

washingtonpost.com

Alaska Senator's Calls Were Secretly Taped

Recorded Conversations Between Stevens, Businessman Part of Public Corruption Probe

By Dan Eggen
Washington Post Staff Writer
Friday, September 21, 2007; A10

An [Alaska](#) oil contractor cooperated with the [FBI](#) by tape-recording phone calls with [Sen. Ted Stevens](#) (R-Alaska) as part of a public corruption investigation, a source familiar with the probe said last night.

The recordings done by former [Veco Corp.](#) chief executive [Bill Allen](#) mean that Stevens, who is the longest serving Republican in the Senate, was under scrutiny by the FBI much earlier than June, when the senator first acknowledged publicly that he was a subject of FBI inquiries.

Details about the recorded conversations between Allen and Stevens are unclear, including how many calls were taped, when they occurred and what information was gleaned from them.

The recordings were first reported by the [Associated Press](#), which cited two people close to the case who spoke on the condition of anonymity. A source familiar with the investigation who confirmed the AP report last night also declined to be identified because the investigation is continuing.

Allen, 70, is a longtime political ally of Stevens who has pleaded guilty to bribery and is one of the federal government's key witnesses in an ongoing corruption prosecution of Alaska state legislators. Allen testified that he paid his employees to undertake a large-scale renovation of [Stevens](#)'s house in the resort town of Girdwood.

FBI agents raided the house in July. Stevens has denied wrongdoing and has said he will not discuss details to avoid influencing the investigation.

FBI spokesman Richard Kolko said last night that the bureau "will not discuss any aspect of this" and referred questions to the [Justice Department](#). Officials there also declined to comment.

As part of an ongoing federal trial of former Alaska House speaker [Pete Kott](#) in [Anchorage](#), Allen testified last week that he called several people at the FBI's behest.

"It's been a lot of work," Allen said, referring to the assistance he gave the FBI.

As part of its sprawling investigation into public corruption in Alaska, the FBI recorded thousands of conversations between Allen and another Veco executive, Rick Smith, and videotaped meetings between legislators and contractors at a hotel suite.

Allen admitted in testimony last week that he bribed three Alaska state lawmakers, including Stevens's son, former state Senate president Ben Stevens. The younger Stevens is also under scrutiny by the Justice Department.

Allen testified that the FBI promised not to indict his children if he cooperated with them. The deal was struck on Aug. 30, 2006, a day before agents conducted raids targeting Veco and half a dozen state legislators.

In addition to the work done on Ted Stevens's house, a former Veco employee testified last week that company workers helped run the U.S. senator's fundraisers while on company time, which might be in violation of campaign finance rules.

[View all comments](#) that have been posted about this article.

© 2007 The Washington Post Company

