

GOVERNOR SHAPP, BEFORE WE BEGIN TODAY'S PROCEEDINGS, I WISH TO MAKE SEVERAL REMARKS WHICH I FEEL WILL BE OF BENEFIT IN INSURING AN ORDERLY AND WORTHWHILE SESSION.

I PERUSED THE TRANSCRIPT OF YOUR TESTIMONY OF LAST FRIDAY. IN ADDITION, I VIEWED THE TAPED BROADCAST OF THAT SESSION. AND I MUST CONFESS THAT I AM AMAZED. SETTING ASIDE THE NUMEROUS STATEMENTS, OBJECTIONS, CONFERENCES WITH COUNSEL, RECESSED AND, YES, SPEECHES, YOU WERE QUESTIONED FOR ONE HOUR AND FORTY-FIVE MINUTES. DURING THAT TIME, YOU CONSISTENTLY REFUSED TO RESPOND DIRECTLY TO QUESTIONS.

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YOU AND YOUR DEFENSE ATTORNEYS CHOSE INSTEAD TO ATTEMPT TO BAIT MR. FREIND INTO ANSWERING YOUR SLURS AND CHARGES. YOUR STRATEGY, UPON REVIEW, WAS ONLY TOO CLEAR. HAD MR. FREIND RESPONDED IN KIND, YOU, THE ELECTED GOVERNOR, COULD THEN HAVE PORTRAYED YOURSELF AS BEING BADGERED AND HARRASSED BY A NON-ELECTED STAFF MEMBER.

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TO HIS EVERLASTING CREDIT, MR. FREIND DID NOT ACCEPT THAT BAIT. AT ALL TIMES, HE TREATED YOU WITH COURTESY AND RESPECT. YOU AND YOUR DEFENSE ATTORNEYS HAVE ATTEMPTED TO DARKEN THE REPUTATION OF AN ABLE AND HONEST ATTORNEY. YOUR CAMPAIGN MANAGER HAS EVEN STOOPED LOWER, ALLUDING TO HIM AS A "POLICE DOG." ALL THIS TO DIVERT THE ATTENTION OF THE PUBLIC FROM THE FAILURES OF YOU AND YOUR ADMINISTRATION. I SHOULD LIKE TO REMIND YOU THAT MR. FREIND IS A DEMOCRAT. HE SERVED AS A DEMOCRATIC COMMITTEEMAN IN DELAWARE COUNTY DURING YOUR ELECTION OF 1966. HE WAS AN ACTIVE VOLUNTEER IN THE YOUTH FOR SHAPP ORGANIZATION IN 1966 AND HELPED TO CREATE THE DELAWARE COUNTY SHAPP HEADQUARTERS.

THE MOST FREQUENT COMPLAINT OF YOU AND YOUR DEFENSE ATTORNEYS HAS BEEN THAT THE QUESTIONS POSED TO YOU WERE REPETITIOUS. I HAVE REVIEWED THOSE QUESTIONS. THEY WERE CONCISE AND PERTINENT. RATHER, IT WAS YOUR ANSWERS--OR NON-ANSWERS--THAT WERE REPETITIOUS.

AT THIS TIME, WE KNOW NO MORE -- PERHAPS EVEN LESS -- ABOUT THE INVOLVEMENT OF YOU AND YOUR ADMINISTRATION IN THE HILTON

IN THIS MATTER IS ONE OF UNAWARENESS AND LACK OF KNOWLEDGE. I CAN ONLY ASSUME ---FROM YOUR OWN WORDS ----THAT WITH RESPECT TO THE INACTION AND COVERUP REGARDING THE HILTON LIE, YOU WERE EITHER RESPONSIBLE---OR IRRESPONSIBLE.

YOU AND YOUR DEFENSE ATTORNEYS FREQUENTLY STATED THAT THIS WAS NOT A GRAND JURY AND THAT YOU WERE NOT A DEFENDANT AND YET PHRASES FROM YOUR OWN MOUTH, PHRASES SUCH AS "I HAD NOTHING TO DO WITH ---I HAD NO PERSONAL KNOWLEDGE OF ---I WAS NOT AWARE," PLACE YOU PRECISELY IN THE LIGHT OF A MAN DESPERATELY TRYING TO ESCAPE PERSONAL LIABILITY FOR IMPROPER OR QUESTIONABLE ACTIONS. AND I MIGHT ADD THAT THIS TYPE OF TESTIMONY, ALONG WITH YOUR FREQUENT ASSERTIONS THAT YOU WERE UNAWARE OF THE ACTIONS OF YOUR AIDES, STRIKES AN ALARMING SIMILARITY TO MATTERS WHICH WE HAVE RECENTLY VIEWED WITH DISGUST IN OUR NATION'S CAPITOL.

KNOW IT WELL, GOVERNOR, THAT YOU ARE NOT ON TRIAL. WE DO NOT SEEK THE TESTIMONY OF MILTON SHAPP, THE MAN. WE DO SEEK THE TRUTH FROM MILTON SHAPP, GOVERNOR OF PENNSYLVANIA. IN THAT

CONTEXT YOU MUST ANSWER FOR YOUR ADMINISTRATION AND FOR THE ACTIONS OF YOUR AIDES AND YOUR APPOINTEES.

I, MUST, IN ADDITION, ADDRESS MYSELF TO YOUR TOTALLY UNFOUNDED CHARGES THAT THE COMMITTEE HAS IMPROPERLY WITHHELD INFORMATION FROM YOUR DEPARTMENT OF JUSTICE. FROM THE OUTSET, THIS COMMITTEE HAS STATED THAT IT WOULD DISSEMINATE TO ALL APPROPRIATE LAW ENFORCEMENT AUTHORITIES ALL INFORMATION IT OBTAINED PERTAINING TO CRIMINAL MATTERS. THAT DECISION REMAINS UNCHANGED. WE HAVE ALREADY OPENED OUR FILES TO YOUR DEPARTMENT OF JUSTICE CONCERNING OUR INVESTIGATION OF PENNDOT PROCEDURES IN MERCER COUNTY. CROWDED THOUGH OUR SCHEDULE IS, WE ARE PRESENTLY PREPARING REPORTS CONCERNING PENNDOT CORRUPTION IN WESTMORELAND, MONROE, MERCER AND INDIANA COUNTIES. AFTER PUBLIC HEARINGS, SIMILAR REPORTS WILL BE PREPARED FOR NUMEROUS OTHER COUNTIES, INCLUDING GREENE, MONTOUR AND, YES, CAMBRIA.

WE HAVE INSTITUTED THE FIRST COMPUTER PROJECT IN THIS STATE'S HISTORY WHICH WILL CATALOGUE ALL NON-BID CONTRACTS LET BY THE STATE ALONG WITH A COMPILATION OF POLITICAL CONTRIBUTION RECORDS. THIS DATA, WHICH PROVIDES AN INVALUABLE STARTING POINT

FOR ANY KICKBACK INVESTIGATION, HAS BEEN, AND CONTINUES TO BE, AVAILABLE TO ANY INTERESTED LAW ENFORCEMENT AGENCY. AND, OF COURSE, THE HEARINGS OF THIS COMMITTEE HAVE BEEN CONDUCTED IN PUBLIC SESSION. AGENTS OF YOUR DEPARTMENT OF JUSTICE, FOR EXAMPLE, HAVE BEEN IN DAILY ATTENDANCE. SO GOVERNOR, AS YOU CAN PLAINLY SEE, ANY CHARGE ON YOUR PART THAT WE HAVE NOT FULLY COOPERATED WITH LAW ENFORCEMENT AUTHORITIES IS IN DIRECT OPPOSITION TO THE FACTS.

IT IS, HOWEVER, INTERESTING AND SOMEWHAT AMUSING THAT YOU ADMIT THAT THIS COMMITTEE HAS CONSISTENTLY OUT-PACED THE EFFORTS OF YOUR DEPARTMENT OF JUSTICE. YOU ARE QUITE CORRECT IN STATING THAT WE ARE NOT A LAW ENFORCEMENT AGENCY. THE INACTION OF YOUR ATTORNEY GENERAL, HOWEVER, HAS IN MANY CASES FORCED US TO FUNCTION AS ONE. AS PROOF OF THIS, I NEED ONLY REFERENCE THE HILTON CASE.

FINALLY, THERE IS THE TROUBLING MATTER OF YOUR ATTORNEYS. I HAVE CALLED THEM DEFENSE ATTORNEYS. THEY HAVE ACTED SO. FRANKLY, I AM A BIT SURPRISED THAT YOU FEEL THE NEED FOR LEGAL COUNSEL. AS YOU HAVE REPEATEDLY STATED, THIS IS NOT A GRAND JURY

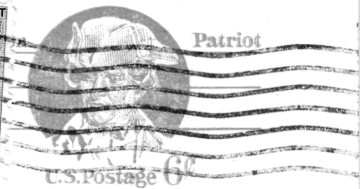
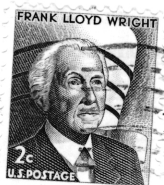
IT IS A LEGISLATIVE COMMITTEE AND YOU HAVE REQUESTED TO APPEAR BEFORE IT. YET, NOT ONLY HAVE YOUR ATTORNEYS ACCOMPANIED YOU, THEY HAVE ALL TOO FREQUENTLY INTERRUPTED THESE PROCEEDINGS AND BAITED OUR MEMBERS.

YOU WERE AWARE, GOVERNOR, WELL IN ADVANCE OF YOUR APPEARANCE, OF THE RULES OF THIS COMMITTEE. ATTORNEYS FOR A WITNESS MAY ONLY CONFER WITH THEIR CLIENT. THEY MAY NOT TESTIFY FOR HIM. THEY MAY NOT ADDRESS THIS COMMITTEE. PERHAPS UNWISELY, I HAVE NOT, UNTIL NOW, DEMANDED STRICT ADHERENCE TO THESE RULES. IN VIEW OF THE CALCULATED DISORDER OF LAST FRIDAY, HOWEVER, I MUST NOW DEMAND SUCH ADHERENCE. IN VIEW OF YOUR OFT REPEATED STATEMENTS THAT YOU SEEK NO SPECIAL TREATMENT, I LOOK TO YOUR COOPERATION IN THIS MATTER.

GOVERNOR, SHOULD YOU CONTINUE TO UTILIZE THIS FORUM AS A POLITICAL PODIUM, SHOULD YOU CONTINUE TO FENCE WITH US, I READILY ADMIT THAT IT WILL BE NO CONTEST. YOU ARE THE GOVERNOR OF PENNSYLVANIA AND AS SUCH COMMAND CENTER STAGE.

TO DATE, YOUR TESTIMONY HAS DEMONSTRATED THAT YOU ARE
CLEVER AND RESOURCEFUL. I, ALONG WITH THE CITIZENS OF PENNSYLVANIA,
EXPECT MUCH MORE.

GOVERNOR, LET US BEGIN ANEW.



Representative James Manderino
% Gleason Committee---(now Defunct)
Capital Building
Harrisburg, Pennsylvania

11/20/74

Dear Friend Jim:

How does Miss Patty Gleason feel now that the voters of Pennsylvania 'shot down' this disgraceful REPUBLICAN dominated, Nazi-type controlled committee? It was the biggest farce, and, just a stupid waste of taxpayers money, in all history.

Please, very shortly, investigate the Gleason's. I need not say more.

Mr. Manderino, keep up your dedicated service.

Best wishes.

A TAXPAYER



COMMONWEALTH OF PENNSYLVANIA
OFFICE OF ATTORNEY GENERAL
HARRISBURG, PA. 17120

ISRAEL PACKEL
ATTORNEY GENERAL

October 10, 1974

Honorable Patrick A. Gleason
Chairman, Select Committee on
State Contract Practices
House of Representatives
Room B-10, Main Capitol Building
Harrisburg, Pennsylvania

Dear Representative Gleason:

Two matters have been directed to my attention with respect to criticism by your office. I am told that the statement was made that I waited a year with respect to the Erie County investigation. I do not understand that criticism because the matter was referred to me by Bob Casey on May 1, 1973. On that same date I referred the matter to the Deputy Attorney General in charge of the Office of Criminal Law, and on May 8, 1973 he directed the Bureau of Investigation to undertake a full investigation. On July 3, 1973 a final report was made to Frank Hilton with a copy going to Bob Casey. If you meant that nothing was done since July 3, 1973, it is because the investigation was fully completed and there was no occasion for anything further to be done in view of the conclusions of the report.

I am also told that you said I failed to answer your letter concerning AFSCME's conduct with respect to questioning of employees about Westmoreland County. Your letter dated June 7, 1974, was answered on my behalf by Ben Lerner on June 17, 1974. You then wrote requesting an opinion from me under date of June 28, 1974. I answered your letter and told you that it was not appropriate for me to give you an opinion on the issue because an attorney for your Committee was going to be arguing the issue in Commonwealth Court on the very next day. Any criticism that I refused to answer you would seem to be very much out of order.

Very truly yours,

Israel Packel
Attorney General

Donora Chamber of Commerce

620 McKean Ave. , Donora, Pa. 15033 (412) 929-3790

October 18, 1974

The Honorable James J. Manderino
15 Pleasant Drive
Monessen, Pennsylvania 15062

Dear Representative Manderino:

On behalf of the Donora Chamber of Commerce, I'd like to express our appreciation to you for all that you have done during the past several years to bring about the opening of the Donora-Monessen Bridge. The connecting of two of our Valley's employment centers and, soon, to the Interstate Highway System, will be a tremendous boost to our community in its effort to attract new industry and new jobs.

It is not always easy to bring about progress in a community. In this case, it has cost many millions of dollars more than was projected and has taken many long hours of your valuable time and that of others who, like you, have worked diligently for the improvement of our highways and bridges.

Once again, our thanks to you.

Sincerely,



William M. DuVall
President

WMD/leh

AUSTIN M. HARRIER, MEMBER
R. D. 1, BOX 217
FRENCHVILLE, PENNSYLVANIA 16836



COMMITTEES

WAYS AND MEANS, VICE CHAIRMAN
APPROPRIATIONS
CONSUMER PROTECTION

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

October 3, 1974

Honorable Harry Comer
Minority Chairman, House Select Committee to Investigate State Contract Practices
House Post Office Box 48
Harrisburg, Pennsylvania

Dear Representative Comer:

I am in receipt of your letter of October 2 delivered to me by messenger this day together with a copy letter signed by Robert P. Kagan, Esquire, and addressed to the Honorable William B. Saxbe, United States Attorney General.

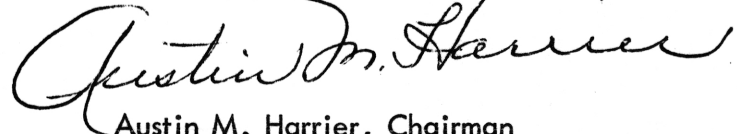
I have carefully reviewed both letters in depth. At our committee hearing held October 3, which as you know was open to the public, the files of Mr. Littleton were devulged to the Committee regarding his correspondence between the Gulf Insurance Company and the Assistant Attorney General, Mr. Samuel Orr, whose office is in Pittsburgh. You indicate Mr. Littleton secured information illegally and beyond the scope of his authority. I fail to see that he has erred in this matter. The facts as we have them were fully presented to the Committee and, of course, are of public record. I do not believe that the staff members of my committee have acted improperly or illegally in this matter and I, therefore, will take no action in this regard.

You suggest that he be relieved of his duties as far as my committee is concerned and to this I cannot agree because to be relieved of his services would destroy the

very function of the Committee. I am quite convinced that Mr. Littleton is a most competent individual and is very knowledgeable in the field of insurance. I feel that the allegations in your letter are unfounded in fact and law. I am sure that Mr. Littleton would not hesitate to defend himself on this matter before any court.

Because of the above statements I simply cannot agree with you on this matter.

Sincerely yours,



Austin M. Harrier, Chairman
Select Committee on Investigation
of Insurance Regulations

AMH:jb

cc: Representative Harry Englehart
Representative James Manderino
Representative Eugene Geesey
Representative James Knepper
Representative John E. Scheaffer
Representative C.L. Schmitt
Representative John L. Brunner
Representative Rose Toll
Representative Patrick Gleason
Representative James Ustynoski
Representative Rudolph Dininni
Representative Ben Wilson
Elliott B. Goldstan, Esquire

PATRICK A. GLEASON
CHAIRMAN



OFFICE OF SPECIAL COUNSEL

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HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG
SELECT COMMITTEE ON STATE CONTRACT PRACTICES

April 29, 1974

Mr. Warner DePuy
First National Bank, Box F
Milford, Pennsylvania 18337

Dear Mr. DePuy:

Steve Freind, Fred Voigt and I certainly appreciated the time you took last Thursday, April 25th to respond to our questions concerning the State's banking practices.

We were especially grateful for your offer to have your bank's counsel render an opinion referencing those sections of the Election Code which we discussed.

Again, our thanks.

Cordially,

A handwritten signature in black ink, appearing to read "John Michael Willmann".

John Michael Willmann
Special Counsel

JMW:bb



HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

April 18, 1974

Mr. Warner DePuy
First National Bank, Box F
Pike County
Milford, Pennsylvania 18337

Dear Mr. DePuy:

House Majority Leader Bob Butera has suggested that because of your service as Secretary of Revenue you could provide insights into the State's relationships with banks which serve the Commonwealth as transfer agents. Because the House Select Committee on State Contract Practices, which was established pursuant to Resolution No. 98 and which I chair, has undertaken an investigation which will require staff to have this type of background information, I would like to arrange for the Committee's special counsel to meet with you personally to discuss this phase of our investigative efforts.

Counsel have informed me that they intend to be in your area in the near future to conduct interviews on related matters and so I have suggested to them that they arrange to meet with you at some time during that trip.

Accordingly, counsel will be in touch with you directly to discuss their travel plans and to arrange a mutually convenient date for a meeting.

Needless to say, both the House majority leadership and I will appreciate any courtesy which you are able to extend. I look forward to working with you in the future as our investigation progresses.

Very truly yours,

Patrick A. Gleason (b)

Patrick A. Gleason, Chairman
House Select Committee on
State Contract Practices

PAG:JMW:bb



HOUSE OF REPRESENTATIVES

COMMONWEALTH OF PENNSYLVANIA

HARRISBURG

July 31, 1974

Mr. Robert Laskowski
Department of Property and Supplies
414 North Office Building
Harrisburg, Pennsylvania 17120

Dear Mr. Laskowski:

We had the opportunity yesterday to meet with your brother, Sev, to discuss his business relationships with the State in general and with Property and Supplies in particular.

In that regard, we have asked him to provide for us a list of all orders that he has placed through you while you have been employed at Property and Supplies. We would appreciate it very much if you could independently prepare a separate such list of all of your business transactions and forward it to us by August 7, 1974 at 11:00 a.m. If you have any questions concerning this request, please contact William R. Powell of this office at 7-5295 or 7-2386.

Thank you for your kind cooperation.

Cordially,

John Michael Willmann
Special Counsel

Stephen F. Freind
Special Counsel

COPY

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF THE ATTORNEY GENERAL
HARRISBURG, PA. 17120

October 7, 1974

The Honorable Patrick A. Gleason
Chairman
House of Representatives Select
Committee on State Contract Practices

Dear Chairman Gleason:

In response to your offer of cooperation with the Department of Justice concerning matters of mutual investigative interest, it is respectfully requested that any information and evidence relating to possible criminal wrongdoing by Frank C. Hilton, former Secretary of the Department of Property and Supplies, be furnished to the Justice Department's Bureau of Investigations.

In view that your committee has explored other matters involving state employees and state contract practices, it is also respectfully requested that any information indicative of criminal activity be furnished this Bureau for evaluation as to need for further investigation and/or initiation of prosecutive action.

Your cooperation will be greatly appreciated. A member of my staff will be available to meet with you or whom-ever you designate at any time convenient to you.

Sincerely,

A handwritten signature in cursive script that reads "Cecil H. Yates".

Cecil H. Yates, Director
Bureau of Investigations

CHY/rp

PATRICK A. GLEASON
CHAIRMAN



OFFICE OF SPECIAL COUNSEL

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

SELECT COMMITTEE ON STATE CONTRACT PRACTICES

October 15, 1974

Mr. Cecil H. Yates, Director
Bureau of Investigations
Pennsylvania Department of Justice
Main Capitol Annex
Harrisburg, Pennsylvania

Dear Mr. Yates:

Reference is made to your letter of October 7, 1974.

Responding to that letter, I, on this date, telephoned your office and, because you were absent, spoke to your secretary. I advised your secretary that this Committee would be delighted to cooperate with your Department in any way possible.

Please be advised that you need only contact any member or staff of this Committee and total cooperation will be extended to you. We will provide, at your request, copies of any documents, files or other data which you desire.

It seems to me that such mutual cooperation is both proper and productive.

I look forward to hearing from you in the near future.

Very truly yours,

Patrick A. Gleason (7)

Patrick A. Gleason, Chairman
Select Committee on State
Contract Practices

PAG:SFF:bb

MR. CHAIRMAN:

I RISE TO A POINT OF PERSONAL PRIVILEGE. WHAT I AM GOING TO SAY WILL BE SAID MORE IN SORROW THAN ANGER, ALTHOUGH I MUST CONFESS ANGER WAS THE PRIME MOVER IN MY PREPARATION OF THIS STATEMENT. I WANT IT CLEARLY UNDERSTOOD THAT SO FAR AS I AM CONCERNED THE CONTENTS OF MY STATEMENT ARE NOT POLITICS AS USUAL BUT ARE ADDRESSED TO YOU AND THE MEMBERS OF THE COMMITTEE. OUT OF A SINCERE CONVICTION THAT THEY MUST BE SAID.

INTRODUCTION

ON TUESDAY OF THIS WEEK AN ANSWER MADE BY REP. MANDERINO TO A QUESTION BY REP. DININNI APPARENTLY WENT UNNOTICED BY THE PRESS AND BY OTHERS IN ATTENDANCE AT TUESDAY'S PROCEEDINGS -

WHAT MR. MANDERINO DID WAS TO ADMIT THAT HE AND OTHER MEMBERS OF THE DEMOCRAT MINORITY AND THEIR STAFF HAD MET WITH THE GOVERNOR AND HIS REPRESENTATIVES PRIOR TO MR. SHAPP'S APPEARANCE BEFORE THIS COMMITTEE ON OCTOBER 4th.

THIS ADMISSION BY REP. MANDERINO ANSWERS SEVERAL QUESTIONS IN MY MIND:

1. HOW WAS GOVERNOR SHAPP ABLE TO AVOID AND EVADE QUESTIONING BY SPECIAL COUNSEL IN SUCH A REMARKABLE MANNER?

2. HOW WAS GOVERNOR SHAPP ABLE TO GIVE POLITICAL SPEECHES INSTEAD OF ANSWERING THE COMMITTEE MEMBERS' INQUIRIES?

3. HOW DID THE DEMOCRAT MINORITY MANAGE SO SKILLFULLY TO RAISE POINTS OF ORDER, TO BREAK IN AND DISRUPT AT CRITICAL STAGES OF THE QUESTIONING?

4. LASTLY, FROM WHAT SOURCE DID MINORITY COUNSEL DERIVE THOSE OPEN-ENDED LOLLIPOP QUESTIONS THEY SERVED UP TO GOVERNOR SHAPP?

MR. MANDERINO'S ADMISSION SUPPLIES THE ANSWER TO EACH AND EVERY QUESTION.

GOVERNOR SHAPP'S APPEARANCE BEFORE THIS COMMITTEE, SO SKILLFUL, SO ARTFUL, WAS NOTHING BUT THE RESULT OF COLLUSION AND CONNIVANCE BETWEEN THE GOVERNOR AND MEMBERS OF A LEGISLATIVE COMMITTEE. GOVERNOR SHAPP AND

THE DEMOCRAT MINORITY CONSPIRED IN PRIVATE, OUT OF THE SIGHT AND MIND OF THE REST OF THE COMMITTEE AND THE PUBLIC, TO MAKE SURE THAT THE SEARCH FOR TRUTH, THE SEARCH FOR THE PEOPLE'S RIGHT TO KNOW, WAS FRUSTRATED AND BEATEN TO DEATH.

THE MISCONDUCT OF THIS ADMINISTRATION - ITS TOLERANCE OF CORRUPTION - WAS SKILLFULLY AND ARTFULLY COVERED UP BY THE GOVERNOR AND THE DEMOCRAT MINORITY OF THIS COMMITTEE, WHO TURNED THREE DAYS IN SEARCH OF THE TRUTH INTO THREE DAYS OF CAMPAIGNING BY MR. SHAPP.

AFTER THE HEARING, UNAWARE AS I WAS THEN OF THE SECRET CONSPIRACY BETWEEN THE GOVERNOR AND HIS LEGISLATIVE CAMPAIGN AIDES, I DESCRIBED THE THREE DAYS AS A "TRIUMPH FOR THE LEGISLATIVE PROCESS." I CONFESS TO BEING NAIVE THEN.

NOW I DESCRIBE THE HEARINGS AS A DISGRACE TO THE LEGISLATURE. THE MINORITY HAVE BETRAYED THEIR BRANCH OF GOVERNMENT, BY GOING ON THEIR HANDS AND KNEES TO BIG BROTHER IN THE EXECUTIVE OFFICES.

ONCE AGAIN, THE MINORITY MARCHED BACK TO THE DAYS OF BOIES PENROSE WHEN LEGISLATORS WERE NOTHING BUT EAGER AND WILLING TOOLS OF THE GOVERNOR'S OFFICE.

I SAY TO YOU, VICE-CHAIRMAN COMER, YOU BETRAYED AND GAVE THE LIE TO ALL OF YOUR GOOD WORK OVER THE PAST SEVERAL YEARS, STRENGTHENING THE COMMITTEE SYSTEM, ASSERTING YOUR INDEPENDENCE - AND FOR WHAT, MR. COMER - FOR WHAT?

HAD I KNOWN OF THE DUPLICITY OF THE DEMOCRAT MEMBERS OF THIS COMMITTEE, I WOULD NEVER HAVE ALLOWED THE HEARINGS TO PROCEED ON OCTOBER 4th OR ANY DATE THEREAFTER. THOSE HEARINGS WERE AT BEST UNPRODUCTIVE AND AT

WORST PORTRAYED THE ENTIRE GENERAL ASSEMBLY AS A GROUP OF QUARRELSOME FOOLS.
THE GOVERNOR SMILED. MANY PEOPLE WERE DISGUSTED.

WHERE, MANY ASKED, WAS THE DECORUM AND DIGNITY OF THE ERVIN AND RODINO PROCEEDINGS? THE ANSWER, MR. CHAIRMAN, LIES IN THE COLLUSION BETWEEN THE DEMOCRATIC MEMBERS OF THIS COMMITTEE AND THE GOVERNOR, WHO, TO PROMOTE MILTON SHAPP'S RE-ELECTION, WERE WILLING TO BRING UPON THE GENERAL ASSEMBLY ONCE AGAIN RIDICULE, SCORN AND CONTEMPT. WHAT IS SO PATHETIC IS THAT THE MINORITY PLAYED DIRECTLY INTO THE HANDS OF THE EXECUTIVE OF THIS STATE GOVERNMENT. I CANNOT IMAGINE CONGRESSMAN SANDMAN OR SENATOR GURNEY EVER GOING TO THE WHITE HOUSE TO COLLUDE WITH RICHARD NIXON AND HIS STAFF PRIOR TO THE IMPEACHMENT AND THE WATERGATE HEARINGS. YET, THIS IS EXACTLY WHAT OCCURRED PRIOR TO GOVERNOR SHAPP'S APPEARANCE BEFORE THIS COMMITTEE. GOVERNOR SHAPP'S APPEARANCE BEFORE THE COMMITTEE, ASSISTED AS HE WAS COVERTLY BY THE MINORITY, WAS NOT ONLY A FARCE BUT A FIX. AND ONCE AGAIN THE GENERAL ASSEMBLY AND THE PEOPLE OF PENNSYLVANIA CAME OUT THE LOSERS.

NOW, LET US GET INTO SOME OTHER MATTERS.

I HAVE BEEN ATTACKED, NOT ONCE, BUT SEVERAL TIMES - INITIALLY BY MINORITY LEADER FINEMAN AND HIS ASSISTANT MR. MANDERINO - AND RECENTLY, DISTRESSINGLY, BY YOU, MR. VICE-CHAIRMAN.

THE FIRST LINE OF ATTACK, ONE WHICH I CAN ACCEPT BECAUSE I HAVE BEEN IN POLITICS AND GOVERNMENT FOR MANY YEARS - HAS BEEN ESSENTIALLY PARTISAN - YOU DO, MR. COMER, AS YOU HAVE SAID, WHAT YOU "HAVE TO DO."

THE SECOND LINE, THE BOTTOM LINE, I MIGHT ADD, OF THE MINORITY'S ATTACK HAS BEEN DIRECTED PERSONALLY TO ME AND MY OPERATION OF THIS COMMITTEE AS CHAIRMAN.

AS IF PERSONAL ATTACKS WERE NOT ENOUGH, MR. FINEMAN'S ALTER EGO, REP. MANDERINO, RESORTS TO DISTORTIONS, HALF-TRUTHS, SMEARS, AND, ON OCCASION, DELIBERATE FALSEHOODS.

I AM GOING TO OUTLINE JUST A FEW EXAMPLES OF THIS BOTTOM LINE:

1. REP. MANDERINO HAS CHARGED, TIME AND TIME AGAIN THAT THE DEMOCRAT MINORITY AND ITS STAFF HAVE NOT BEEN APPRISED OF ONGOING INVESTIGATIONS AND HAVE NOT BEEN GIVEN THE OPPORTUNITY TO BE PRESENT WHEN INTERVIEWS OF WITNESSES HAVE TAKEN PLACE.

I CONFESS THAT AT THE VERY BEGINNING OF OUR PROBE IN WESTMORELAND COUNTY, I STRONGLY BELIEVED THE MINORITY SHOULD BE SO ADVISED, AND I ORDERED THAT NOTICES BE GIVEN MINORITY STAFF OF OUR FIELD INVESTIGATIONS.

I DID THIS BECAUSE I THEN BELIEVED THIS TO BE FAIR. I CONTINUED THE PRACTICE FOR SEVERAL WEEKS, DESPITE THE FACT THAT I SHOULD HAVE KNOWN BETTER THAN TO TRUST MR. MANDERINO BECAUSE THE COMMITTEE WAS UNCOVERING RAMPANT CORRUPTION IN MR. MANDERINO'S BACK-YARD; DESPITE THE FACT THAT MR. FINEMAN DISPATCHED ONE OF HIS STAFF TO WESTMORELAND COUNTY (WITHOUT COMMITTEE APPROVAL), NOT TO ASSIST OUR INVESTIGATORS BUT TO INVESTIGATE THEM; AND DESPITE THE FACT MR. MANDERINO TOOK THE FLOOR OF THE HOUSE IN JUNE AND SUBJECTED ME TO A SADISTIC INTERROGATION.

WHAT WAS THE RESPONSE OF THE DEMOCRAT STAFF, MR. COMER? WELL, JUST IN CASE MR. FINEMAN'S DOMINATION OF THE MINORITY AND HIS END-RUNS

AROUND YOU HAVE LEFT YOU IN THE DARK, NOT ONE MINORITY STAFF PERSON EVEN WENT TO WESTMORELAND COUNTY DURING OUR INVESTIGATIONS THERE - WHICH LASTED SOME TWO AND ONE-HALF MONTHS.

OH, YES, A DEMOCRAT FROM THIS COMMITTEE SECURED A SPURIOUS AFFIDAVIT AND A STATEMENT FROM NORMAN SHERIDAN IN AN EFFORT TO DISCREDIT JAMES POOLE'S TESTIMONY AGAINST EGIDIO CERELLI. WERE WE INFORMED? NO, WE WERE NOT. WE NONETHELESS AGREED TO HEAR THE TESTIMONY - IN FACT, I BELIEVE THE REPUBLICANS AGREED TO SUBPOENA THIS WITNESS.

AFTER CONTINUED REFUSALS ON THE PART OF THE MINORITY TO ACCOMPANY OUR STAFF - AND AFTER THIS "REBUTTAL" WITNESS WAS BROUGHT BEFORE THE COMMITTEE AFTER HAVING BEEN INTERVIEWED IN SECRET, I DECIDED THAT FURTHER INVITATIONS TO MINORITY STAFF WERE USELESS. WE WASTE ENOUGH PAPER, MR. VICE-CHAIRMAN, AS IT IS. THE ADMISSION BY MR. MANDERINO THAT THE MINORITY COLLUDED IN SECRET WITH THE GOVERNOR BEFORE MR. SHAPP'S RECENT APPEARANCE JUST ICES THE CAKE.

SO, MR. MANDERINO, I SAY TO YOU - YOU WASTE YOUR TIME BY CALLING FOR NOTICE OF WITNESSES BEING INTERVIEWED - BECAUSE I REFUSE TO GIVE THAT NOTICE. I AM NOT GOING TO PLAY WITH WORDS WITH YOU ON THIS ISSUE - THE ANSWER WILL BE PERPETUALLY NO. YOU DON'T DESERVE IT AND YOUR TRACK RECORD AND THAT OF MOST OF YOUR COMPATRIOTS FULLY JUSTIFY MY FUTURE CONDUCT TOWARD YOU.

A SECOND BROADSIDE FROM MR. MANDERINO WAS, IF POSSIBLE, EVEN MORE PHONY AND FALSE THAN THE FIRST.

HE HAS ACCUSED THE COMMITTEE - AS FAR BACK AS AUGUST, - OF SPENDING UP TO THAT TIME A MILLION DOLLARS AND EMPLOYING 59 EMPLOYEES IN

THIS INVESTIGATION. HE DEMANDED AN ACCOUNTING, AND EVEN THOUGH THE HOUSE RULES DO NOT REQUIRE AN ACCOUNTING, SUCH AN ACCOUNTING WAS GIVEN ON SEPTEMBER 1, 1974. THIS ACCOUNTING SHOWED:

1. EXPENDITURES TO THAT TIME OF APPROXIMATELY \$100,000.00 FROM HOUSE FUNDS; AND

2. A TOTAL OF 45 HOUSE EMPLOYEES WHO HAD WORKED, FOR THE MOST PART, ON A PART-TIME BASIS, MANY FOR BUT A FEW DAYS.

THE FACT IS THAT WE HAVE FIVE FULL-TIME EMPLOYEES, INCLUDING THREE SPECIAL COUNSEL, UNDER A CONTRACT WITH, AND ON LOAN TO US FROM THE SENATE MINORITY APPROPRIATIONS COMMITTEE. WE HAVE TEN FULL-TIME EMPLOYEES FROM THE HOUSE, ASSIGNED TO THIS COMMITTEE.

I EXPECT THE TOTAL EXPENSES TO BE FILED BY THE COMMITTEE WILL BE LESS THAN ONE-FOURTH THE MILLION DOLLARS MR. MANDERINO AND HIS MINIONS CLAIM WE ARE SPENDING. I MIGHT ADD THIS INVESTMENT OF TIME, EFFORT AND MONEY HAS BEEN HIGHLY WORTHWHILE. LET ME RECITE THE FACTS:

1. THIS COMMITTEE'S WORK LED TO THE REMOVAL OF MR. HILTON AS SECRETARY OF PROPERTY AND SUPPLIES, A MAN RESPONSIBLE FOR LETTING \$180 MILLION PER YEAR IN STATE CONTRACTS, AND A MAN RECENTLY INDICTED FOR PERJURY IN CONNECTION WITH A STATE CONTRACT OF INSURANCE. THE TAXPAYERS, BECAUSE OF MR. HILTON, PROBABLY PAID \$400,000.00 MORE FOR THAT CONTRACT OF INSURANCE THAN THEY HAD TO.

2. WE HAVE DEMONSTRATED THE EXISTENCE OF WIDE-SPREAD CORRUPTION IN THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION. OUR COMMITTEE IS THE FIRST IN THE HISTORY OF THIS STATE TO CONFIRM AND GO AFTER AND EXPOSE PUBLICLY WHAT HAS BEEN SUSPECTED IN THIS STATE FOR

GENERATIONS.

3. THERE WERE 15 BILLS SPONSORED BY VARIOUS MEMBERS OF THIS COMMITTEE WHICH HAVE BEEN INTRODUCED IN THE HOUSE OF REPRESENTATIVES FOR ACTION BY THIS AND THE NEXT SESSION OF THE GENERAL ASSEMBLY, ALL DIRECT PRODUCTS OF HEARINGS AND INVESTIGATIONS BY THIS COMMITTEE.

4. THIS COMMITTEE HAS, TO BE CHARITABLE, INSPIRED THE DEPARTMENT OF JUSTICE TO BEGIN TO ACT AS A LAW ENFORCEMENT AGENCY AFTER WHAT CAN ONLY BE DESCRIBED AS A PATHETIC PERFORMANCE IN WESTMORELAND COUNTY. BUT WE HAVE ALSO UNDERLINED THE FACT THAT THE DEPARTMENT OF JUSTICE HAS DONE NOTHING ABOUT THE HILTON CASE EXCEPT TO COVER-UP THE FACT THAT MR. HILTON'S PURCHASE OF THE NOW INFAMOUS GULF INSURANCE POLICY WAS A "WASTE OF THE TAXPAYERS' MONEY."

LAST FRIDAY MINORITY MEMBERS REACHED THE HEIGHT OF ABSURDITY WHEN THEY RAISED A POINT OF ORDER AGAINST RULE 51 OF THE HOUSE OF REPRESENTATIVES BY CALLING INTO QUESTION THE CHAIR'S RULING THAT QUESTIONS PROPOUNDED OF MR. CRAIG WERE RELEVANT AND PERTINENT TO THE SCOPE OF RESOLUTION 98. YOU KNOW, MR. CHAIRMAN, THAT RULE 51 GIVES TO THE CHAIR THE EXCLUSIVE POWER TO DETERMINE RELEVANCE AND PERTINENCE OF ALL EVIDENCE AND TESTIMONY BEFORE THE COMMITTEE.

THE DEPTH OF EXCESSIVE PARTISANSHIP WAS REACHED LAST FRIDAY WHEN MR. MANDERINO BROUGHT IN HIS OWN GAVEL AND BEGAN POUNDING THE TABLE IN FRONT OF HIS SEAT. HIS ACTION WAS AT WORST OBSCENE AND AT BEST REMINISCENT OF NIKITA KRUSHCHEV AT THE UNITED NATIONS. THE VICE-CHAIRMAN OF THIS COMMITTEE, WHO PROFESSES HIS HIGH ESTEEM AND REGARD FOR THE

COMMITTEE SYSTEM DID NOTHING BUT TO SIT BY PASSIVELY AND ALLOW MR. MANDERINO TO ENGAGE IN HIS OBSCENITIES.

ON TUESDAY OF THIS WEEK, I HEARD VICE-CHAIRMAN COMER THREATEN TO TAKE HIS MINORITY MEMBERS WITH HIM AND PARTICIPATE NO LONGER IN THE DELIBERATIONS OF THIS COMMITTEE. I HAVE HEARD THIS THREAT BEFORE, AND IT HAD LITTLE EFFECT ON ME BECAUSE I CONSIDERED IT THEN AS JUST ANOTHER DEMOCRATIC SWIPE AT THE REPUBLICAN MAJORITY - PART OF THE USUAL MANNER IN WHICH THE MINORITY HAS BEEN HECTORING THE MAJORITY FOR THE PAST SEVERAL MONTHS.

I SAY TO YOU TODAY, MR. VICE-CHAIRMAN, THAT I HAVE CHANGED MY VIEW OF THE THREAT CONSIDERABLY. I NOW HEARTILY ENDORSE YOUR THREAT. - IN FACT, SIR, I THINK IT WOULD BE BEST FOR EVERYONE FOR YOU TO REMOVE YOURSELF AND YOUR COMPATRIOTS TO THE GOVERNOR'S OFFICE WHERE YOU BELONG. YOUR ACTIONS HAVE READ YOU OUT OF THE LEGISLATURE. I SPEAK, OF COURSE, TO YOU NOT IN MY CAPACITY AS CHAIRMAN, BUT AS A RANK AND FILE MEMBER OF THIS COMMITTEE.

IF YOU SHOULD DECIDE TO STAY, YOU SHOULD UNDERSTAND THAT WHEN I ASSUME MY ROLE AS CHAIRMAN, I WILL NOT BE THREATENED, CAJOLED, OR INTIMIDATED IN ANY FASHION. WE ARE GOING TO PROCEED WITH THE BUSINESS OF THIS COMMITTEE REGARDLESS OF THE PENDING ELECTION OR THE RESULTS OF THAT ELECTION. WE ARE GOING TO CONTINUE TO UNCOVER THE WIDE-SPREAD CORRUPTION OF THIS ADMINISTRATION, NOT FOR OUR BENEFIT, NOT FOR THE BENEFIT OF DREW LEWIS, BUT FOR THE BENEFIT OF THE PEOPLE OF PENNSYLVANIA.

PATRICK A. GLEASON
CHAIRMAN



OFFICE OF SPECIAL COUNSEL

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

SELECT COMMITTEE ON STATE CONTRACT PRACTICES

October 11, 1974

Mr. Robert T. Seymour
Executive Editor
The Patriot-News Company
Ninth and Market Streets
Harrisburg, Pennsylvania 17101

Dear Mr. Seymour:

I have noted with a great deal of interest your editorial of Friday, October 11, 1974 in which you call upon the Select House Committee which I head to come up with remedial legislation necessary to eliminate political contributions now required of business firms seeking contracts to do business with the state.

I agree with you that the committee must "get down to the serious business of uprooting this practice that is odious, costly and out-of-tune with this cleaner government era." I would, however, also like to point out to you that, on September 20, 1974, I introduced in the House a series of 15 bills (HB2624-2640) to do just that, most of them co-sponsored by the minority chairman of our committee.

For your information, major bills in this package which is now before the House Rules Committee, would:

-- Force county highway maintenance offices to lease equipment for any private contractors who wish to rent their equipment to the Department of Transportation. Use of equipment must be apportioned equally among all contractors rather than a few political favorites, a practice alleged by witnesses at the public hearings.

-- Place all employees in the Department of Transportation under Civil Service, except the Secretary, his deputies and attorneys. This would free about 10,000 highway maintenance workers from political peonage, under which they are now expected to contribute to the party in power as a price of holding their jobs.

-- Establish a new Department of Building Construction and eliminate the General State Authority, which has long been tainted with reports of political shakedowns.

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Mr. Robert T. Seymour

October 11, 1974

-- Establish fair leasing procedures for real property and equipment leased through the Department of Property and Supplies, which has recently been charged with gross political favoritism in its operations.

-- Create a State Bond Counsel to do legal work on State issues, replacing favored law firms which receive large fees just to help the State borrow money.

-- Establish a Bureau of Risk Manager to prepare specifications for State insurance policies, and require at least three bids from different insurers specifying coverage, rates and commissions to be paid.

-- Provide that the Auditor General must receive copies of all contracts exceeding \$500 paid with State funds.

In addition, there are thirty-three (33) other bills, that were previously introduced, upon which I have requested action and re-action from the Governor. I enclose a summary of all those bills.

The Legislature still has time during the current session to pass these bills which will go a long way to giving Pennsylvanians the kind of clean State Government they deserve.

Very truly yours,

Patrick A. Gleason (12)

Patrick A. Gleason, Chairman
House Select Committee on
State Contract Practices

PAG:bb
Enclosures

Capitol Annex
(717) 787-3167

July 31, 1974

Honorable Patrick A. Gleason
Chairman of the House Select Committee
House of Representatives
Commonwealth of Pennsylvania
Harrisburg, Pennsylvania

Dear Representative Gleason:

Enclosed herewith is a copy of our Bureau of Investigation Report on the inquiries which we conducted in 1968 in Cambria County regarding the Pennsylvania Department of Transportation Maintenance District. This is the Report which you specifically requested in your letter of July 19, 1974.

With respect to the request for other investigative files contained in your letter of July 18, 1974, please be advised that since receipt of your letter our Bureau of Investigation has been going through its back files to determine how many cases we have which would fall within the scope of your request. As of this date, we have found over 100 such cases. As soon as this review is completed (which I expect will be within the next few days), I will be in touch with you.

Thank you for your consideration.

Yours truly,

BL:ij
Enclosure
cc: Attorney General Packel
Lawrence Beaser, Esq. ✓

Benjamin Lerner
Deputy Attorney General
Chief, Office of Criminal Law

PATRICK A. GLEASON, MEMBER
636 MAIN STREET
JOHNSTOWN, PENNSYLVANIA 15901



COMMITTEES
GAME AND FISHERIES
MILITARY AND VETERANS AFFAIRS
STATE GOVERNMENT

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG
November 28, 1974

Stephen F. Freind, Esq. and
J. Michael Willmann
Room 110, State Capitol Building
House of Representatives
Harrisburg, Pennsylvania 17120

Gentlemen:

In view of the fact that the Select Committee pursuant to House Resolution 98 expires upon adjournment sine die of the 1973-74 session of the House of Representatives at midnight, November 30, 1974, there is no further need for your services as Special Counsel. Henceforth you have no further authority to act either on my behalf or that of the Committee.

The present Majority House of Representatives Information Office, through Bob McCormick will handle the dissemination of the Final Report of the Committee, when and if approved by the members of that Committee.

Existing House personnel and Mr. Powell, acting under my direction, shall provide copies of all data to the appropriate law enforcement authorities. Coincidentally, you are to direct the inquiries of such authorities to me.

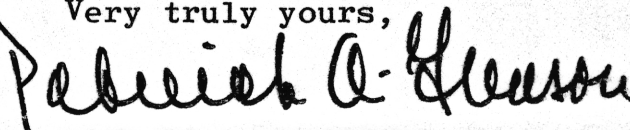
All other administrative details and matters will be taken care of by Mr. Powell and House employees.

You are hereby given notice that all materials, documents, tapes, records, witness statements gathered by the Select Committee through its subpoenas, staff personnel, Mr. Powell and yourselves acting on behalf of the Select Committee are the exclusive property of the House of Representatives. Accordingly, I direct you to turn all of such items over forthwith to the Chief Clerk's Office.

Since the two of you have prepared a draft of what you two have termed a "Final Report of the Committee," such a draft is your own property and I have no objections to your using such a draft for whatever appropriate and non-libelous purposes you see fit. Any dissemination of such a draft

is your action exclusively and is not to be construed by you or anyone as a product of the Committee. The draft to which I refer does not express my views or those of any member of the Committee.

Very truly yours,

A handwritten signature in cursive script that reads "Patrick A. Gleason". The signature is written in dark ink and is positioned to the right of the typed name.

PATRICK.A. GLEASON

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