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House presses State Dept. over status of CIA fund

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WASHINGTON — In the aftermath of conflicting administration statements, the House Intelligence Committee urged the State Department yesterday to clarify whether the president's request for aid to the Nicaraguan rebels would allow the use of a vast CIA contingency fund, committee sources said.

They said chairman Lee H. Hamilton, D-Ind., warned that unless the issue were settled satisfactorily, it could become a focus of debate when the House considers President Reagan's request for $100 million in aid to the "contras."

Mr. Hamilton made his request on behalf of the Intelligence Committee in a letter to Secretary of State George P. Shultz, a letter committee sources said would be delivered today.

Mr. Hamilton's move apparently took the State Department by surprise. Charles Redman, deputy State Department spokesman, said he thought the matter had been settled with a formal statement by the department last week.

The question of CIA funds arose two weeks ago when senior officials from the CIA and the State Department told the Intelligence Committee in secret session that an ambiguously worded provision of the president's aid request would remove restrictions on CIA activity against the pro-Soviet regime in Nicaragua and would allow the administration to use the CIA contingency fund, in addition to the $100 million that is being requested for the coming 18 months.

Following published reports of the testimony and expressions of concern by members of Congress, the State Department issued a formal statement last Wednesday saying, "The administration wishes to make clear that it will not augment the president's request through the use of CIA or any other funds that have not been approved by Congress for this purpose."

The same day, President Reagan told *The Sun* in an interview that the use of the secret funds was necessary, "because under restrictions that have already been put on us by Congress, we can't give advice, we can't offer training, we can't exchange intelligence information with the contras. And we feel that if we're going to help them with weapons and arms we ought to be freed of these restrictions and allowed to provide this other assistance to them."

Committee sources said the conflicting statements confused some House intelligence specialists, who then wanted the administration to say for the public record whether the aid proposal would give the administration the legal right to breach the CIA's contingency fund.

The size of the fund is a secret, but it is known to be large — "several times as large" as the present aid request for the contras, according to a congressional staff member.

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