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If Case Goes to Grand Jury**Agnew Move Seen in Month**By Richard M. Cohen
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BALTIMORE, Aug. 21—The federal prosecutor directing the investigation of Vice President Agnew said today that the information compiled on the Vice President may not be presented to a grand jury until after Labor Day (Sept. 3).

George Beall, the U.S. attorney for Maryland, said that if the decision is made to present evidence against Agnew to the grand jury, it is "more likely" that the presentation would not be made until next month. However, he refused to rule out the possibility that he may accelerate his investigation and present his information before then.

"The investigation is continuing apace and there will be decisions made depending on the information received," Beall said.

On Sunday, Attorney General Elliot Richardson said he would personally decide when to bring the Agnew investigation before a grand jury. Richardson said that in making his decision, he also would have to decide whether a sitting Vice President can be indicted for a crime while still in office, or whether impeachment and removal from office would have to take place first.

Agnew was notified Aug. 1 by letter that he was under investigation in connection with a kickback probe

being conducted by the U.S. attorney's office in Baltimore. The probe, informed sources have said, is centered around the allegations of three contractors that they personally gave Agnew cash payments in return for state contracts while Agnew was governor of Maryland and later while he was Vice President.

Informed sources have said that the prosecutor will not present its evidence to the grand jury until other lesser political figures are indicted. These sources said that five Baltimore County political figures probably will be indicted later this week as part of a widening probe of political corruption in Maryland.

The investigation began last January when probers started looking into allegations that Baltimore County political figures had received kickbacks from engineering and architectural firms doing business with the county. It has since widened into an investigation of other areas of the state as well as an investigation of Agnew.

Agnew served as Baltimore County executive from 1962 to 1966 and as governor of Maryland from 1966 to January, 1969, when he became Vice President. He was succeeded as Maryland governor by Marvin Mandel, a Democrat.

Agnew, as he has done once before, appeared at a news conference yesterday

to assert his innocence. The Vice President also accused unnamed Justice Department officials of leaking information to the press and called on Richardson to mount an investigation to determine the source of the leaks.

At the same time, Agnew all but challenged Beall to interview him in the office and hear his side of the story. "I suppose that if he wants to hear only one side of the story, that's up to him," Agnew said.

"I will say only that it seems to me a very strange way to run an investigation," Agnew said.

Beall, in what has become his daily meeting with reporters, once again said he had not yet decided on whether to take Agnew up on his offer and interview him.

Talking to reporters shortly after Agnew had concluded his televised statement, Beall said, "There has been the suggestion that this office does not want to meet with the Vice President. That is not true." Beall said that the matter is "under study."

"Indeed," he added, "the whole investigation continues under active study, including interviews with the Vice President. It is one of those unresolved questions as to the manner and extent to which such an interview or any other conversation can be conducted."

Informed legal sources

said today that it is not unknown for a person under investigation to request a meeting with prosecutors, if he feels that he can refute the allegations against him. But on a routine basis, sources said, targets of investigations usually are not interviewed by prosecutors nor called before grand juries.

Beall apparently is being closely supervised by the Justice Department. Twice last week Assistant U.S. Attorney General Henry E. Petersen met with Beall and his staff here and at one point personally interviewed Lester Matz, a Baltimore County engineer whose testimony reportedly is critical to the Agnew probe.

It is not known if Beall has the authority on his own to accept Agnew's offer or if the final decision will be made in the Justice Department. Beall referred today to the unique nature of the case when he discussed who has the possibility to authorize an indictment.

"It's not clear whether the final authority rests with the White House or the Attorney General," he said. "I don't know who has the final authority. It's above my level. We're technically in the stratosphere on this one."

The 35-year-old prosecutor, a Republican and Nixon appointee, appeared calm during his meetings today with reporters, although he warned that today's press conference may be his last on the probe. Beall is a brother of Maryland's junior Republican senator, J. Glenn Beall. Another brother, Richard, is an engineer and an officer of one of the engineering firms under investigation in the kickback probe.

Beall denied again that his office was a source of leaks to the press. He directed the attention of reporters to a statement he and three of his assistants issued last week in which they said they were not the source of the stories and promised to "preserve the secrecy of the proceedings."

He said he was "gravely concerned about the possibility of allegations that leaks were coming from the U.S. attorney's office in Baltimore. There are none," he said, adding that "this office stands by the statement made last Wednesday afternoon."

A McGraw-Hill weekly publication concerned with the construction trade said yesterday that Agnew's name "is now being mentioned" in connection with the Justice Department's refusal to prosecute Maryland contractor Victor Frenkil in 1970.

The weekly, the Engineering News-Record, quoted an unnamed Baltimore contractor as saying that federal investigators were looking into Agnew's role in the case. This could not be independently confirmed.

A federal grand jury returned an indictment against Frenkil for attempted bribery of members of Congress, but former Attorney General John N. Mitchell refused to allow Beall or his predecessor, Stephen Sachs, to sign it.

A firm headed by Frenkil, Baltimore Contractors, Inc., received a contract in 1964 to build two underground parking garages for the Rayburn House Office Building.

A price of \$13.5 million was approved for the project, but Frenkil claimed an additional \$5 million. The grand jury investigated allegations that he offered money to members of Congress to win their support for his claim.