

U.S. Will Try Gurney Again For Perjury in Influence Case

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ORLANDO, Fla., Sept. 1 (AP)—The United States Government dropped a conspiracy charge against former Senator Edward J. Gurney today, but said it would re-try him Oct. 4 on a perjury count in an alleged influence-peddling scheme.

The announcement was made by a Federal prosecutor, Vincent Alto, in a pretrial hearing before Federal District Judge George C. Young.

The Government had been expected to drop both counts, but Mr. Alto said, "This is the direction of Justice Department officials in Washington."

The two counts were left from a seven-count Federal indictment handed down by a Jacksonville grand jury on July 11, 1974. After a five-month trial in Tampa last year, the 62-year-old Mr. Gurney was acquitted of three perjury charges, one bribery count and one charge of accepting unlawful compensation.

The jury was deadlocked on the two remaining counts.

The perjury count alleges that Mr. Gurney, a Republican from Winter Park, lied to the grand jury about the date he learned of illegal fund-raising activities by an aide, Larry E. Williams.

Mr. Gurney's attorney, C. Harris Dittmar, argued that it was illegal for the Government to take a part of the grand jury indictment before a new trial jury to try to convict Mr. Gurney.

Mr. Gurney declined comment as he left the courtroom, but he said later that he was "shocked and surprised" at the Government move.

Mr. Alto said the conspiracy charge was being dropped because "admissible evidence

leaves less than a prima facie case against the defendant."

He referred to a recent ruling by Judge Young that the main body of testimony from the previous trial could not be used again.

The original indictment alleged that Mr. Gurney took part in a scheme to put pressure on Florida builders for financial contributions in return for favors from Federal housing agencies. It also charged that Mr. Gurney tried to cover up the scheme by lying to a grand jury.

The indictment said \$233,000 was collected in kickbacks from housing contractors. Trial testimony and Government claims put the total at more than \$450,000.

Mr. Gurney, who gained prominence as a defender of President Nixon during the televised Senate Watergate hearings, was the first senator indicted in office in 50 years. He decided not to seek re-election in 1974 shortly after the charges were made.

The case against Mr. Gurney focused on the activities of Mr. Williams, who testified that he shook down Florida builders in Mr. Gurney's name between 1971 and 1973, promising them Federal Housing Administration favors for political contributions.