How the Agnew Probe Started

Washington

Sometime last fall, a disgruntled former employee of a Baltimore county engineering firm called the Internal Revenue Service and began his conversation by saying: "If you go to Baltimore county, you'll find some interesting things."

The IRS went.

And what it found and later turned over to the U.S. Attorney's office in Baltimore resulted last month in an unprecedented letter to Vice President Spiro T. Agnew, informing him that he was under investigation for "possible violations" of conspiracy, bribery, extortion and tax laws.

Persons familiar with the case said at the end of the week that the case has reached a watershed point, at which the prosecutors and the Justice Department have to decide whether they are going to present the evidence against Agnew to a federal grand jury in Baltimore.

WITNESSES

U.S. Attorney George Beall had said previously that if the decision to go forward is made, the grand jury probably would begin to hear witnesses after Labor Day. Sources close to the case pointed out that the proscutors have apparently completed presenting the grand jury evidence on corruption in Baltimore county. The county's Democratic executive, Dale Anderson, was indicted August 23 on 39 counts charging that he extorted bribes from contractors doing business with the county.

The consensus among sources familiar with the case is that the prosecutors are now ready to go to the grand jury on Agnew, but neither the Justice Department nor the U.S. Attorney's office would comment on the

question.

That decision, Attorney General Elliot Richardson said August 19, will be made personally by him and it will entail, Richardson added, a finding of whether a vice president of the U.S. can in fact be indicted before he is impeached.

ASSERTIONS

At the moment, the grand jurors know nothing more about the Agnew case than what they have read in the newspapers and seen and heard on television and radio. Included in this is the Vice President's own assertions that he is innocent.

Other Maryland political figures, sources said, are also under investigation.

They say the list is long and the number of persons indicted may number in the dozens. Beall has said his investigation may yet run another eight months, indicating that much of it has been given a low priority until the Agnew phase of the probe is ended.

"They have the largest back burner in history," said one source familiar with the case.

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