

WXPost MAR 12 1976

# Congressman Tried to Taint Witness

By Scott Armstrong

Washington Post Staff Writer

Rep. Henry Helstoski (D-N.J.), who is being investigated by a federal grand jury in New Jersey, has told the Washington Post that he met here twice with underworld figure and informer Franklin Peroff to obtain Peroff's assistance in discrediting a prosecution witness.

The congressman said in an interview that he tried to hire Peroff to develop derogatory information about the witness, Oswaldo Aguirre. Aguirre's testimony had helped lead to the conviction of Helstoski's former ad-

ministrative assistant, Albert DeFalco, for extorting thousands of dollars from illegal aliens who wanted Helstoski to submit special legislation to keep them in the country.

Peroff, in a separate interview in his Alexandria jail cell yesterday, said Helstoski also asked him at their second meeting if he could arrange for Aguirre's murder.

Peroff said he then raised his price for his services to \$100,000 and told Helstoski he would arrange with someone else to kill Aguirre. Helstoski, according to Peroff, said that was too much money and, after haggling, said

he would "get back to his people" to see if he could raise the money.

Helstoski flatly denied making this request of Peroff. The congressman said it was Peroff who brought up the possibility of murdering Aguirre and that he (Helstoski) immediately said "no, no" and the subject was dropped.

Helstoski also acknowledged in his interview that two lawyers representing him in the criminal investigation in New Jersey are employed on his congressional staff payroll as special counsels. Both men also practice law in New Jersey.

See HELSTOSKI, A4, Col. 1

## HELSTOSKI, From A1

Helstoski and members of his staff have been under investigation for some time by a federal prosecutors in New Jersey in connection with an alleged pattern of obtaining payment from illegal aliens for the private congressional bills that allow them to stay in the country.

Helstoski charged in his interview with The Post that Newark U.S. Attorney Jonathan Goldstein is attempting to drive him out of office and that Aguirre, a Chilean, testified falsely against DeFalco, who was convicted on Oct. 17, 1975.

Helstoski told The Post that he thought Peroff, because of his boasted extensive connections with the Chilean underworld, could develop derogatory information about Aguirre in Chile.

Peroff, who has admitted trafficking in stolen securities, has been a government informant who helped an international counterfeiting ring in 1972 and infiltrated in 1973 the heroin-smuggling operations of Conral Bouchard, reputed to be the case on which the book "The French Connection" was based.

Peroff has said he first became connected with organized crime in Florida in the mid-1960s when he worked as a fence for stolen goods. He also has said he leased private airplanes for smuggling and flying organized crime figures in and out of the country.

He is in jail in Alexandria following his arrest by the FBI on a year-old extradition request by the Swedish government, which has charged him with stock fraud.

Shortly after DeFalco's conviction, Helstoski said, he saw a news clipping in which Peroff boasted of Chilean connections. Helstoski then wrote to Peroff on Oct. 21, 1975.

"Having seen the enclosed news clipping," Helstoski wrote to Peroff. "I would like to discuss this particular matter with you and perhaps retain you if you could fulfill some requirements."

On Nov. 13, the two men met at a Dulles Airport restaurant, according to both of their accounts. Both men agree that Helstoski said he wanted background investigations done on Aguirre and four other figures involved in the DeFalco case.

Helstoski said that Peroff told him he could get "anything he (Helstoski) wanted" on Aguirre. Helstoski said he then told Peroff that "if he (Aguirre) is the village priest I want you to come back and tell me." Peroff denied he suggested falsifying any evidence.

Peroff said that Helstoski told him at the first meeting that if he developed no derogatory information on Aguirre he was to keep the fact of his trip secret.

Both men agree that Peroff said his

services would cost \$10,000 in advance and \$40,000 later plus expenses. Helstoski told Peroff, according to both accounts, that he would check with "his people" about the amount of money and get back in touch with Peroff.

Helstoski said he was only acting as a broker for a group of friends of Dr. Faco whom he declined to identify. He said they considered Peroff's fees too high.

On Nov. 17, the two men met again at Dulles, and Peroff dropped his price to \$25,000 plus expenses, according to both accounts.

According to Peroff, Helstoski said that he wanted Aguirre discredited at all costs even if Peroff had to bribe Chilean officials to do so. "One way or another, Aguirre has to be completely discredited or he can't be around," Peroff quoted Helstoski as saying. Helstoski has denied suggesting anything improper.

Peroff said he then immediately raised his price to \$100,000 and told Helstoski that he would have to contact someone else to carry out a murder.

"If you're talking about taking out a federal witness, you're talking a good hundred grand," Peroff said he told Helstoski. "Helstoski told me he had all the confidence in the world in me," Peroff said.

Helstoski said that Peroff brought up the subject of killing Aguirre, and he (Helstoski) immediately said, "No, no," and dropped the subject.

Describing Peroff as a "thick Jew," Helstoski said that Peroff was working in league with U.S. Attorney Goldstein to frame him.

Helstoski's secretary, Kathleen Dunn, accompanied Helstoski to each meeting, and she corroborated his account in an interview.

Helstoski said that, although he initiated the meetings with Peroff, he did not trust Peroff from the beginning. Therefore, Helstoski said, he felt it necessary to secretly tape-record each session with Peroff. He declined, however, a Post request to hear the tapes, saying he would not make them available to anyone until DeFalco's appeal is resolved.

"I understand from the congressman that there are a lot of references to Aguirre and DeFalco that might be damaging to DeFalco," said Irvin Kippness, Helstoski's press spokesman. Noting that Helstoski had strongly urged release of former President Nixon's White House tape recordings, Kippness added that Helstoski told him the Helstoski-Peroff tapes "are going to be released at the right time."

Vincent Verdiramo, Helstoski's attorney and congressional staff aide, said he has both Peroff-Helstoski meeting tapes locked in a bank vault. Verdiramo said the tapes would exonerate Helstoski, but he cautioned a reporter



REP. HENRY HELSTOSKI  
... met underworld figure

that Peroff may have doctored any tapes he may have of the meetings.

"You can doctor a tape pretty easy," Verdiramo said. "I'm something of an expert on that. You can doctor the tape and no one can tell. The only way you would know is if you had an oscilloscope and there aren't many people around here with those."

Verdiramo, who has represented several organized crime figures in court, is awaiting trial himself in New Jersey on charges of insurance fraud and conspiracy to obstruct justice. In one case, he is accused of fabricating tape recordings as part of a conspiracy to obstruct justice in a criminal trial.

Verdiramo has represented both Helstoski and DeFalco, according to the lawyer and the congressman. He is also on Helstoski's congressional payroll at an annual salary of \$10,000. According to Helstoski, Verdiramo is handling liaison for Helstoski with a House Judiciary subcommittee. The subcommittee's chairman, Rep. Joshua Eilberg (D-Pa.) said through his staff counsel, Martin Belsky, that he is unaware of any liaisons to the subcommittee from any congressional office, although Verdiramo attended a two-hour meeting Helstoski and Belsky. At that meeting, Helstoski tried to initiate a subcommittee investigation of Newark U.S. Attorney Goldstein.

Another Helstoski aide, Alfred A. Porro, also has represented Helstoski personally while receiving an annual congressional salary of \$21,000 as his district representative. According to Helstoski's district office, Porro spends most of his time at his law office, but comes in daily.

Helstoski said Porro is awaiting trial on criminal charges brought by a Bergen County grand jury.

Other details in Jack Anderson's column on Page D16.