

Cash Gifts To Agnew Alleged

By Richard M. Cohen
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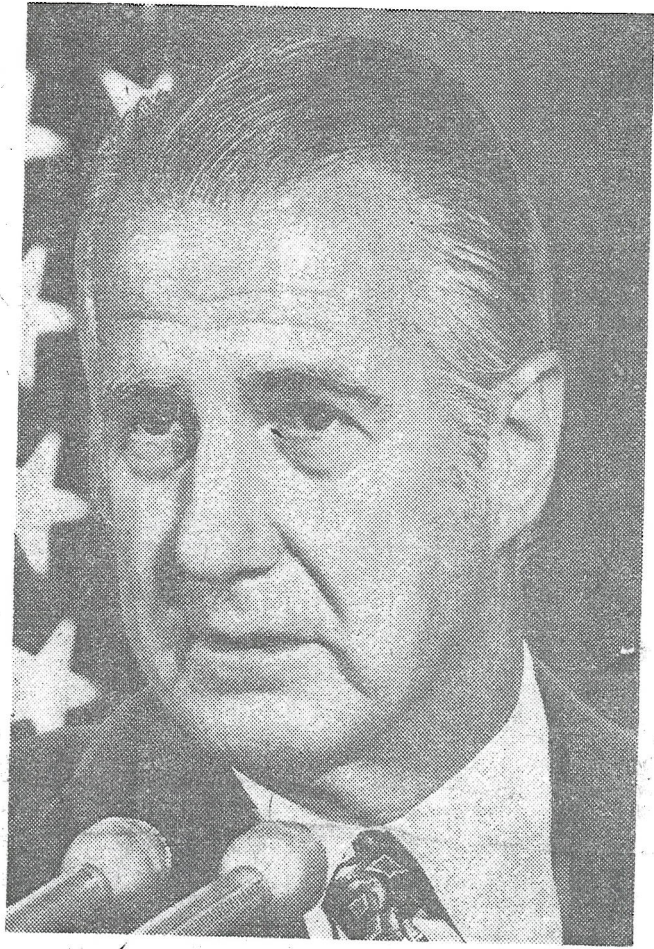
A Maryland consulting engineer and close friend of Vice President Spiro T. Agnew has told federal investigators that he has given Agnew at least \$25,000 over the last decade, according to informed sources.

The information, the sources said, was provided by Lester Matz, a Baltimore County consulting engineer who has been given a limited form of immunity in the investigation of Agnew by federal prosecutors and a grand jury in Baltimore County.

Matz, these sources said, has told the prosecutors that his cash gifts to Agnew totaled somewhere between \$25,000 and \$50,000 and that they were made over a period of years. The two men have known each other since Agnew served as Baltimore County executive in the early 1960s.

The sources emphasized, however, that the alleged gifts from Matz were not necessarily made in exchange for specific contracts to Matz's firm on either county or state projects, but rather were routinely made over the years. One legal source close to the investigation said it would be up to the government to prove that any alleged gifts were part of an attempt to influence the granting of government contracts, or were not properly reported on income tax returns.

It was not clear, however, whether the alleged gifts came from Matz's personal funds or from his consulting engineering firm of Matz-



By Charles Del Vecchio—The Washington Post

Agnew: Probers told he got \$25,000 over a decade.

Childs, Assoc. The firm was sold several years ago by Matz and John Childs to a New Jersey-based conglomerate. The two remained as salaried employees with stock benefits.

Matz-Childs is named in the bribery, conspiracy and extortion indictment of the present Baltimore County executive, Dale Anderson, as one of eight Maryland engineering or architectural firms that allegedly paid Anderson to obtain work on county public works projects.

Early in the federal investigation, according to sources, the investigators first gave immunity to Matz-Childs employees and were told by them that they regularly kicked back to the firm their end-of-the-year bonuses. This money, sources said, was used by

the firm as a "cash pool" for allegedly covert political donations. The prosecutors were told that some of this money went to Agnew, the sources said.

Matz, according to sources, has told the prosecutors that he personally turned some—or all—of the money over to Agnew. In addition, other key government witnesses—including Allen Green, a Baltimore County engineer, and Jerome Wolff, a former Agnew aide who now heads a subsidiary of the Greiner Corp., one of Maryland's largest engineering firms—have told similar stories, sources said.

Wolff also has been granted a limited form of immunity. He has testified, sources said, that as the Agnew-appointed chairman of the old Maryland State

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Roads Commission he served as what one source described as a "traffic cop," awarding nonbid State engineering and architecture contracts to firms that had allegedly paid to get special consideration.

"All of the firms were qualified to do the job," one source said. "Wolff chose them on the basis of money."

According to a number of sources, the government also has been told that two of Agnew's close associates—J. Walter Jones and I.H. Hammerman—demanded money from engineering and architectural firms on Agnew's behalf and turned some of the money over to him. Jones has denied the

allegation, asserted his innocence and said he served only to collect ordinary campaign contributions. Jones's lawyer, Plato Cacheris, refused to comment.

Hammerman, an Agnew friend from high school days and now a Baltimore mortgage broker, is reported to be cooperating with the government in its investigation, while negotiating for some special consideration from the prosecutors.

Agnew has been notified he is under investigation on allegations that he broke extortion, bribery, tax and conspiracy laws. He has said he is innocent of the charges. Jones and Hammerman have likewise been formally notified they are under in-

vestigation and they, too, have publicly proclaimed their innocence.

According to informed sources, at least part of the case against Agnew will rest on what one source described as "mind set. These people," the source said, "may may have a hard time distinguishing what a gift is. 'It would be up to a jury to decide a relationship existed. Like if someone went to an engineer and said, 'Look we need \$20,000 for the campaign and I'll talk to Ted about the bridge project' and lo and behold they got the bridge contract. If they expected favorable consideration, that would be a crime."

The cash gifts from Matz, sources said, constitute just