

State finance crisis may cause budget cuts, Caperton says.

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Texas A&M The Battalion

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Man takes 21 people hostage on plane

GRAPEVINE — A knife-wielding man took 21 passengers hostage aboard a Delta Air Lines jumbo jet Wednesday, and held them at Dallas-Fort Worth International Airport, officials said.

Airport spokesman Joe Dealey said all the passengers were allowed to leave the jet within two hours.

The man held a knife at the throat of a male steward, and the crew was all aboard the plane, Dealey said. The plane was Flight 139, which was bound for Los Angeles from Fort Lauderdale, Fla., with a scheduled stop in Dallas, Dealey said.

Agent John Hippard said two FBI negotiators were sent to the scene. There were no reports of injuries aboard the Lockheed L1011 jet, Dealey said.

He said officials did not know if the man had help in taking over the jet or when he took over the jet.

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Tax reform bill to go before Senate

A&M pension plan in danger again

By SONDR A PICKARD
Staff Writer

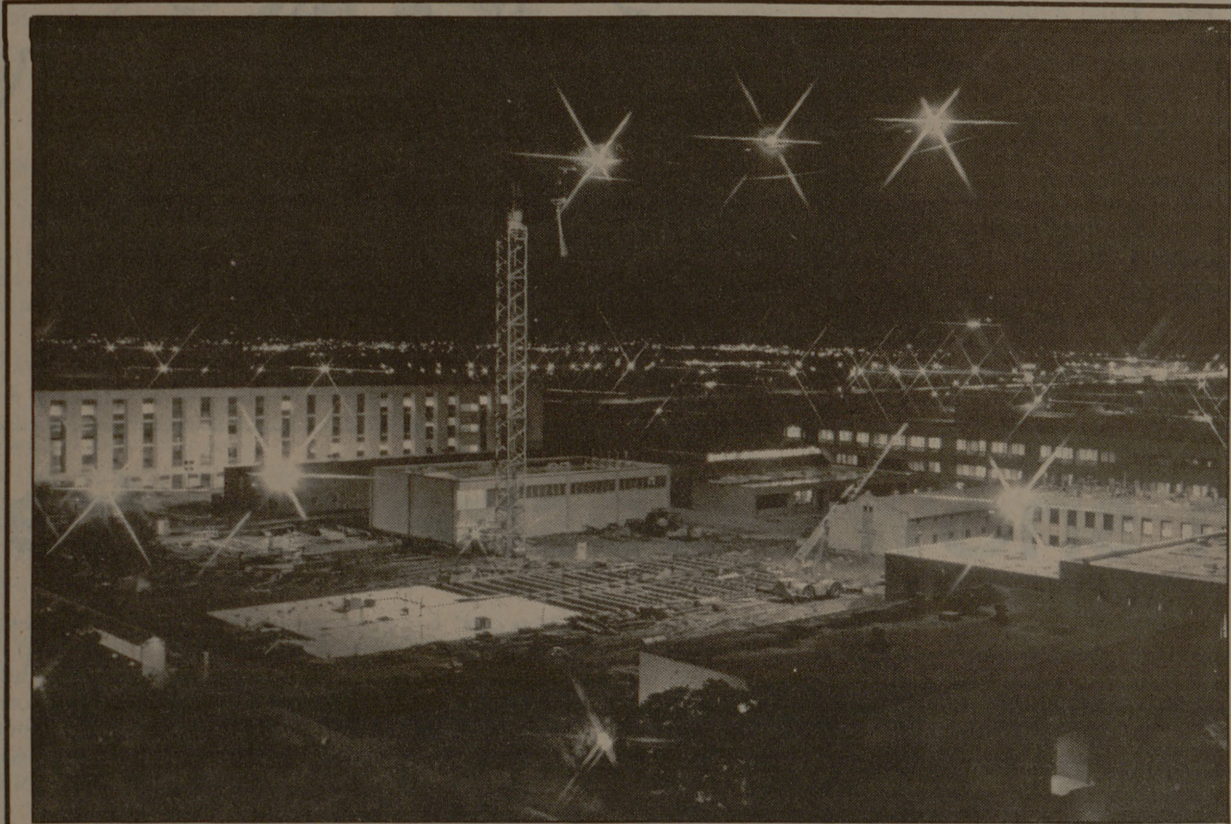
The future of the primary retirement program used by many employees at Texas colleges and universities is in the hands of the U.S. Senate this week as it begins hearings on the 1985 Tax Reform Propo-

Hoping to save the Texas Optional Retirement Program, which is a primary pension plan used by about 30,000 administrators and faculty members at 95 colleges and universities, officials at Texas A&M and other Texas schools are meeting today with Sen. Lloyd Bentsen of Texas, a member of the Senate Finance Committee.

Participating in the forum are System Chancellor Arthur G. Hansen, A&M President Frank E. Vandiver, the University of Texas chancellor and president, and the presidents of the University of Houston and Texas Tech University.

Michael Lytle, special assistant to the chancellor for federal relations, says he and his counterpart at UT have been working closely with Bentsen and the staff of the Senate Finance Committee to make sure they understand how the tax plan, which includes the ORP, affects Texas universities.

In case lawmakers do recognize the need for a change, Lytle and John Honea, A&M director of insurance and risk management, and their staff have developed some alternative language to the part of the plan effecting ORP. They also will meet with a staff member who works for Rep. J.J. Pickle, a member of the House Ways and Means Com-



Twinkle, Twinkle

Although security lights at the construction site near the Zachry Engineering Center make the area easier to police, they also make a picturesque view in the darkness.

Photo by MIKE SANCHEZ

By FRANK SMITH
Staff Writer

In an attempt to sift through the ambiguity of past codes, the Student Government Election Commission has outlined several new procedures for candidates to follow in this year's elections, Alan Moore, election commissioner, said.

One of the new guidelines calls for filing to be open to the public, Moore said. In past elections, candidates were unaware of their competition until after filing closed, he said. This year, a list containing the names of those who have filed for each office will be posted in the Pavilion sometime during the middle of the filing period, he said.

Another difference in this year's election is that the campaign expenditure limit for each office will cover both general and runoff elections, Moore said.

"What we decided was that for student

committee, to discuss the disadvantages of the plan.

"We're trying to make sure they understand that if the Senate passes the tax bill the way it was written in

the House, it adversely affects our ORP," Lytle says. "Informing people and showing them alternatives is about all we can do right now."

As part of its effort to propose reform in the tax code, the House

Ways and Means Committee drafted legislation in 1985 which contains amendments to a section of the Internal Revenue Code involving tax

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Tax bill may increase cost of giving

By MONA L. PALMER
Staff Writer

Private gifts and support to Texas A&M during the last fiscal year exceeded \$40 million, but the tax reform bill pending before the Senate could directly affect the cost of giving charitable gifts, says Charles Salomon, A&M's associate director for planned giving.

A report from the A&M chancellor's office says these gifts directly benefit student aid, faculty funding and research and extension services.

Salomon says the bill, already passed by the House, will have two effects on charitable gifts — it will change the tax rate and restrict the deductibility of appreciated property.

A person in the 50 percent tax bracket pays 50 cents on every additional dollar he earns. If the rate is reduced to 35 percent, then the person pays 35 cents on every additional dollar he earns.

If a person makes a charitable gift, it's going to cost them 65 cents on the dollar instead of 50 cents, Salomon says.

"So when you change the tax bracket you've immediately in-

creased the cost of giving," he says. "But there's a reverse side to that — they should have more funds available to them to give."

"When you change the tax bracket you've immediately increased the cost of giving."

Charles Salomon, Texas A&M associate director for planned giving.

Salomon says people who give gifts usually will make them regardless of the tax rate.

"If they're so motivated to make a gift, they're going to do it," he says. "The problem is when they sit down and look at what it's going to cost them, then they may vary the size of that gift."

"Most of our funds are restricted by the donors for a particular purpose."

A large amount is restricted for student aid, but gifts to the faculty have increased, Salomon says.

A donor can make a gift with

any property of value — not just cash.

"We receive gems, paintings, machinery — anything that has value can be used to make a gift," he says.

Salomon says items such as land, a common gift, appreciate in value since purchase.

Land bought at \$250 an acre 40 years ago might be worth \$1,500 an acre today, so it's an economic way to make a gift because the donor can deduct the fair market value and not have to realize the appreciation, he says.

Salomon says the House proposal will treat that appreciation as a tax preference item for the purposes of the minimum tax. The minimum tax treats everything equally and insures tax payment on certain monies, he says.

Sometimes the minimum tax won't apply to a tax preference item but the item must be checked, he says.

When donors give a gift of appreciated property, the donor gives up potential cash value, he says, and that's why people oppose taxing appreciated value.

Reagan asking for \$994 billion in fiscal 1987

Associated Press

WASHINGTON — President Reagan, beginning a five-year drive to eliminate federal deficits, proposed a \$994 billion fiscal 1987 budget Wednesday that would cut deeply into domestic programs but continue increases in military spending.

In compliance with a new budget law, it projects a deficit of \$144 billion, which still would be the fourth largest shortfall in history.

The president asked Congress to have faith that his recommendations will do the job, but many legislators said his plan was economically questionable and politically impossible.

Sen. Bill Bradley, D-N.J., said "I don't think there are 25 votes in the United States Senate for the budget," and Rep. Les Aspin, D-Wisc., chairman of the House Armed Services Committee, called the budget "DBA — dead before arrival."

Even an influential Republican, Sen. Pete V. Domenici of New Mexico, chairman of the Senate Budget Committee, said the deficit goal mandated by the new law could not be met with Reagan's proposed spending cuts alone.

"The solution, in my judgment, will be a revenue component (tax increase) to glue it together. . . . The time for playing games is past," Domenici told a hearing on the new budget.

Reagan again ruled out general tax increases to trim deficits and said that in addition to broad spending cuts, some programs should be elim-

inated, including Amtrak, the passenger rail service, and the Interstate Commerce Commission. In all, about 90 programs would be killed.

The president also proposed selling federal assets such as the Bonneville and Southwestern power marketing administrations, some outstanding loans owed to the federal government, and federal land and buildings.

And he recommended requiring able adult welfare recipients to look for work, increasing premiums for Medicare insurance for the elderly, and capping Medicaid spending for the nation's poor.

Reagan is seeking a nearly 12 percent increase for military spending authority, before adjusting for inflation. The plan would continue every major weapon system under development unabated.

In a message accompanying the proposals he submitted to Congress, Reagan said that to meet the targets of the new law aimed at forcing a balanced budget by 1991, we must "resist the pleadings of special interests whose 'era of power' in Washington must be brought to an end — for taxpayers as a whole can no longer be expected to carry them on their backs."

However, he added, "We can hardly back away from our defense build-up without creating confusion among friends and adversaries alike

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Students didn't affect hunger study: doctor

By MONA L. PALMER
Staff Writer

The number of college students in Brazos County did not flaw the Harvard study that stated the county was one of the hungriest in the state, the chairman of the Physicians Task Force on Hunger in America said Wednesday.

Dr. Larry Brown said the study compared the number of impoverished people in the county to the percentage of poor people receiving food stamps.

A county that didn't allocate a proportional amount of food stamps to the poor was considered a hungry county.

The contention that the number of college students flawed the study is wrong, Brown said, because under federal policy full-time students aren't eligible for food stamps and the poverty level doesn't decrease when students aren't counted.

If researchers assumed 100 percent of the students living off campus were deducted from the study, Brazos County would still be a hungry county because of its low participation in the food stamp program, he said.

Brazos County's participation in the Federal Food Stamp Program is less than 33 percent, Brown said.

"We believe it's time to put the debate about the existence of hunger behind us," Brown said. "You've documented it in your state, and we've documented it nationally — it's time to do something about it."

Brown said Texas, compared to other states, does have a serious hunger problem, but he sees a lot of strength in Texas.

Response to the Harvard study is sometimes "outsiders get out — we'll take care of our own," Brown said.

But this is 1986, he said, and what goes on is everybody's business.

"We want to know why this federal program that worked so well in the past is not working now — why the participation rate has gone from 65 to 55 percent," he said.

Brown said food stamp officials know the program participation is low but say they need more workers to reach more people.

He quoted one official as saying, "We see the hungry people and we have to turn a lot of them away because the government ties our hands."

New rules for student elections at A&M outlined

By FRANK SMITH
Staff Writer

In an attempt to sift through the ambiguity of past codes, the Student Government Election Commission has outlined several new procedures for candidates to follow in this year's elections, Alan Moore, election commissioner, said.

One of the new guidelines calls for filing to be open to the public, Moore said. In past elections, candidates were unaware of their competition until after filing closed, he said. This year, a list containing the names of those who have filed for each office will be posted in the Pavilion sometime during the middle of the filing period, he said.

Another difference in this year's election is that the campaign expenditure limit for each office will cover both general and runoff elections, Moore said.

"What we decided was that for student

body president the maximum expenditure is \$300 on the campaign," Moore said. "Usually if you're in a runoff, they give you an extension of money, say \$50."

"Well, we're reading the election regulations as saying that that's \$300 maximum (for the entire campaign). There's going to be a little bit of planning involved. It's going to require more of the candidates to plan, to utilize the personal skills — instead of flooding (people) with flyers. We'd like to see a more personal aspect."

"No person should be discouraged (from filing) on the basis of money. A campaign should be based on personal contact."

The emphasis on more strategic campaigns and more personalized campaigns are two of the underlying objectives running through the commission's election code clarifications, Moore said.

Another, he said, is that each candidate will be held accountable for his own actions

as well as the actions of the people working for his campaign.

Thus, all campaign materials must be accompanied by an itemized receipt, including information on where the material was purchased, date purchased and the candidate's signature, Moore said.

"We want the candidate's signature on there for this reason — then he is accountable for it," Moore said. "He can't say, 'Someone in my campaign purchased this and I was unaware of it.'"

If a receipt is not obtainable, that is, if the materials were given to the candidate, or if the candidate is using old or recycled material, the value of those materials will be assessed at the current market rate, Moore said. The market rate will be the average price on standard items as determined by the election commission after consulting local hardware, lumber and printing businesses, he said.

"Gifts and things like that are considered just as if you had to go out and buy it yourself," he said.

Moore added that if a candidate does not use some materials in his campaign and deducts the value of the unused materials from his campaign expenditures, the candidate must present the unused materials to the commission for verification.

Another election code clarification defines the procedure one should take if he questions the legality of another's campaign.

"Questions in which another candidate's integrity is involved should be reported immediately to the election commissioners," Moore said. "They need to come before us before they're publicized campus-wide."

"Questions regarding the legality of campaigning, as well as the misconduct things will have to be submitted in writing to Chris (Gavras, election co-commissioner) and my-

self — to our box in 221 Pavilion — no later than 6 p.m. each day while campaigning is going on.

"We will go through them and post typewritten, signed responses the next day no later than 10 a.m."

Moore said the election commission also will try to put new life into the candidates' debate for student body president this year.

"In the past, the candidates' debate at times has digressed into more or less (a matter of) one candidate's supporters badgering the other candidates," he said. "A small group of people attend. Everyone already knows who they're going to vote for."

"We want to see a different type of debate this year. We'd like to see about seven people from different aspects of our college community represented on a panel."

These panelists would pose questions to the candidates during the debate, Moore said.