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Action in Baltimore
On Agnew Awaiting
Richardson Ruling

By AGIS SALPUKAS

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BALTIMORE, Aug. 17—The United States Attorney's office here has outlined to the Justice Department its investigation into alleged kickbacks to high public officials, including Vice President Agnew, and is now waiting for a decision on whether to proceed to seek indictments.

A source close to the investigation said that "some decisions have to be made" in Washington before indictments could be sought by the United States Attorney's office here, which has been looking into charges of bribery, extortion and tax fraud made against the Vice President and some of his close political and financial associates.

Case Called Complex

The source said that he was referring to the usual procedural step whereby the United States Attorney General's office reviews an investigation to test its strength before the local United States Attorney asks for indictments.

The source added that the case was so "wide and complex" and involved so many people that, if the decision was to go ahead, it might take some time before there would be any indictments.

The source also said that Henry E. Petersen, Assistant United States Attorney General in charge of the Criminal Division, had come here to meet.

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with the Federal investigators and United States Attorney George Beall to inform himself about the investigation.

Mr. Petersen met yesterday not only with Mr. Beall and his investigators, but also with Lester Matz, president of Matz and Childs Associates, who is a key witness in the investigation.

The New York Times has reported that sources said that Mr. Matz had told prosecutors that he made one \$2,500 payment to Vice President Agnew in the summer of 1971 in return for Mr. Agnew's help in getting someone a job in the General Services Administration.

Horace S. Webb, deputy director of public information at the Justice Department, said that he had no comment when asked whether Mr. Beall had asked for permission to seek indictments from the grand jury, which has been sitting since Dec. 4.

Papers Picked Up

Mr. Webb said that Mr. Petersen had met with the Federal investigators to inform himself about the case and to report to Attorney General Elliot L. Richardson. He said that the two officials had no formal meetings scheduled today or over the weekend.

Meanwhile, Federal investigators here picked up copies of Vice President Agnew's personal financial and tax papers at his office in Washington.

Mr. Beall, in a short meeting with reporters, said that Mr. Agnew had not been interviewed personally. Asked if he would be, Mr. Beall said, "The matter of the Vice President will be carefully reviewed."

He also said that he wanted to proceed with the investiga-

tion as "expeditiously as possible."

But we are proceeding with careful dispatch," he added.

Asked if the Vice President would appear before the grand jury, he said, "That is Agnew's choice. You'll have to ask his lawyers."

Mr. Agnew last Tuesday sent a letter to Mr. Beall in which he said that he would make his personal financial records available and would talk with Federal Prosecutors.

'Difficult Questions'

But he also said that by turning over the records "I do not acknowledge that you or any grand jury have any right to records of the Vice President."

Nor do I acknowledge the propriety of any grand jury investigation of possible wrongdoing on the part of the Vice President so long as he occupies that office," he said. "These are difficult constitutional questions which need not at this moment be confronted."

The usual procedure in important cases involves the United States Attorney outlining his evidence to Justice Department officials, who then review it and present it to the Attorney General for approval to proceed toward indictments.

The Attorney General can prevent an indictment from being valid by ordering a United States Attorney not to sign it. Previous court cases have upheld the principle that although grand juries cannot be prevented from handing up an indictment, the Attorney General can prevent it from being countersigned.

In 1970, in a case that involved Maryland, a grand jury voted to indict a contractor for seeking to obtain assistance from members of Congress to build an underground garage in Washington.

Some prominent Democratic members of Congress, including Russell B. Long and Hale Boggs of Louisiana, were named in the case. Former Attorney General John N. Mitchell ordered the Baltimore United States Attorney, Stephen H. Sachs, not to sign the indictment.

Mr. Sachs did not sign it, saying that it would be "an act of irresponsibility" to sign an indictment "against the express orders of the Attorney General."