

Ex-Aide of Agnew Testifies Before Grand Jury in Probe

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BALTIMORE, Oct. 4—
Ormsby (Dutch) Moore, a long-
time former aide to Spiro T.
Agnew when the Vice Presi-
dent was a rising Maryland
politician, testified today be-
fore the Special federal grand
jury investigating Agnew and
allegations of political corrup-
tion in Maryland.

Moore, who served under
Agnew when Agnew was
county executive of Baltimore
County and later governor of
Maryland, is the first of the
Vice President's old political
associates to make a grand
jury appearance.

Moore met first with mem-
bers of the U.S. attorney's of-
fice here in the morning and
returned after lunch for his
grand jury appearance. Unlike

witnesses who preceded and
followed him, sources said
Moore's testimony was limited
to his knowledge of Agnew
and had nothing to do with
the grand jury's related probe
of Maryland and Baltimore
County political figures.

Moore's lawyer, Thomas
Bodie, would make no com-
ment today on his client's ap-
pearance before the grand
jury.

Earlier, the grand jury ap-
peared to wrap up its investi-
gation of Baltimore County
Executive Dale Anderson,
charging him with four new
counts of allegedly failing to
pay \$67,834 in federal income
taxes during the years 1969
through 1972. The new counts
were added to the original
Aug. 23 Anderson indictment
that charged him with 39
counts of bribery, extortion
and conspiracy in connection
with alleged kickbacks from 8
consulting firms doing busi-
ness with the county.

Anderson, a Democrat, suc-
ceeded Agnew as Baltimore
County executive in 1966.

The Anderson indictment
was returned after Joel Kline,
now-allegedly-bankrupt Mont-
gomery County financier and
land speculator, testified be-
fore the grand jury. Kline,
sources said, provided inform-
ation on Anderson. He left the
courthouse here smiling at re-
porters he knew, but declining
to answer any questions.

Kline's lawyer, Stephen
Sachs, said that the 34-year-old
former boy wonder and finan-
cial whiz had answered "every
question put to him." Kline,
he said, "did not ask for any

See JURY, A27, Col. 1

JURY, From A1

privilege," an apparent reference to Kline's willingness to testify without receiving immunity. Several other witnesses reportedly have received immunity.

Kline pleaded guilty last summer to a charge of obstruction of justice growing out of a stock manipulation case. He has not yet been sentenced. According to informed sources, Kline has been cooperating with the prosecution here and has furnished information on Anderson, with whom he has had business dealings, and other Maryland politicians.

Informed sources say that Kline has told prosecutors that some of his many corporations were used to hide illegal campaign contributions and kickbacks to Maryland politicians.

Unlike his last public appearance in 1971 when he blamed the press for Gov. Marvin Mandel's last-minute refusal to name him state banking commissioner, Kline was subdued today. He said he has been busy recently, and refused to comment on reports that he will not contest a suit to declare him bankrupt.

In addition to Kline and Moore, the grand jury also heard from Eugene Y. Hsi, a partner in HHBD Engineers, Inc., a Baltimore County engineering firm. He refused to comment on his appearance.

The grand jury met today from 10 a.m. to 5:15 p.m. and is expected to meet again next week.

Since receiving permission from Attorney General Elliot L. Richardson to present witnesses against Vice President Agnew, the U.S. attorney's office here has called about 15 persons, many of whom have had nothing to say about Agnew, according to sources.

Legal sources familiar with the case say that many of the witnesses are minor figures in the Baltimore County phase of the probe. Others, the sources say, have been able to provide marginal information about Baltimore County in the Agnew years, although their knowledge, these sources said, is severely limited.

Moore, however, is an exception. The Baltimore County realtor served as Agnew's executive secretary from 1962 to 1966 when Agnew was Baltimore County executive. His brother, E. Scott Moore,



Two federal grand jurors investigating the Vice President ignore questions at recess.

served as county solicitor during the same period. Later, when Agnew became governor in 1967, "Dutch" Moore stayed behind in Baltimore City to run the governor's local office.

Agnew was notified Aug. 2 by U.S. Attorney George Beall that he is under investigation for allegedly violating bribery, extortion, conspiracy and tax laws. His lawyers have moved in U.S. District Court here to block the grand jury investigation. They contend that Agnew, as a sitting Vice President, cannot be criminally investigated unless he is first removed from office.

In addition, Agnew's lawyers maintain that the government's case against the Vice President has been tainted by leaks of the allegations against him that, they say, have come from the Justice Department. The Justice Department is scheduled to reply to the suit Friday.

On Wednesday, U.S. District Judge Walter E. Hoffman authorized Agnew's lawyers to subpoena sworn testimony from anyone they think has knowledge about leaks to the press concerning the criminal

investigation of the Vice President.

Hoffman's order will allow Agnew's lawyers to subpoena both Justice Department officials and reporters in an effort to prove that the government has been the source of the leaks. As of late today, no subpoenas had been served.

The government's four income tax evasion charges against Anderson allege that the 56-year-old Baltimore County executive evaded paying \$67,834 in federal taxes on

unreported income of \$131,189 between the years 1969 to 1972.

Anderson now faces 43 charges ranging from the tax indictments to charges of bribery and extortion.

Anderson pleaded not guilty to the 39 charges of the earlier indictment on Sept. 14 and had a tentative trial date set at that time for Jan. 7. The grand jury indictments returned today supercede the original indictment and probably mean Anderson will have

to go through the arraignment proceedings again. A spokesman for the U.S. attorney's office said no date for the arraignment had been set.

Last week Anderson announced that he planned to run again for the county executive post next year. On Monday the Baltimore County Council voted to raise the county executive's salary beginning next year from \$30,000 to \$43,000.

Anderson could not be reached yesterday for comment on the new indictments. An aide, Morton Klasmer, said Anderson spent several hours at his office in Towson and left for the day shortly before noon. Anderson's attorney, Norman Ramsey, also declined to comment on the new charges.

The indictments returned today allege that Anderson did not report \$4,498 in income in 1969, \$58,208 in 1970, \$4,482 in 1971 and \$64,000 last year.

Anderson ran for re-election to the county executive seat in 1970 and last year he unsuccessfully campaigned against a county charter amendment that would have weakened his Democratic machine's stronghold on Baltimore County politics.

The original indictments filed in August allege that Anderson illegally received a total of \$46,420 between 1968 and 1972 from the eight consulting firms.

The difference between that amount and the \$131,189 the grand jury today said Anderson received in unreported income, the sources said, involves money that Anderson has not been able to account for to the federal investigators.

Conviction on the newest charges carries a maximum

penalty of five years in prison and a \$10,000 fine on each count. The earlier indictments filed in August carry similar penalty of five years in prison the counts and a maximum of and a \$10,000 fine on each of 32 counts.

Meanwhile, in Asheville, N.C., United Press International reported that the Internal Revenue Service has subpoenaed from Biltmore Industries records of a gift of four yards of cloth presented to Agnew during the 1967 Southern Governors' Conference. The 17 other governors attending the conference also received the gift of homespun cloth, valued at \$16.