

The Washington Merry-Go-Round

# 'Campaign' Aid Asked by Sen. Dodd

By Drew Pearson  
and Jack Anderson.

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Sen. Thomas J. Dodd (D-Conn.) has now conceded that this column was correct in reporting that he put in his own pocket the proceeds from a 1961 testimonial dinner and a 1963 "Dodd Day" breakfast-lunch-dinner. He made this admission in reply to written interrogatories from the Senate Ethics Committee.

He also did not dispute the column's claim that his net take was \$54,555.58 from the 1961 dinner and \$47,000 from the 1963 affair — a total of more than \$100,000.

The Senator contended, however, that the money was raised for his personal use, not his political campaign chest. His associates acknowledged to The Washington Post that political funds diverted to his personal use would be taxable, but insisted that the contributions to his 1961 and 1963 testimonials were personal gifts, therefore tax-free.

This becomes an extremely important distinction, since Dodd neglected to report this income on his tax returns.

It will come as a surprise to the dinner guests that they were donating to Dodd's personal finances rather than to his campaign. For he told one and all that he was raising the money for political purposes. He mailed out more than 1500 letters, typed in his Washington office and stuffed in his Hartford office by Senate em-

ployees, soliciting "campaign contributions" for Dodd Day. If they had known the dinners were for his personal benefit, doubtless in view of the national furor over Nixon's \$18,000 personal expense fund, they would have been hesitant about contributing.

The claim that the two testimonials were personal, not political, should also startle President Johnson, who was persuaded to be the star attraction at both events for the specific purpose of helping Dodd raise campaign funds.

"Dear Lyndon," wrote Dodd on Aug. 5, 1963, "allow me to thank you again for your generous offer to come to Connecticut to assist me in my forthcoming campaign. Since receiving definite word from your office that you will be available on Oct. 26 (Dodd Day) for the entire day, I have scheduled a variety of activities that will cover the principal centers of the State.

"I wish I could convey to you how enthusiastic everyone is about your visit and how much it will assist me in getting my campaign drive under way."

Even if Dodd's explanation were accepted at face value, he would be in trouble with Internal Revenue. The law states that gifts, too, are taxable if any services are performed for the donor.

Contributions for both the 1961 and 1963 affairs were solicited from the people whom Dodd had helped in Washington. For the Dodd

Day solicitation, the Senator assigned one of his aides, Joe Flynn, to go through all his casework files and prepare a list of individuals and firms that had benefited from his Washington wire-pulling. Approximately 1000 names were forwarded to the field workers who were selling tables and seeking contributions in Connecticut.

The truth is that Dodd raised most of the money that he later deposited to his own account from lobbyists, businessmen and friends for whom he had performed Government services.

Dodd's associates also told The Washington Post that Dodd had found it necessary to hold testimonials to relieve the financial strain of serving in the Senate.

"Testimonial dinners enable a poor man to remain in office. They are part of the American way of life," Dodd's spokesman told The Washington Post reporter Richard Harwood.

In 1961, the year of Dodd's first testimonial, he reported an income of \$88,031.88. This included his \$22,500 Senate salary, \$4463.41 from lectures and \$61,068.47 from his law firm. Of this, \$50,000 came from the Teamsters Union. This is not a poor man's income.

Nevertheless, with total income of \$88,031.88, Dodd raised an additional \$54,555.58 in 1961, which he now claims was a tax-free gift.

In 1963, when Dodd pocketed

\$47,000 in contributions that he failed to report on his tax returns, he listed an income of \$33,365.45.

The Senate Ethics Committee should also investigate a number of other Dodd fundraising affairs, including one thrown by Pan American vice President Sam Pryor and heavyweight champion Gene Tunney in New York City, another thrown by right-wing razor blade maker Pat Frawley in Los Angeles, and a testimonial in the District of Columbia.

Former Senate Secretary Bobby Baker helped round up contributors for Dodd's D.C. dinner. The Senator accepted some contributions in cash and precise records are not available. As nearly as this column has been able to determine, Dodd raised about \$300,000 between 1961 and his election in November, 1964. He reported only \$190,000 in campaign expenditures, and some of these expenditures have turned out to have been phony.

When Richard M. Nixon, as California Senator, raised a slush fund of \$18,000 to help defray office expenses, it caused a national sensation.

Believe it or not, Dodd staged still another testimonial dinner in March, 1965, for the announced purpose of paying off his "campaign deficit." At this event, he persuaded Vice President Hubert H. Humphrey to be the star attraction.

(Drew Pearson will diagnose the Dodd case over WTOP radio tonight at 6:40.)