

Agnew Granted Extension On Turning Over Records

Attorneys Get Time to Develop Strategy for Dealing With Maryland Grand Jury Investigating Kickback Allegations

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BALTIMORE, Aug. 9—Attorneys seeking to develop a legal strategy for Vice President Agnew in his dealings with a Federal investigation here were granted an extension of at least a week today in the deadline for submitting his personal financial records to the inquiry.

The 2 P.M. delivery time for the documents had been set by United States Attorney George Beall in an Aug. 1 "invitation" to the Vice President to "cooperate" with the Federal grand jury. The jury is investigating alleged kickbacks to government officials by contractors doing business with Baltimore County, the state of Maryland and the United States General Services Administration.

Mr. Agnew's eventual response to the prosecutor's request remained in doubt tonight.

The Vice President, who is a former Maryland Governor and Baltimore County Executive, emphatically denied any connection with the alleged

kickback schemes at a news conference in Washington yesterday, calling such assertions "damned lies."

Today, as if to underscore his stated belief that "rumors of his involvement will be proved false," Mr. Agnew flew to Palm Springs, Calif., to relax and play golf.

While the Federal prosecutors here resumed hearing closed testimony today, lawyers in Washington were reported to be analyzing the Vice President's "constitutional position" with regard to the grand jury and preparing a legal strategy for him.

It was to provide time for this legal preparation that Mr. Beall agreed informally to what was called the "casual" time extension.

Mr. Beall's letter soliciting the Vice President's cooperation in the investigation had called upon him to deliver "all bank statements, canceled checks, check vouchers, check stubs, checkbooks, deposit tick-

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ets and savings account books" in Mr. Agnew's personal files for the period from Jan. 1, 1967, to the present.

According to Daniel P. Levitt, a lawyer in the Washington office of Mr. Agnew's New York-based law firm, Paul, Weiss, Rifkin, Wharton & Garrison, there was no dispute among the lawyers or their client over the eventual production of Mr. Agnew's personal accounts.

"The question is not the production of the documents," Mr. Levitt said in an interview, "but production to whom — the grand jury in Baltimore or the Congress."

Under the strict interpretation of the doctrine of separation of power asserted by President Nixon earlier this week in a memorandum to the United States District Court in Washington, Mr. Levitt said, "an impeachable official is not indictable."

That argument, if it is pursued by Mr. Agnew, would apparently lead him to make any submission of his documents to Congress rather than to the grand jury here, and this presumably would place him on a collision course with the prosecutors in Baltimore.

Leaks Criticized

While strategies were being mapped and praise was mounting from Republican political leaders and others for the Vice President's news conference performance yesterday, Mr. Agnew also received a strong defense today from an unexpected quarter — his Democratic successor as Governor of Maryland, Marvin Mandel.

At a news conference this morning in Annapolis, Governor Mandel not only denied "absolutely" speculation that he

back investigation, but also asserted that Mr. Agnew was being unfairly "tried in the court of public opinion before even the grand jury has an opportunity to review the evidence."

On the basis of his personal knowledge of Mr. Agnew, the Governor said, "I would be greatly socked and amazed if the allegations against him were true." He denounced the leaks of information about the investigation to newsmen and the speculative reporting that he said had marked the week of Agnew developments here as "one of the great failures of our system of justice."

"How can you find an impartial grand jury?" Governor Mandel asked. Even if the grand jury failed to find evidence that would involve the Vice President, he said, many persons will believe that prosecution of Mr. Agnew was dropped because of official pressure. "No matter what happens, he's hurt," the Governor said.

Inquiry on Leaks Urged

Mr. Mandel said that the Federal authorities should begin an investigation of the release of information about the supposedly secret kickback inquiry here and that the Justice Department should prosecute those responsible.

Of reports that his own administration might be linked to the kickback schemes, Mr. Mandel declared, "We are in no way involved."

Governor Mandel's news conference came before today's five hour grand jury meeting here — the first time the panel has been convened in two weeks. Accordingly, he did not comment directly on the failure of witnesses from Zollman & Associates to appear before the panel.

There had been newspaper reports that at least one official of the Zollman firm, whose

ownership includes some of Mr. Mandel's closest political friends and largest past campaign contributors, would be summoned as a grand jury witness today. The company's files have been subpoenaed by the prosecutors here.

Witnesses Named

Instead, the grand jury heard from four apparently minor witnesses, who reportedly were called to identify documents already in the prosecutor's custody.

The witnesses were identified as John Koehler, a former employe of the J.E. Greiner Company, one of the major engineering and consulting firms under Federal investigation here; Albert B. Kaltenbach, the public works director of Baltimore County since 1959, an official whose tenure there overlapped Mr. Agnew's term as County Executive; Thornton M. Mournig, Mr. Kaltenbach's deputy, an Melvin Colvin, an official of a property management and development company here. All of them refused to talk to newsmen.

The attempt by Mr. Beall and his deputy prosecutors to maintain the secrecy of the grand jury proceedings appears to be unusually rigorous, even if not altogether successful. Reporters covering today's grand jury session could not even obtain an official acknowledgement from the prosecutor's office that the panel was meeting.

Leniency Reportedly Sought

It was learned elsewhere, however, that a dispute of several weeks' duration over the status of a key witness, Jerome B. Wolff, has been settled by the prosecutor's extension of limited, so-called "use immunity" to Mr. Wolff. Under that authority, Mr. Wolff's lawyer, Arnold Weiner, said that his client "would be compelled" to testify before the grand jury.

Mr. Wolff, a former Maryland state roads commissioner in Governor Agnew's administration, and then a member of the Vice President's official staff in Washington, is now president of Greiner Environmental Systems, Inc., one of the consulting firms reported to be under investigation for alleged kickbacks.

Mr. Wolff had reportedly been seeking to avoid immunity, with its compulsion to testify, and hoping instead to bargain with the prosecutors for leniency in return for voluntary cooperation as a witness. His testimony is regarded as extremely crucial to the prosecution.

Under the "use immunity" statutes, Mr. Wolff could not be prosecuted for acts concerning which he makes disclosure under oath. But such limited immunity does not extend to other criminal acts about which the prosecutors and the grand jury obtain evidence from other sources.