

Chronicle NYTimes SEP 15 1973
**Agnew Associates Linked
To Fund Collection in 60's**

By AGIS SALPUKAS
Special to The New York Times

BALTIMORE, Sept. 14—Persons who have been cooperating with an inquiry by the United States Attorney's office here in return for preferential treatment have told investigators that three close associates of Vice President Agnew collected money from consulting engineers and others on his behalf while he was Governor of Maryland.

The New York Times has learned from sources close to the investigation that the three are J. Walter Jones, I. H. Hammerman 2d and Jerome B. Wolff. All three have previously been publicly linked to the investigation being conducted by the United States Attorney's office into alleged kickbacks from consulting concerns to state officials.

One source said that each man had been described as specializing in a particular area as a "collector" primarily while Mr. Agnew was Governor of Maryland from 1966 to 1968.

The same informant said that the investigators had been told that the payments that went to Mr. Agnew ranged in the thousands of dollars at a time but that the total amount revealed by the investigation would "not shock anybody," meaning that the amount was not extremely large.

The three men were also said to have acted as collectors for other political figures.

Attorneys for Mr. Jones and Mr. Wolff had no comment on the reports. The attorney for Mr. Hammerman could not be reached.

An informant said that Mr. Wolff, while head of the State Roads Commission from March, 1967, to the end of 1968, handled payments from consulting concerns that were involved in building the state's multi-million-dollar interstate and state highway system.

Mr. Hammerman, a wealthy

Continued on Page 16, Column 1

Continued From Page 1, Col. 7

mortgage banker who has known Mr. Agnew since World War II and has helped manage and raise funds for his campaigns for Governor and Vice President, was said to have had a much broader role in collecting money although he also allegedly dealt with certain concerns that did road work.

The investigators were told that Mr. Jones, a banker and real estate developer and also a fund-raiser for Mr. Agnew since his race for County Executive in 1962, also had a broad

role, the source said, but it could not be learned what his specific responsibility was.

A key question that is expected to be raised by the defense lawyers if Mr. Agnew is indicted, one source said, is whether the money, which was said to have come in the form of gifts, campaign contributions and other means, was illegally received.

Unreported Gifts Hinted

This informant said that part of the case developed so far by the United States Attorney's office rests on evidence that some of the money that passed through the hands of the three

associates in various forms was not reported either as gifts, income or campaign contributions.

"If it's not reported as a campaign contribution, as a gift or income," one source said, "it's going to be funny money. The burden of the prosecution will be to show that it was a payoff."

The source said that this was difficult since the relationship that emerged in Maryland between consulting concerns and the politicians was very subtle. "It was not like a Mafia shakedown," the same source said, "Not like 'If you

don't do this you won't get this.' It was more that you were expected to make payments in return for work."

The payments were said to have varied in amount but it was reported 5 per cent of a contract fee was a good average figure and that the payments were often made in years when there were no political campaigns.

One informant explained that some concerns, after paying for many years, would go to a "higher" level where they were no longer expected to make payments in return for contracts but were still expected to buy tickets to bull roasts, which are one of the main methods of raising campaign funds here.

Another source, who has been called in by the United States attorney's office here and offered use immunity in return for information, said in an interview that contributions by consulting concerns to political campaigns were like dues paid for joining a club.

The informant, who said that he did not plan to cooperate with the United States Attorneys, has worked for several consulting concerns over the years and was involved in raising campaign funds for Mr. Agnew as well as for Democrats, including Gov. Marvin Mandel of Maryland.

Joining Called Helpful

He said that it was generally advantageous to be a "joiner" and make contributions but it did not necessarily follow that if one did not contribute he would not get consultant contracts.

He also recalled that he had heard from friends of Mr. Agnew such as Mr. Hammerman that they had given gifts of

money to Mr. Agnew because he had problems in paying for the life-style expected of a Governor.

"Quite frankly, I did hear about gifts," the source said, "because the guy [Mr. Agnew] didn't have the bucks he needed."

Both Mr. Jones and Mr. Hammerman, long-time associates of Vice President Agnew, have acknowledged that they are under investigation by the United States Attorney's office here.

George Beall, the United States Attorney, notified Mr. Agnew in a letter dated Aug. 1 that he was being investigated for possible violations of Federal criminal laws covering conspiracy, extortion, bribery and tax fraud.

Mr. Hammerman is reported to be negotiating an agreement with the prosecutors for preferential treatment in return for his testimony.

Friends have said that he has recently gone into seclusion and did not show up for a race at the Timonium Track held in memory of John Heil, a close friend and former manager of the track, who died recently.

Mr. Hammerman's lawyer, Sidney S. Sachs, could not be reached for comment.

Mr. Jones has also refused to comment and has been unavailable to newsmen. Plato Cacheria, lawyer for Mr. Jones, had no comment on the report.

No Agnew Comment

J. Marsh Thomson, press secretary of the Vice President, said, "It's another source-leak allegation that we won't have any comment about."

Mr. Wolff, who has been cooperating with the United States Attorney's office under

the pressure of use immunity, was appointed by Mr. Agnew to head the State Road Commission, which handed out millions of dollars of consulting contracts.

In February, 1969 he left the commission to become assistant for science and technology to Mr. Agnew.

One source said that when Mr. Wolff joined the Vice President's staff in Washington he no longer functioned as a collector of money.

Arnold Wiener, attorney to Mr. Wolff, said that he would have no comment on the allegations.