

Indictments Possible Thursday in Probe of Political Kickbacks

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BALTIMORE, Aug. 22—The federal grand jury investigating alleged kickbacks to political figures in Maryland heard testimony today from five persons closely associated with Baltimore County Executive Dale Anderson amid unconfirmed reports that indictments would be handed down by the grand jury Thursday.

Breaking its routine of holding only one session a week, the grand jury appeared to be trying to complete the Baltimore County phase of its investigation and then turn its attention to other matters, including those linked to Vice President Spiro T. Agnew.

None of the information gathered by federal prosecutors on alleged kickbacks to Agnew has yet been presented to the grand jury here. Sources have said that the U.S. attorney's office here would first try to indict Baltimore County officials before seeking permission from U.S. Attorney General Elliot Richardson to bring the Agnew cease to the grand jury.

George Beall, the U.S. attorney for Maryland, said yesterday that the information compiled on Agnew during his term as Maryland governor and Vice President may not be presented to a grand jury until after Labor Day.

The grand jury, which was impaneled here in January, initially concentrated on allegations that Baltimore County politicians, including Anderson, were receiving kickbacks from engineering and architectural firms doing business with the county. Since then, sources said, the investigation has spread to other parts of the state and now involves a host of both Republican and Democratic political figures and encompasses the investigation of Agnew.

Anderson, a former Demo-

cratic national committeeman and leader of one of the nation's most successful suburban Democratic organization, has acknowledged he is under investigation but has denied any wrongdoing. Recently, he revealed that he had used two of his top aides to solicit political contributions from firms doing business with the county, but maintained there was nothing illegal about the practice.

The two aides named by Anderson as his "prime salesmen"—William E. Fornoff and Donald B. Sheeley—appeared before the grand jury today. Fornoff resigned as the county's administrative officer July 4 after pleading guilty to a relatively minor tax law violation. His guilty plea coincided with his admission to the grand jury that since 1967 he has funneled cash kickbacks from several contractors to "another official in Baltimore County."

Fornoff has never publicly named that official and Anderson has emphatically denied that it is he.

Sheeley, who also testified today, is the Anderson-appointed county official responsible for granting all contracts except those involving construction for the county. He appeared before the grand jury for less than 15 minutes and left, refusing to talk with reporters. His lawyer, Patrick O'Doherty, told reporters that Sheeley had not been notified by letter that he is under investigation.

Others who appeared before the grand jury today were:

- Ross B. Diffenderffer, Anderson's campaign manager in 1966 and 1970 and a Baltimore County real estate man.

- Morton Klassmier, an administrative assistant to Anderson.

• Daniel L. Colosino, Anderson's executive secretary. Both Diffenderffer and Colosino have made prior appearances before the grand jury.

The U.S. attorney's office here was silent, meanwhile, on the speculation that indictments were imminent but in both the state's legal and political community the rumors were rampant.

Legislators attending the special session of the General Assembly in Annapolis, reporters in the Baltimore County seat of Towson and the legal community in Baltimore were all circulating lists of possible indictees and comparing them.

All the lists included the names of prominent Baltimore County Democrats, ranging from behind-the-scenes fund-raisers to well-known members of the Maryland General Assembly.