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**Agnew's Close Friends
Central to Jury Inquiry**

By MARTIN WALDRON

BALTIMORE, Sept. 24—The case against Vice President Agnew, if there is one, will depend on the testimony of men he has considered to be among his closest friends.

These friends, some of whom grew up with him, socialized with him and urged him to run for public office, have been given at least partial immunity from prosecution to force them to give testimony about periodic payments made to Mr. Agnew during the last 10 years.

Many of these payments are on public record — about \$70,000 or more — and were listed as campaign contributions.

The Government will be depending on the Agnew friends and others for testimony that the contributions and payments to Mr. Agnew were part of a business arrangement between a public official and companies and individuals depending on goodwill for government contracts and favors.

Since he began the investigation into alleged corruption in Maryland last December, United States Attorney George Beall has theorized that not all the payments made to Mr. Agnew and to other officials were made voluntarily and that thus there may have been violations of Federal laws.

Anderson Indictment

Although Mr. Beall has refused to comment on the investigation, he said in a letter to the Vice President on Aug. 1 that he was being investigated for possible bribery, extortion, fraud and conspiracy.

On Aug. 23, the special grand jury indicted N. Dale Anderson, who succeeded Mr. Agnew as Baltimore County Executive in 1967, on 31 counts of "extorting" payments from architects and consulting engineers doing business with Baltimore County.

The grand jury said that Mr. Anderson had obtained the payments "through the wrongful use of fear of financial and economic injury."

In a statement made at the time of the Anderson indictment, Mr. Beall said, "The investigation of Mr. Anderson, other public officials and business entities and individuals in Baltimore County is continuing and further indictments can be expected."

In developing the case against Mr. Anderson, the Government has used Internal Revenue Service agents to investigate and has granted partial immunity to one of Mr. Anderson's long-time associates.

The investigation of Mr. Agnew, from outward appearances, has been almost a carbon copy of the investigation of Mr. Anderson.

Agents of the I.R.S. have inspected records of the state and of companies doing business with the state.

Officials of at least two concerns that were paid hundreds of thousands of dollars by the state during the Agnew administration have given statements detailing payments allegedly made to him.

They are Jerome P. Wolff, a long-time friend and employe

of the Vice President's who later became a top official of the J. E. Greiner Engineering Company, and Lester Matz, a partner in Matz & Associates.

In addition, I.H. Hammerman 2d, who has been an Agnew friend since they attended elementary school together, has been granted a form of immunity.

Witnesses who refuse to testify after being granted immunity can be jailed for contempt of court.

At least 20 corporations and individuals have been investigated by the Federal authorities in their seven-month-long inquiry into Mr. Agnew's finances.

Those who have been identified as having handled payments to the Vice President include Mr. Wolff, Mr. Matz, Mr. Hammerman and J. Walter Jones, a Towson real estate developer who was made a millionaire by a zoning rule made by Mr. Agnew a dozen years ago when he was a county official.

Old-line Maryland politicians have said that for years it has been the practice in the state that consultants and architects are expected to pay 5 per cent of their fees to public officials.

This would indicate about \$1,250,000 available for kickbacks and campaign contributions in Maryland and Baltimore county since Jan. 1, 1967, the period Mr. Beall has said he is interested in. Any offense committed before then could not be prosecuted because of the statute of limitations.

Mr. Agnew, while acknowledging that he may have gotten campaign support from engineers and contractors doing business with the state, has denounced as "damned lies" reports that he took bribes.

The Vice President's attorneys have sought testimony from state officials that contracts and campaign contributions were handled during Mr. Agnew's administration in the same fashion as during other Maryland administrations.

Bid to Halt Public Hearing Is Denied by Appeals Court

WASHINGTON, Sept. 24 (AP)—The United States Court of Appeals for the District of Columbia denied today a private group's request that it prohibit the Senate Watergate committee from continuing public hearings.

Soon after receiving the request today, the appeals court turned it down in a routine notice.

A spokesman for the group, the National Citizens' Committee for Fairness to the Presidency, Inc., said that the committee would take its case to the Supreme Court. 21 SEP

Federal District Court Judge June L. Green had dismissed the suit on Friday on the grounds that the citizens' group, which is headed by Rabbi Baruch Korff of Rehobeth, Mass., lacked legal standing for its action and that the Constitution protects members of Congress from such suits.