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**Ryan feels scandal heat**

By Cam Simpson and Dave McKinney

Staff reporters

Gov. Ryan felt the heat of the driver's license scandal Thursday after it appeared that his longtime friend and former top aide, Dean Bauer, may soon face federal racketeering charges.

Prosecutors in Chicago are considering using one of the strongest weapons in their arsenal -- the Racketeer Influenced and Corrupt Organization statute -- against Bauer, according to sources familiar with the investigation. As inspector general, Bauer was in charge of internal corruption probes under Ryan during Ryan's term as secretary of state.

Speaking for his wife and himself, Ryan said of Bauer, "We have known him as a good and decent man."

But when pressed about his working relationship with Bauer, Ryan grew testy with reporters and refused four times to answer whether Bauer reported directly to him in the secretary of state's office.

"I'm not going to get into it," Ryan said.

In a sworn deposition in an unrelated civil case, however, Bauer said as inspector general he reported directly to Ryan.

Prosecutors recently shared with Bauer's criminal defense attorneys the draft of an indictment naming Bauer and detailing multiple allegations of obstruction of justice, according to sources familiar with the federal case.

The Chicago Tribune quoted Bauer on Wednesday, saying that he believes he is going to be indicted, but the report did not identify potential charges. Attempts to reach Bauer at his home Thursday were unsuccessful.

Randall Samborn, a spokesman for U.S. Attorney Scott Lassar, declined to comment.

Bauer, however, has not been indicted or charged with any crimes to date. Bauer, 71, a lifetime Kankakee resident, headed investigations into bribery allegations brought by whistleblowers and others against officials in at least three truck-licensing facilities from 1992 to 1998.

In the past, Ryan's office has repeatedly defended itself and Bauer by saying there was never enough evidence to prosecute anyone tied to the Melrose Park, McCook and Elk Grove Village facilities. Beginning in late 1998, however, federal authorities began a sweeping series of prosecutions that resulted in convictions against managers at those same three facilities. They often relied on the same evidence presented to Bauer's office.

Prosecutors have said that $ 170,000 in bribes became campaign contributions to Ryan. The governor said Thursday that he has given $ 90,000 to charity from the tainted money, and will give more.

Most of the bribes were paid so unqualified truckers could grease their way past crucial state licensing exams. Bauer would be the first person in Ryan's inner circle to be implicated in the scandal. The probe has netted charges against 28 people and convictions against 17.

"I'm angered because this corruption case has overshadowed the good things we've done in the office, and I am angry about it," Ryan said. "But I am angry at myself for not recognizing the problem a lot earlier.

"I apologize to the people of this state because it happened on my watch, and the responsibility is mine," Ryan said in his strongest apology to date.

When the investigation was first made public in the weeks before the 1998 general election, Lassar said that Ryan was not a target. Since last March, however, Lassar has refused to comment on Ryan's status, saying that he did so before the election to be fair to the candidate.

Lassar also has warned reporters not to read anything into his decision to now remain silent on Ryan. Samborn, the Lassar spokesman, repeated those comments Thursday.