

U.S. Steel lawyer accuses lobbyist of ethics violation

By Betty Wilson
Staff Writer

Former state Rep. Fred Cina, now a lobbyist, has been accused of ethics violations by threatening punitive legislation against U.S. Steel Corp unless it dropped a lawsuit contesting its 1982 property taxes.

A complaint against Cina was filed with the state Lawyers Professional Responsibility Board by Sidney McLean Jr., a tax attorney for U.S. Steel in Chicago. Cina sent the board a letter denying any such violations.

McLean said Wednesday that the matter has been resolved "in a very equitable and forthright manner. There was a series of misunderstandings." He gave no details.

And another official of U.S. Steel, Jerry Cornell, said McLean had retracted his allegations and withdrawn the complaint. Cornell, who is public affairs manager for the company's Upper Midwest district, said U.S. Steel was not involved in the complaint.

However, Michael Hoover, executive director of the lawyers' board, said the complaint was under investigation. He would not comment further on the status of McLean's complaint.

The complaint accused Cina of acting to "intimidate and harass" U.S. Steel in violation of several ethical conduct rules for lawyers.

Cina, a lobbyist for the Range Association of Municipalities and Schools, denied making any threats and said he may sue McLean and U.S. Steel over allegations that he did.

"I think I have a pretty good reputation," said Cina, 74, a lawyer for 52 years who is a former University of Minnesota regent and a leader of House Liberals (now DFLers) in the 1950s and early 1960s. "I'm not going to let them drop it."

Of Cornell's statement that U.S. Steel was not involved in the matter, Cina said, "It's signed by their lawyer as tax attorney for U.S. Steel."

In his complaint letter to the lawyers board, McLean alleged that in a Dec. 14 telephone conversation with James Denney, a lobbyist for U.S. Steel, Cina said he had drafted a bill for the Iron Range legislative delegation that would increase the company's tax liability.

The letter quoted Cina as saying the bill would be introduced in the Legislature unless U.S. Steel dropped a lawsuit filed in May that sought to

reduce the company's taxes. The letter said Cina told Denney that if the mining industry would like the Range delegation to support its efforts to reduce power bills "or anything else, then U.S. Steel should consider dismissing the pending court case."

McLean said yesterday that he was shocked to learn that his complaint had become public. "That is clearly in violation of the laws of Minnesota," he said.

Under the lawyers board's rules, the files, records and proceedings relating to complaints are confidential.

McLean warned a reporter for the Minneapolis Star and Tribune that publicizing the matter "could create a legal problem" for the paper.

Copies of the complaint were delivered anonymously to the press room at the state capitol. Rep. Joe Begich, DFL-Eveleth, said he had arranged to have the copies delivered, but would not say how he obtained them.

Cina said he wrote to Hoover asking that the files and records be provided to those requesting information, and cited a board rule that he said permitted such disclosure upon the request of a lawyer who is the target



Fred Cina
1973 photo

of a complaint.

Hoover said he had received Cina's request orally, but had not yet seen the letter and had not yet opened the files.

Begich, chairman of the House Labor-Management Relations committee, said he plans to sponsor a bill like the one described by McLean. He said he and other Iron Range legislators have told U.S. Steel representatives they would drop the proposal if U.S. Steel would drop its tax suit, "wipe the slate clean" and try to work out solutions to the tax matters.

Cina said the bill is not directed against U.S. Steel but is "against all mining companies." It is intended to recapture for cities, schools and other local governments for any substantial loss of revenue if U.S. Steel wins its tax suit, he said.

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