

20 Ordered Jailed in Payoffs

Leniency Plea Rejected in Agnew Case

11-26-74
By Fred Barbash

Washington Post Staff Writer

BALTIMORE, Nov. 25 —

Rejecting leniency recommendations from federal prosecutors, a three-judge panel today gave prison sentences to businessmen I. H. Hammerman II and Alan I. Green, whose admissions of participation in the payment of illegal cash kickbacks to Spiro T. Agnew helped topple the former Vice President from office.

The federal judges said they believed that the "fear of confinement" as a deterrent to future political corruption outweighed arguments that government witnesses in the Agnew case should not go to jail because they cooperated or because Agnew himself did not receive a prison sentence.

The sentences were imposed after a federal prosecutor told the court that jail terms for the defendants would "substantially impair the continuing viability and effectiveness" of ongoing and future political corruption probes by his office by discouraging future potential cooperators.

Hammerman, Green, and U.S. Attorney George Beall, who had recommended that no prison terms be imposed, appeared stunned by the sentences of 18 months and a \$5,000 fine for Hammerman and one year and a \$5,000 fine for Green. Both were charged with one tax violation each.

Hammerman, 54, reacted as if he had been punched in the stomach, lurching back into his chair and exhaling a burst

of air.

Green, who had appeared more relaxed earlier in the proceeding, stiffened and his face reddened.

Hammerman's wife, sitting behind her husband in the spectators' section, was heard to say, "I can't believe it."

Beall, concerned about the effect of a prison sentence on future potential cooperators like Hammerman and Green, later reminded reporters that the two could have been charged with many other serious offenses had they not cooperated in the Agnew probe.

Under their plea bargaining agreement with prosecutors, both men had pleaded guilty two weeks ago to the charge of "interfering with the administration" of tax laws and were not indicted for any other offenses in exchange for their testimony against Agnew.

As a result of a plea bargaining agreement with the government last fall, Agnew pleaded no contest to a tax charge and resigned the vice presidency with a \$10,000 fine and three years of unsupervised probation.

Green and Hammerman were among a number of Agnew associates in Maryland who admitted involvement in a scheme under which Agnew, as Baltimore County executive and then governor of Maryland, would award architectural and engineering contracts in exchange for cash payments.

Agnew lives in the wealthy Crofton section of Anne Arundel County and is reportedly

See SENTENCE, A6, Col. 1

SENTENCE, From A1

earning a high income as an export-import consultant.

Lawyers for Hammerman, formerly a millionaire mortgage banker and civic leader in Baltimore, told the court today that his business has been destroyed since the revelations about Agnew 13½ months ago and that he has led a secluded life without friends since then.

Green was expelled from the Maryland Society of Professional Engineers and was forced to give up his engineering firm after the Agnew case became public knowledge.

U.S. District Court Judge Roszel C. Thomsen, speaking for the three-judge panel that included Judges Joseph H. Young and Herbert F. Murray, told the defendants today that the fact that Agnew did not receive a prison sentence is not a sufficient reason for allowing them to escape prison.

"We are convinced," Thomsen said, citing American Bar Association guidelines, "that it would unduly depreciate the seriousness of the offense not to impose a sentence of confinement . . ."

"We are convinced that fear of confinement is a very real deterrent to white-collar crime of the kind represented by these offenses," Thomsen said.

Hammerman, according to his own earlier admissions, collected cash kickbacks from architects and engineers for Agnew and Jerome B. Wolff, the chairman-director of the Maryland State Roads Commission during the Agnew administration in Maryland from 1967 to 1969. Hammerman kept 25 per cent for himself and Wolff, according to prosecutors, and the rest went to Agnew.

Green was among those architects and engineers who paid the kickbacks in exchange for state government contracts, according to his admissions to prosecutors.

Hammerman and Green agreed to cooperate in the investigation after learning that Beall and his assistants knew of their involvement in the kickback scheme. The recommendations that there be no jail terms were not included in the original plea bargaining agreement. Beall and his staff made that decision recently, long after the disposition of Agnew's case.

While it is rare for a judge to abrogate a plea bargaining agreement arranged by prose-



I. H. HAMMERMAN
... gets 18-month term

cutors, it is not so uncommon for him to reject a prosecutor's sentencing recommendation.

Beall argued in court today that leniency in this type of case was essential to further corruption investigations in Maryland and elsewhere, in order to encourage cooperation from persons having guilty knowledge of a crime. He also said Hammerman and Green had been sufficiently punished through publicity and the destruction of their careers.

"Those who are caught up in the continuing investigations . . ." Beall said, "are watching this courtroom today, because it is a fundamental fact of life that individuals contemplating the option of truthful cooperation with federal prosecutors always do so upon a clear understanding that choosing that option will result for them in treatment more lenient than that which may ultimately be afforded to the major targets of investigation."

Beall said that "prison sentences for Messrs. Hammerman and Green would substantially impair the continuing viability and effectiveness of our office—and, I fear, of prosecutors' offices all across the country—in pursuing cases of this nature."

"... It would become enormously more difficult for prosecutors to obtain the cooperation from lesser figures that is necessary in political corruption and white collar cases to prosecute successfully those who are more seriously involved," Beall said.

Beall said that his office's "extraordinary depth of feeling" about the matter almost

led them to bring no charges against Hammerman and Green. But it was decided to allow the court to make its decision, he said.

"What we are asking you to do is simply to dispense with what some might consider to be, in a vacuum, the most appropriate punishment for Messrs. Hammerman and Green, in order to avoid doing incalculable harm to the greater public interest in assuring prosecutorial effectiveness in other cases to follow," Beall said.

Beall's office is currently conducting political corruption investigations involving at least a dozen targets, including several public officials.

Beall also noted that normally, first offenders in a comparable case would not go to jail.

Then, discussing the question of "equal justice" and the "double standard" that have been cited often in the continuing national debate over the Nixon and Agnew cases, Beall said that "one must determine which factors are most relevant to the individual defendant standing before the court . . . those factors have persuaded us that equal justice for these men does not require the imposition of a prison sentence."

Judge Thomsen noted, during sentencing, that Hammerman and Green both waited until they knew they had been discovered before cooperating in the investigation.

"Some engineers resisted the temptation and lost business to those who like Green, did make payments," Thomsen said.

Hammerman, the judge said, could not claim, as Green did, that he participated for the survival of his business.

"He did not need the money," Thomsen said. "We accept his own statement to the probation officer that he got carried away with the power and glory of being a big guy."

Judge Young, sentencing Hammerman, said: "I am satisfied that every case cannot be judged in the shadow of the Nixon pardon and the Agnew plea bargain."

Both Green and Hammerman and their lawyers, Brenda Sullivan and Sidney S. Sachs, joined Beall's pleading for leniency.

"What can I say," Hammerman said before being sentenced as he stood in the same courtroom where Agnew resigned. "I have made a mis-

take, a horrendous mistake, a horrible mistake. I wish with all my heart I hadn't made that mistake but I did," he said. "I can only pray the Lord continues to give me the strength to help right these wrongs."

"I can only plead that the court gives me a chance to help make up to this community, which I dearly love, some of the things I have hurt them with. That's all," Hammerman said.

Green, 53, followed him. "Your honor," Green said, "as I admitted my guilt two weeks ago, today again, I acknowledge my violation of both criminal law and my own moral sense of propriety. . ."

"Although I've found it totally repugnant, I succumbed to the pressures of this system even though it was wrong. There were occasions," Green said, "when I resisted these pressures and from time to time I spoke against the widespread abuses."

"To be honest with you, I believed it was necessary to be a participant in order to survive in the consultant business. I held this belief but that did not make it right," Green said. "I'll admit it is now clear . . . that my course of conduct was not justified. My greatest sorrow "comes from the anguish I have caused my family."

"The sense of shame will follow me as long as I live. For years to come," he said, "all the Greens will suffer from my illicit actions. My professional career is now ended and I will feel the loss of my life's work severely."

Green said that "while I expect to adjust to this ultimately, there is no way I can ever recover my reputation or own self-esteem. In humility and contrition," Green concluded, "I ask the court for its understanding and its leniency."

Sullivan, Green's lawyer, had also argued that Green was pressured by the "system" in Maryland into making kickbacks. The judges said they considered that when making Green's sentence lighter than Hammerman's.

Neither Sullivan nor Sachs would say immediately whether they would seek an appeal of the sentences.

The judges recommended that the two be sent either to the federal prison camp at Allenwood, Pa., or the one in Danbury, Conn. Green and Hammerman were released on personal recognizance to await their imprisonment.