was only picking up on investigations that started well before he took over the office.

But the first event that started the controversy took place on the afternoon of Dec. 4, when Robert A. Morse, 45, United States Attorney of the district comprising Brooklyn, Queens, Staten Island and Nassau and Suffolk Counties, plunged to his death from a fifth-floor Brooklyn Heights apartment.

As a result, Mr. Boyd,

then chief of the criminal division, became Acting United States Attorney. At 30, he was the youngest person to hold such a job in the country, but his age was not the only factor suggesting that he would have trouble retaining the post.

By tradition, the United States Senate does not confirm nominees from the Justice Department without approval of the two Senators from their home states, and Mr. Boyd's investigation of top Republicans in New York seemed to some to insure that such support would not be forthcoming.

Among the targets of Mr. Boyd's investigations were Nassau County District Attorney William Cahn, Assemblyman Joseph M. Margiotta, the Nassau County Republican leader, and Edwin M. Schwenk, the Suffolk County Republican leader. All accused Mr. Boyd of conducting a vendetta against them.

#### Jury-Tampering Allegation

Mr. Cahn and Mr. Margiotta were called before a Federal grand jury that was looking into possible grand-jury tampering. The possibility stemmed from the fact that Mr. Cahn had recalled a 1973 Nassau County grand jury after it voted to indict four individuals — including Republican officials — in the town of Oyster Bay on felony charges. An alleged kickback scheme involving a parking-meter contract was the basis of the charges.

There were allegations that Mr. Margiotta had ordered Mr. Cahn not to indict any Republicans in the case, and after the Nassau County grand jury was recalled, it voted to indict only one person on misdemeanor charges.

Mr. Cahn and several members of his staff went before the Federal grand jury six months ago. No indictments have been handed up in the case, but the Roncallo case grew out of this investigation.

Mr. Schwenk has been the target of a separate Federal grand jury examining allegations that he threatened to bring political pressure to bear on the Franklin National Bank if the bank did not grant a million-dollar

unsecured loan to one of Mr. Schwenk's friends.

Mr. Schwenk has denied threatening the bank, but the bank did lose a large Suffolk County account after its officers refused to grant the loan to Mr. Schwenk's friend—a loss that he and county officials say had only to do with the bank's bookkeeping.

The charge that Mr. Boyd was heatedly denied, but attention was focused on three young assistants that Mr. Boyd—himself a Republican—had moved into key slots in his office to handle the investigation.

They were Thomas P. Puccio, 29, chief of the criminal division; Mr. Schlam, then 29, and Robert F. Katzberg. All had won high marks for their vigor. And with the exception of Mr. Katzberg, they, too, were Republicans.

The three handled the prosecution of Mr. Roncallo, who, after he was acquitted charged that they had threatened him with indictment unless he gave testimony against District Attorney Cahn and Mr. Margiotta.