

[page 1]  
DIRECTOR  
JAN 26 1940  
BUREAU OF PRISONS

INTERNAL REVENUE  
JAN 19 1940  
INTELLIGENCE UNIT

TREASURY DEPARTMENT  
INTERNAL REVENUE SERVICE  
Kansas City, Missouri  
January 17, 1940

INTELLIGENCE UNIT  
KANSAS CITY  
(Name of Division)  
SI-Special  
WHL:S

Special Agent in Charge,  
Intelligence Unit,  
Internal Revenue Service,  
Treasury District Mo. 11,  
Kansas City, Missouri.

In re: Conference with  
Governor Lloyd C. Stark,  
Jefferson City, Missouri,

On January 9, 1940, during a conference at the Governor's residence, Jefferson City, Missouri, regarding the conviction in State court of Charles Gargotta, a Kansas City gambler, for assault upon former Sheriff Thomas Bash, Governor Lloyd C. Stark indicated that he was in possession of some information that Thomas J. Pendergast might be directing his political organization from the Federal penitentiary, Leavenworth, Kansas. I informed the Governor that I had heard a rather vague rumor which might substantiate that fact, but that I had not yet had time to inquire into the matter to determine if there was any basis of fact in the rumor. In so stating I had reference to a verbal statement made to me on January 8, 1940, by Revenue Agent A. R. Baker who is cooperating in investigations here in Kansas City, Revenue Agent Baker stated that Jack Haskell, a former machine Missouri State Senator, had recently died in Kansas City; that Revenue Agent John Clark of the Omaha Division formerly played baseball with Mr. Haskell and came to Kansas City to attend the funeral; that Revenue Agent Clark met Mrs. T. J. Pendergast and a number of the machine leaders at the Quirk & Tobin Funeral Home, Kansas City, Missouri; that Mrs. Pendergast had just returned from a visit to Mr. Pendergast at the

penitentiary) and that Revenue Agent Clark overheard the machine leaders state that the machine was going to discontinue attempts to retain control of the State political situation and try to hold their power in Kansas City and Jackson County. I obtained the impression from Revenue Agent Baker's statements that Mrs. T. J. Pendergast had brought a message back from Mr. Pendergast for that to be done.

[page 2]  
SI-Special

Governor Stark inquired if such an act would not be in violation of the sentence imposed upon Mr. Pendergast by Judge Merrill E. Otis, and inquired who would investigate such a matter if it were true. I informed Governor Stark that it was my belief that such an investigation should be conducted by the Bureau of Investigation, Department of Justice, Governor Stark then stated that he would prefer that our Unit conduct such an investigation, and that every precaution would have to be taken to prevent information going out to the wrong persons and hindering the investigation, should one be necessary. Before the conference ended, which related mainly to other matters, Governor Stark asked for the office and home address of Mr. Irey, and stated that he desired to compliment Mr. Irey upon the results of the recent investigations in Kansas City.

On my return to Kansas City on January 10, 1940, I learned from Revenue Agent Baker that there was not anything in the conversations overheard by Revenue Agent Clark to indicate that Mr. Pendergast was sending out instructions from the Federal penitentiary to his political cohorts. Following our decision that the Governor's long distance call to Mr. Irey was relative to this matter, I asked permission of Warden R. H. Hudspeth of the Federal penitentiary at Leavenworth to examine the record of visitors that had been to see Mr. Pendergast since his incarceration in that institution. Warden Hudspeth informed me that the only visitors had been attorneys for Mr. Pendergast and members of his immediate family; that on each occasion the warden's office was informed in advance of the purpose of the visit; and that a guard was present during the interview with the prisoner to ascertain that the conversation with Mr. Pendergast did not pertain to subjects other than those of which the warden had been advised. Warden Hudspeth indicated that he had taken unusual precautions to prevent unwarranted information being obtained from Mr. Pendergast.

On January 16, 1940, I again interviewed Governor Stark who stated that when he telephoned Mr. Irey he had reference to the Pendergast matter. I informed Governor Stark of the result of my investigations of that matter and he stated that his information was only a rumor, and that there is apparently no foundation for further investigation. He suggested that no further action be taken unless more conclusive information is received. I assured Governor Stark that members of our Unit would be alert for any violation by Mr. Pendergast of his sentence, and if we learned of any they would be promptly reported to the proper officials. I asked Governor Stark that he inform you if he received any further information, and he apparently was satisfied with what had been done.

W. Harold Lane,  
Special Agent.

-2-