

NYTimes AUG 13 1973
**Agnew Term as Governor
Under U.S. Scrutiny Today**

By MARTIN WALDRON
Special to The New York Times

BALTIMORE, Aug. 12 — Federal agents are scheduled tomorrow to begin digging into the records of Vice President Agnew's two years as Maryland Governor, with testimony expected to be presented to a special grand jury in Baltimore on Wednesday.

United States Attorney George Beall has not said what part Mr. Agnew's term as Governor plays in the investigation he is making to determine if the Vice President has been involved in bribery, extortion or fraud.

But the Maryland state archivist, Dr. Morris Radoff, has

been subpoenaed to testify Wednesday to identify documents from the state records dealing with Mr. Agnew and a former Agnew assistant, Jerome B. Wolff.

The Vice President, who has been golfing in California for the last four days, has said he is innocent of any improprieties and does not expect to be indicted.

Although the special grand jury will not begin taking testimony about Mr. Agnew's term as Governor until Wednesday, it will hear other witnesses tomorrow as it continues to inquire into activities of Maryland officeholders.

In the new phase of the far-reaching investigation — which has all Maryland agog even though the state had become all but accustomed to seeing its political figures face criminal charges—Mr. Beall appeared to be concentrating on highway construction and engineering contracts.

Records Are Closed

Before subpoenaing the 130 boxes of papers and documents from Mr. Agnew's term as Governor, Mr. Beall seized contract records from the Maryland Department of Transportation. While Mr. Agnew was Governor, Mr. Wolff was head of the state road department.

Dr. Radoff, the archivist, said that the records from the Agnew administration had been closed by law and that no one had checked into them.

Under Maryland law, the private records of a Governor's administration are closed to the public for 30 years or until the Governor involved has died. However, the courts can seize the records and the former Governor involved can authorize other persons to inspect the documents.

The investigation of Mr. Agnew also includes the financing

Continued on Page 17, Column 1

Continued From Page 1, Col. 4

of his 1962 campaign for Baltimore County Executive, his 1966 campaign for Governor, a testimonial dinner to him in 1972, and a special fund set up for him while he was Governor.

The records from the 1966 campaign for Governor and for the 1972 testimonial dinner have already been delivered to the Government. But the records from the 1962 campaign apparently were routinely destroyed several years ago and are not available.

Officials of the state elections boards said no records from the "Executive Assembly"—the name given to Mr. Agnew's special fund—were ever filed with the State.

Paid \$1,000 Each

The Executive Assembly was a group of wealthy Republicans and Democrats who paid \$1,000 each to defray the personal "political" expenses of Mr. Agnew.

The existence of the fund was exposed on July 17, 1968, when Richard M. Nixon, then a Republican candidate for President, was guest of honor of the Executive Assembly at a buffet dinner at the Governor's mansion in Annapolis.

Reporters who tried to break into the party were told they would have to join the club by paying \$1,000 if they wanted to attend the function. Because of the number of guests, newsmen at the time estimated that the Executive Assembly took in \$150,000 that night.

Mr. Agnew later estimated that he received \$35,000 for his "personal political expenses," but his lawyer said later that \$28,500 had been raised, of which \$18,500 was given to the Nixon-Agnew campaign and the remainder for "expenses."

2 Sets of Records

Two totally different sets of records were filed with the state to reflect contributions to the "Salute to Ted Agnew Dinner" held in Baltimore in April, 1972.

Both reports show that more than \$170,000 was raised, but one does not reflect that \$49,900 of this came from the Finance Committee to Re-elect the President. Sponsors of the dinner later admitted that the first report was phony, that contributions were attributed to persons who did not make them.

In a report purporting to show distribution of the income from the dinner, the sponsors said \$2,500 had been given to each of five Maryland Congressional races, \$75,000 to the Maryland Finance Committee to Re-elect the President, \$46,094.39 to the Maryland United Republican Finance Committee, and \$6,102.95 to the Republican State Central Committee of Maryland.

AUG 13 1973

2 Close Associates

The organizers of the "Salute" dinner included Lester Matz, a Baltimore consulting engineer, and J. Walter Jones, a Maryland businessman, both of whom have been closely connected with the Vice President since his early days as a struggling Baltimore County lawyer.

Mr. Agnew was associated in several investment ventures with Mr. Jones in the nineteen sixties, including a speculative deal in land near Annapolis that was later bought by the State of Maryland for approach roads of the new parallel bridge over Chesapeake Bay. After newspaper articles about the situation appeared, Mr. Agnew sold his interest in the land to his partners for what he had paid for it.

Mr. Matz has been one of the Maryland consulting engineers whom the Government has been questioning about reports of kickbacks to public officials.

There has been a report that the Government has given Mr. Matz limited immunity from prosecution as a legal device to require him to testify.

Testimony Forecast

Special to The New York Times

WASHINGTON, Aug. 12—Time magazine reported today that two of Mr. Agnew's close friends were prepared to testify that the Vice President had extorted campaign contributions from Maryland contractors and engineers.

The magazine said that Jerome B. Wolff and Lester Matz were providing information to Federal investigators.

In its current edition, which goes on sale tomorrow, Newsweek magazine reports that Mr. Agnew was told last February that what had started out to be an investigation of Democratic officeholders in Maryland had involved him, and that Mr. Agnew reported this to then Attorney General Richard G. Kleindienst. Newsweek said that Mr. Kleindienst reported this information to President Nixon.