

3 on Liquor Board may be sued

By DEE NORTON

State Attorney General Slade Gorton's office has initiated action that could lead to a suit against the state's three Liquor Control Board members to recover \$73,884.35 for liquor samples disposed of between May 14, 1971, and June 30, 1974.

A letter demanding payment was sent to board members Jack Hood, Don Eldridge and LeRoy Hittle March 1, Bob Hauth, an assistant attorney general, said.

Since then, a conference between the attorneys for the board members and Hauth failed to result in a settlement. "Their attorney was very feisty and it does not look like an out-of-court settlement is likely," Hauth said. "Their response was negative and we think we have a fairly solid position and it looks like we may sue them," he added.

ASKED FOR comment, Hittle said that attorneys for the board members only would say:

"A letter was received from two members of the attorney general's staff. A response was made by three other members of the attorney general's staff assigned to the liquor board, indicating that the auditor's conclusions were incorrect."

Hauth said a discussion is under way on whether the board members should be represented by Gorton's staff or private attorneys.

This latest in a series of disputes over the handling and disposition of liquor samples is based on an audit report issued by State Auditor Robert Graham last fall.

Graham concluded that liquor samples sent the board from distillery representatives "are state property and that they should be accounted for by the board from the initial reception through final disposition."

THE AUDITOR wrote that "the board chose to disregard" a warn-

ing by his office in May, 1971, and provided no accountability records for samples until July, 1975.

Dick Husk, Graham's assistant, said, "One of the problems we had was that we don't know where the samples went." Graham asserted, "It is patently unnecessary to periodically submit a stocked brand as a sample to the board for sales acceptance or rejection."

The report included denials by the board members of Graham's assertions and noted that board members have said they believe the samples are the board members' personal property.

During a 1971 King County grand jury probe of the handling of liquor samples, Hood told reporters, "It is nobody's business" what the board members did with 3,500 sample bottles they received directly in 1971.

The Times reported then that 40,000 bottles of liquor went out of the board's Seattle warehouse that year for free distribution. Eldridge and James Dolliver, administrative assistant to Gov. Dan Evans at that time, said some of the samples were used for official entertaining in the governor's mansion. Evans stopped that practice.

Eldridge also described how he distributed samples to friends for "taste testing."

THE BOARD members, plus a former board member, Garland Sponburgh, were indicted by the King County grand jury on charges of grand larceny and fraudulent appropriation of alcoholic beverages.

The indictment, however, was dismissed by Superior Court Judge Ward Roney on grounds that the charges were too vague.

The issue recently was brought up again by Insurance Commissioner Karl Herrmann, who has accused Gorton of failing to attempt to recover the money Graham said was due the state.