

# The Battalion

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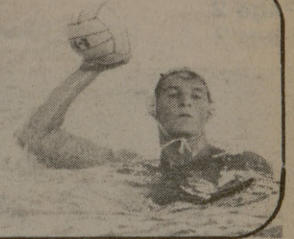
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## Inside Today:

A mini-guide to Houston, p. 4.

A coupon book for cheapskates, p. 6.

A trip to Chicago for men's water polo team, p. 10.



## A&M has lowest loan default rate

By GLENNA WHITLEY  
Battalion Staff

Aggies may be dumb, according to the perennial jokes, but at least they pay their bills.

Texas A&M University has the lowest default rate on federally insured Hinson-Hazlewood loans of any other major university in the state, says an official of the Coordinating Board, Texas Colleges and Universities.

Texas A&M has an accumulative default rate of three per cent in the 11 years the program has operated, 17 per cent lower than the state average, said Mack Adams, head of student services for the coordinating board in a recent interview.

This default rate includes accounts defaulted and accounts presently being sued for default claims.

Robert Logan, director of financial aid at Texas A&M, said one of the most important reasons the default rate was so low was the amount of counseling done with each student to make sure he understands his commitment.

"Our loans are paid the day they're made," Logan said. "We have the best student clientele in the country."

The type of student attending Texas A&M is probably more conservative than at most schools, and this affects the payback rate, Adams said. The curriculum is traditionally aimed at majors that imply stability in family income and occupation, like agriculture and engineering, he said. Texas A&M graduates usually have better chances of getting jobs and better starting salaries than many other schools, Adams added.

Hinson-Hazlewood loans are given to students on the basis of need. They are approved by the school, and the state of Texas is the lending institution. Bonds are sold to raise money to provide the loans.

Considered "large" loans, these can be made for up to \$1,500 per year. After a student graduates, he has a nine-month grace period, then he must begin to repay the loan in monthly installments.

Hinson-Hazlewood loans have been federally insured for the last six years. If a loan is defaulted, the federal government pays the state of Texas the amount of the loans, and then attempts to collect from the borrower.

OTHER EDUCATIONAL loans are also federally insured. These loans are approved by the school and then made by the student's home town bank. It is then the bank's responsibility to inform the student of his com-

mitment. No figures are available at present on default rates for these bank loans.

Some universities have such high default rates that the coordinating board in Austin has put a ceiling on the amount of money available to lend them.

Prairie View A&M University and Texas Southern University have default rates of 39 and 49 per cent respectively.

"Inability to locate is the biggest reason for defaults," Adams said. "They leave school, relatives don't even know where they are. They never even make one payment." One of the terms of the loans is that students keep their whereabouts known to loan officials after they leave school.

"THE BIG PROBLEM is that the students are not employed when they get out," said A. D. James, direc-

tor of financial aid at Prairie View. "And the coordinating board is not exercising all its resources to make them repay."

He said 50 per cent of the students receiving loans at Prairie View had degrees in a teaching field and could not find jobs when they graduated. He added that most of the students there come from poverty-level households.

"In Texas A&M's case, if the student doesn't pay, the parents pay. At Prairie View, this is not possible because many of the parents are already on some sort of state assistance," he said.

"Any school that is predominately black is going to have a high default rate," said La Joy Kay, acting director of financial aid at Texas Southern University. "Most of our people come from low income families." TSU is

about 90 per cent black, she said.

"A lot of students don't ever graduate and therefore can't repay," she said. TSU has a high drop-out rate of students who have taken out loans, she added. After the students drop out, they cannot get jobs that pay enough to allow them to repay the loans, Kay said.

"People that do graduate usually do well in repayment," she said.

Texas A&I University is another school that has many poverty-level, Mexican-American students, but its default rate is only seven percent.

"Historically, the Mexican-American has repaid his loans," said Juan Villarel, director of student aid at Texas A&I. "We do keep track of our students. We do a hell of a lot of counseling."

"When they get their notices (of payment due), they do something. You don't just ignore it (the notices)," Villarel said. He said one of the reasons the rate was so low was that even though students had low incomes, Mexican-Americans were traditionally raised to honor debts and favors.

Students can receive a hardship or employment deferment if needed, said Adams. Notice must be sent to the proper officials requesting a postponement, however.

CURRENTLY, 120 days after the first payment is due on an unpaid account, the Texas Attorney General's office sends a letter explaining the borrower's obligation. Another letter is sent 150 days after it is due, and if a payment is not received 180 days later, the Attorney General's office files suit against the borrower to obtain a default judgement.

If such a judgement is granted, the borrower is then legally obligated to pay before selling any real property. Real property is any which requires a title when sold.

After a default claim is granted, the State turns over the account to Health, Education and Welfare (HEW), which attempts to collect through the courts if necessary.

The coordinating board has restricted the amount of lending money available to schools with high default rates. At Prairie View, the financial aid office has allowed less than 50 loans this year.

Adams said the entire lending process has been tightened up. Financial aid officials are now required to sign written recommendations for each borrower. Before, the official was to be responsible for carefully screening each applicant, but his written recommendation makes the responsibility more specific, Adams said.

School	Number of Loans	Total Amount	Default Rate	Money Lost
Texas A&M University	4,715	\$ 7,757,298	3%	\$ 129,652
Southwest Texas University	3,574	\$ 5,825,703	7%	\$ 243,915
Texas Christian University	417	\$ 695,828	8%	\$ 43,529
Texas Tech University	4,541	\$ 7,403,938	8%	\$ 435,654
University of Houston	4,256	\$ 7,815,093	17%	\$ 899,070
University of Texas at Austin	12,403	\$ 22,920,229	9%	\$ 1,280,813
Prairie View A&M University	8,050	\$ 18,828,511	39%	\$ 6,142,712
Texas Southern University	5,957	\$ 12,374,558	45%	\$ 4,343,659
Texas A&I University	6,274	\$ 14,542,886	7%	\$ 3,206,920
Total for Texas	119,844	\$210,865,056	20%	\$31,294,660

A sampling of major Texas universities and the default rates on their Hinson-Hazlewood loans.

## Student radio given two more months

Texas A&M University Student Senate decided Wednesday night to give Student Radio two months to become solvent before making a final decision on its fate early next semester.

The Student Radio Board owes an internal debt of \$5,783.64 to Student Government. Wednesday's resolution transfers \$500 to a Student Radio Reserve Account to pay any expenses Student Radio cannot meet.

Hoyt Thomas, general manager of KANM, said if current success in ad sales continues, "we could make money and I could buy a new suit every week."

"A lot of people are turning to us" from Houston radio stations also on the cable, Thomas said. Based on Thomas' estimates from last spring, KANM's listening audience is about 6,000. Several senators noted the station provides good music,

radio training and public service announcements for campus activities.

Senators also approve a resolution recommending lighting for the intramural complex across Wellborn Road. The lighting project, which would cost about \$160,000, was recommended more than three hours into the session. Lights should be "provided prior to the spring '78 softball season."

Amendments to limit scheduling football and softball after midnight and prohibit use of student service fees for the lights were defeated.

Senator Bill Rademacher said that without a time limit the intramurals program would continue to expand and soon "the same problem would build up again." Mike Springer, vice president for finance, said three sources of funds for the project are available. He listed student service

fees, Student Government reserve accounts and interest from those accounts.

Comparing the situation to the original construction of the intramural complex in 1976, Vicki Young, vice president for student services, said, "If the Student Government says 'Let there be light,' I feel there will be light" without using student service fees. Young said the intramural complex was not built with the fees.

Senators also established an Intramural Council to oversee operations of the Intramural Program. Members of the council include representatives from Student Government, RHA, Corps, the Off Campus Students Association, Extramurals, Intramural Advisory Committee (chairman), faculty, and health and physical education department as voting members, and the director of the intramural program as a non-voting member.

The council will advise on the regulation of intramurals and its budget. At the last Senate meeting, Director of Intramurals Dennis Corrington requested that the council only have advisory powers. In the

original draft of the resolution, the council also had policy-making duties.

Senators created a committee on committees which will evaluate Senate committees and report on their effectiveness each year. The Senate changed a bill passed in March 1977, which established a similar committee, but drew its members from the three branches of Student Government. Now the committee is under direction of the Rules and Regulations legislative committee. The committee may review committees only in the legislative branch which are not one of the five standing committees (on academic affairs, external affairs, finance, rules and regulations and student services).

Discussion of the measure took almost an hour, as charges and countercharges of the bill's effects bounced across Senate chambers in 204 Harrington. Senator Mike Humphrey said the bill as passed last semester "would be out of line" because it may have usurped some of the president's powers to administer legislation. W. Scott Sherman, former senator and author of the

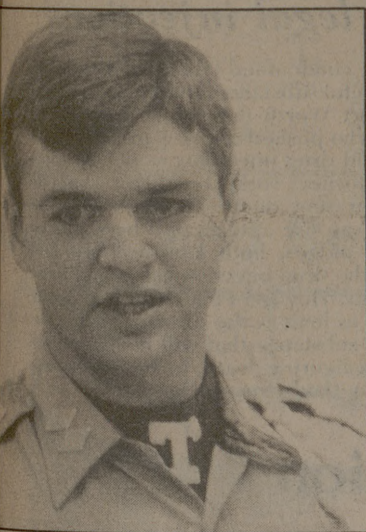
bill, said, "Someone else should be able to tell the Senate what the Senate has done," defending his scheme of committee members from all three governmental branches. The Senate rejected his reasoning.

"I think it's a shame the legislative body is not able to form a committee to review itself... We don't need to call in others," said Young.

Allison King, vice president for rules and regulations, said she was accepting applications for members of the new committee.

In other action, the Senate rejected a resolution to put dorm directories in easily accessible spots in dorms. The \$44,919.96 Student Senate budget was almost approved, but a motion to reconsider the bill was entered into the minutes, delaying action until the next Senate meeting, Nov. 2.

Humphrey announced A&M University will host the spring Texas Students Association Convention. No date has been determined.



Mike Humphrey... position to committee "out of line"

## Lawyers advise 'get nasty'

By LIZ NEWLIN

Get nasty, get tough, and write letters to a lawyer if you want to get results, say attorneys-turned-authors.

John Striker and Andrew Shapiro advise "supertweets" to make slow landings, sprawling bureaucracy or bumbling complaint handlers listen.

Average consumers can learn to make supertweets, according to John Striker and Andrew Shapiro, who have written *Supertweets - How to Sound Like a Lawyer and Get Your Rights On Your Own* (Rawson and Associates Publisher, \$9.95).

The successful supertweet impresses and intimidates the receiver, they say. It is filled with legal slang and case citations and has an official appearance.

Threatening dire legal consequences makes life miserable for the person who has not granted your request "forthwith." Essential to the supertweet letter, is to let the recipient think he is dealing with a lawyer or someone very knowledgeable about his legal rights. Load the supertweet letter with headings like "Notice," "Statement of Complaint," or "Demand for Action," with the specifics of the case filled in.

"It should be just threatening enough to make the one handling it want to push the responsibility upstairs to someone else, just in case," Striker says.

Tips for writing decent complaint letters comprise the most informative part of the book, the authors say.

"You'd be surprised how many sane, res-

sponsible, well-dressed people turn out some really bad crank letters when they are trying to get action on a complaint," they write. "One glance and anybody with any sense is going to throw one of those handwritten six-page jobs right in the wastebasket. People make their complaints much too personal."

But don't go too far, they warn. There's a difference between writing like a lawyer and pretending to be one. "We're not advocating blackmail, and we don't recommend making your demand so unreasonable that it's a tossup which is worse, the request or the threat."

If the supertweet is too real, the recipient may call his lawyer to battle the "paper lawyer" who complains in the letter. And the suit he presses won't be at the cleaners.

## Thailand's army overthrows civilian government Thursday

United Press International  
BANGKOK, Thailand — Thailand's armed forces overthrew the civilian government Thursday to form a new revolutionary administration, official radio announced.

Defense minister Adm. Sangad Kalayoo, nominal leader of a military coup last October, again was the coup leader, the radio said.

The revolutionary administration dissolved the constitution and dissolved both the year-old government and the elected parliament.

Tanin had been in power just two days when Thursday because he refused a request to reshuffle his cabinet.

The revolutionary group has seized power at this time to improve the

economic and security situations of the nation and to maintain the institutions of nations, religion and king," the announcement said. "The revolutionary group will change as little as possible.

"As of 6 p.m. (7 a.m. EDT) the situation in the country is under control of the revolutionary group," official radio and television announced. "All military and civil servants will continue their work, and no orders are to be changed."

"Anyone refusing to obey the orders of the revolutionary group will be severely punished," the broadcast said.

Half an hour after the first coup announcement, Tanin was reportedly in his office at government house.

There was no sign of violence in Bangkok. The armed forces were placed on alert, but no trouble was reported.

Senior generals in the chain of command, including Sangad and supreme

commander Gen. Kriangsak Chamanand, appeared the leaders of the coup, as they were Oct. 6, 1976, the date of the last military coup.

Thursday marked the seventh major change of government in Thailand in less than six years, not counting minor cabinet shuffles.

Political sources said Tanin had been under military pressure for several days to reshuffle his cabinet. At least nine of the 17 members were to be kicked out, the sources said.

But Tanin, a former Thai Supreme Court justice, reportedly refused, saying the military had given him a four-year mandate to run the country when he was appointed by the generals last Oct. 22.

As a result, with an apparent impasse between Tanin and the military, the generals simply seized power in Thailand's fourth coup of the decade.



... and that's the Poison Ivy'

Looking at the flowers in the Texas A&M University Floral Test Garden, A&M Consolidated kindergarten gardeners display varied reactions. The kin-

dergarten class is studying fall flowers and trees as one of their school projects.

Battalion photo by Michael Freed