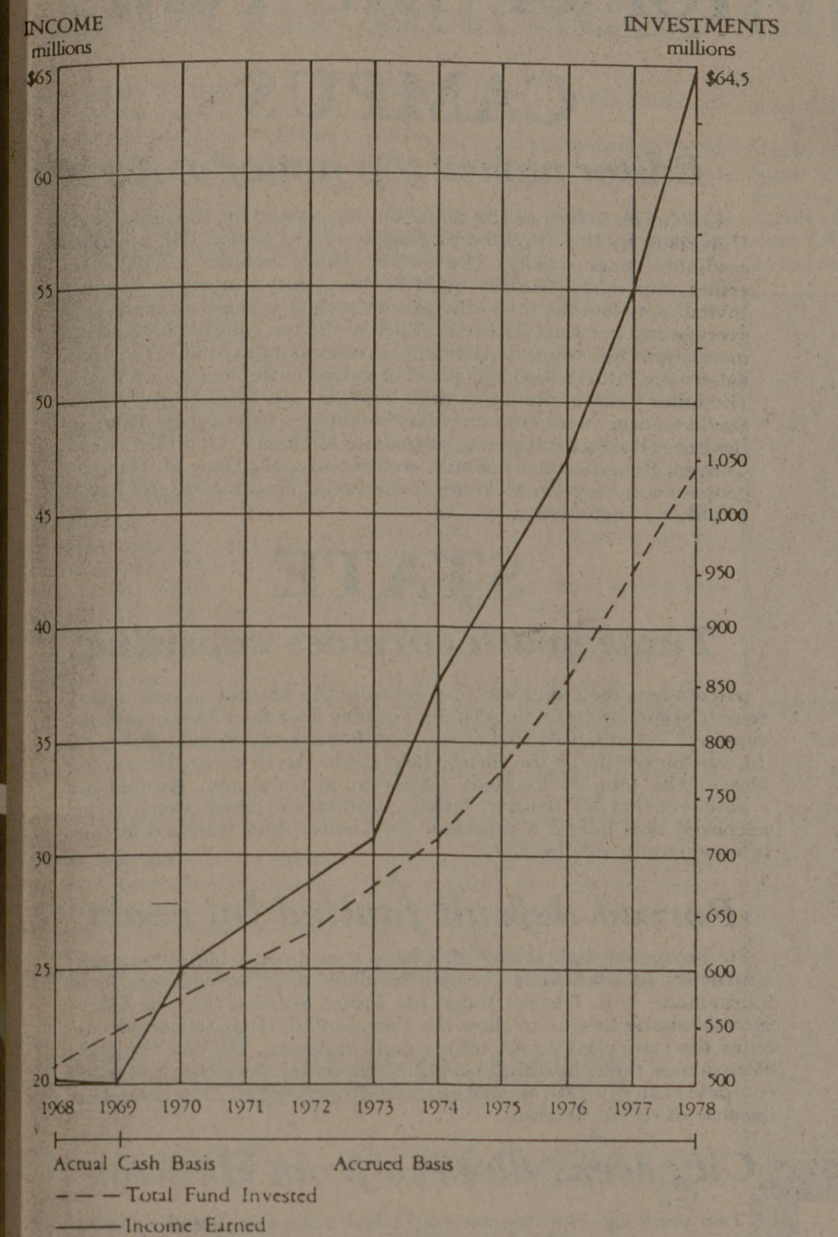


INCOME EARNED BY PERMANENT UNIVERSITY FUND AS COMPARED TO TOTAL INVESTMENTS



The exact income (solid line) earned in '78 by the Permanent University Fund (PUF) is \$64,548,822.53, and it was split one-third for Texas A&M University and two-thirds for the University of Texas. The increase in investments is also shown (dotted line). For more details on the PUF and how it grew, see pages 8-9. Chart from the 1978 annual investment report on the PUF

A&M, UT endowment faces capital challenge

By LIZ NEWLIN
Battalion Staff

The Permanent University Fund — the billion-dollar endowment for UT and A&M — is under attack from within and without the state. And something should break loose soon.

A bill on the Texas House floor today and an HEW report in Washington for two months now will probably change distribution of the fund.

The PUF is built on revenues from 2.1 million acres in West Texas for sole use by the Texas A&M University and University of Texas systems to create "a university of the first class."

In modern terms, the fund is used as collateral for construction bonds, and the profits both repay the bonds with interest and enrich the campus here and at UT-Austin.

Last year that enrichment here amounted to about \$4 million for the campus, \$8.5 million for construction here and \$8 million to finance Texas A&M System bonds.

The UT System received about \$41 million, twice what Texas A&M got.

That one-third, two-thirds split was decided back in the 1930s by legislators for "political convenience," according to Texas A&M historian Dr. Henry C. Dethloff. (Before then, Texas A&M had received scarce benefit from the PUF.) These splits are imminent. But for some of the same reasons:

- The PUF and its distribution are outlined in the Texas Constitution and statutes, so no other state college or university can touch it. That's one challenge.
- Within the systems themselves, not all institutions — like Moody College — can benefit from the fund, and not equally. That's another challenge.
- Finally, the Department of Health, Education and Welfare will most probably find some "vestiges" of racial discrimination from its state-wide investigation of higher education, as it has in other Southern states. HEW can theoretically force redistribution of the PUF through withholding federal funds. That's the third challenge.

The constitutional amendment scheduled for the House floor today is Senate Joint Resolution 7 (SJR 7), most famous for its repeal of the 10-cent state property tax. That tax financed construction at 22 state colleges and universities not in the Texas A&M or UT systems.

In its place it creates from tax revenues another fund — known as SHEAF — for construction. Debate today is expected over the exact configuration of SHEAF.

Reporters at the Capitol have long said, but not always written, that Texas A&M and UT support the SHEAF plan to protect the PUF.

Robert C. Cherry, Texas A&M's legislative liaison, wouldn't comment Tuesday.

President Jarvis E. Miller laughed, but he would only say, "That's a very logical assumption."

That takes care of one challenge. The other two appear somewhat linked through Prairie View University.

But first, SJR 7 would also affect another part of the Texas A&M System — the Texas Maritime Academy — known as Moody College. The amendment, which still must be passed by both houses and the voters, would let Moody use PUF bonds for construction on its campus; it has not been able to before.

Miller says Texas A&M could easily afford the added expense since the bill also increases by 50 percent the amount of bonds the systems may issue. That would mean a one-time catch-up issue of about



REP. SENFRONIA THOMPSON

(Please turn to Page 8.)

Hullabaloo, canoe...

A pair of Aggies broke the record over the weekend in winning the national concrete canoeing championships in Manhattan, Kan. The sport's a new one to you, you say? See page 3.

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Gas crunch Price hikes expected locally

By RICHARD OLIVER
Battalion Staff

citizens in Bryan-College Station can buy gasoline on Sundays, but shouldn't expect this luxury for long.

In a survey of 20 Bryan-College Station stations on Texas Avenue, half indicated they would be selling gasoline on Sundays, while the other half said gas was scarce for them to remain open.

Claude Dobbins, owner of Dobbins' station at 306 S. Texas Ave., said, "I'm closing on Sundays the last time I got in this mess. It just doesn't pay more to stay open. Profits are down and it seems to be no end."

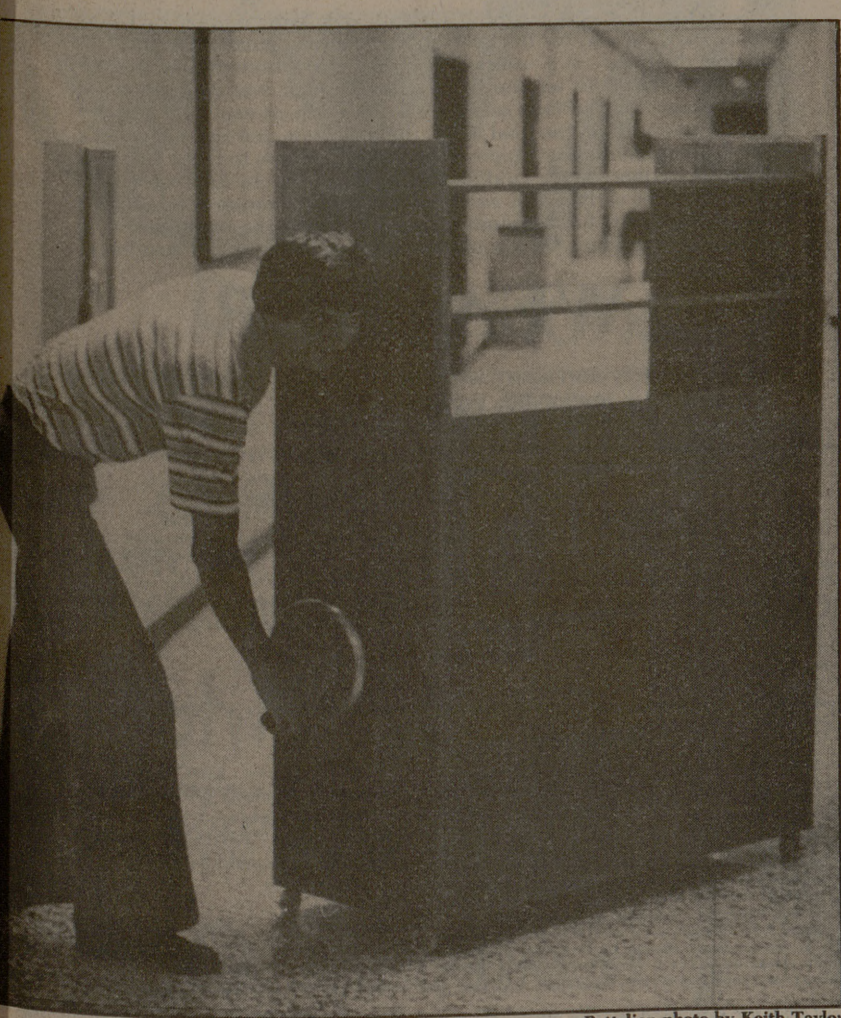
Ray Nash, on the other hand, is doing good business and plans to remain open on Sundays.

Nash, part-owner of Nash's Seco at 200 Texas Ave., said, "We're going to have high (gas). As long as we're doing good business and no one tells us to close, we're going to stay open."

Although some owners are optimistic about the gas situation, some distributors in the area are pessimistic about the future.

Dick Broach, owner of D & B Oil Co., expects gas prices to rise in the next few months, causing more stations to close on Sundays.

At the present time, we're cutting hours several of our stations in the area," he said. "I expect gas will rise another four or five cents a gallon in the next 60 days."



The 'diploma shelf' is demonstrated by Craig Clark, one of the three mechanical engineers who built it. The shelf, which rises as the number of diplomas on it decreases, was designed by Fred J. Benson.

Andy Sustaita, a dealer for Phillips 66, was more specific.

"Last month they cut our allocation down to 70 percent of what we were receiving at this point last year," he said. "I fully expect prices to rise to a dollar a gallon or more before the year is up, if not sooner."

Sustaita said the strange thing about the rise in gas prices is that the public is consuming just as much, if not more, than before.

"I don't think they'll cut down in consumption any time soon," he said. "I suppose it'll stay the same for quite awhile."

Carl Coslett, manager of Pilger Exxon on 1721 Texas Ave., disagreed with Sustaita.

"I think once school lets out and the kids take off for the summer, the consumption will go down," he said. "It always slows down about that time."

Broach said he believes this trend will continue.

"This month we are down to only 80 percent of the allocation we got last year," he said. "It's becoming a real problem, and we're having to cut down the hours more and more in all our stations."

Coslett, however, doesn't believe there is a gas shortage.

"Our gas situation has worked out pretty well," he said. "The way things are going, I can't see that there is a gas shortage. I really don't believe there is one."

Broach disagrees.

"There is a shortage, no doubt about it," he said. "Everything points toward it."

Draft protesters storm Congress

United Press International

WASHINGTON — A House subcommittee's approval of resuming military registration for 18-year-old men for the first time since Vietnam already has brought shouting protesters into the halls of Congress.

There will be more of the same across the country.

The House Armed Services subcommittee on military personnel voted unanimously Monday to require the president to register all males who become 18 on or after Jan. 1, 1981.

The proposal, which must be approved by the full committee before it can be debated by the House as part of legislation authorizing weapons purchases and setting military strength ceilings, would not go into effect until after the 1980 congressional and presidential elections.

Several hundred young people, waving Vietnam-era signs that depicted draft card burnings and resist-the-draft slogans, protested against registration as a step toward resuming the draft and chanted, "Hell, no, we won't go!" outside the Capitol.

The stations surveyed averaged 72 cents a gallon for regular and 78 cents for unleaded, up 50 percent from last year at this time.

Gene Zulkowski, owner of Zulkowski Texaco on 1405 S. Texas Ave., was angry over the high prices he was paying.

"We're definitely getting shafted price-wise," he said. "It's taking our bread and butter away from us. Our allocation gets lower and lower monthly, so we're trying to stay open all we can."

The fact remains, however, if a gas station runs out of gas at any time, it hurts the very ones who are keeping the station open, the customers, and I really hate to see that happen."

About 100 of them later jammed a House office building hallway outside the office of Rep. Paul McCloskey, R-Calif. They continued their chant and argued noisily with the congressman, who has proposed that all youths — men and women — be obligated to perform either civilian or military service.

Rev. Barry Lynn, head of the Committee Against Registration and the Draft, condemned the registration plan as "a fraudulent and cowardly act" and said, "We want a full-blown debate before they take any of us away again."

Congressmen who addressed the rally pledged to fight the proposal. The demonstration was one of 70 scheduled across the nation this week.

The last draft callup was in 1972 as American troops prepared to leave Vietnam. Registration, scorned by many young men who refused to comply, was scrapped three years later.

But registration and possible return of the draft now are being discussed because of claims the all-volunteer military system cannot draw enough qualified recruits.



Battalion photo by Lynn Blanco

Cake and ice cream, please

Tuesday marked the fourth birthday of Reveille IV, Texas A&M University's mascot. Nine freshmen from Company E-2 gave her a party, complete with a cake.

Diploma dispenser

Back-saver invented

By PEGGY C. McCULLEN
Battalion Reporter

Do not despair, Jarvis, the mechanical engineers love you — at least they love your back.

Three mechanical engineering seniors have designed and built a diploma shelf which will rise as the number of diplomas decreases, alleviating the problem of stooping to pick up the remaining diplomas as the last few hundred students cross the stage.

The device was invented by Fred J. Benson, vice president of the College of Engineering, and Registrar Robert Lacey.

The three students who built the shelf are Craig Clark, Joe Bulovas, and John Lusk.

The shelf is practically noiseless. A hand-turned crank keeps the diplomas at arm's reach throughout the entire graduation exercises.

The estimated cost was \$300 and the bill

was footed by the mechanical engineering college, Clark said. Should the device prove successful for the engineering graduation exercises, five or six more will be built for future ceremonies, he said.

Raghmal B. Agarwal, the students' adviser, who said he acted only as a consultant and added no ideas, is proud of the students. He said the cabinet has already been approved by assistants to President Miller.

The students, who spent from eight to 10 hours per week building the shelf, began the project at the end of the fall semester.

The cabinet itself was built by a cabinet maker. The internal mechanical device, which uses a crank and beveled gears with a jack screw and was built by the students, remains concealed from the audience.

The restrictions given to the engineers were that no wires could extend from the shelf, meaning it could not be electric; that there could be no air hoses used, and that it had to be silent.

Auto liability insurance may become mandatory

United Press International

AUSTIN — The House Tuesday overwhelmingly gave preliminary approval to legislation requiring Texas auto owners to obtain liability insurance before being allowed to drive on the state's streets and highways.

The bill by Rep. Gene Green, D-Houston, which faces one more House vote before being sent to the Senate, would require autos to display window stickers similar to state inspection stickers showing the driver had at least minimum liability insurance or that the owners had posted a minimum \$25,000 bond with the Department of Public Safety.

Failure to comply with the mandatory liability sticker provision would be a misdemeanor.

"This is the strongest system that we have considered to this date," he told House members.

The House also approved an amendment by Rep. Ron Coleman, D-El Paso, requiring vehicles from foreign countries such as Mexico to attain the liability insurance stickers before driving in Texas.

Coleman said Mexican drivers without liability insurance are frequently involved in accidents in border cities.