

Friday, February 3, 1989

Senate rejects pay raise 95-5 Wright says House will limit increase to 30 percent

WASHINGTON (AP) — The Senate on Thursday night voted to reject a proposed 51 percent congressional pay raise, but Speaker Jim Wright said the House would let it take effect next week and then vote to reduce it to "a decent raise" of 30 percent.

The Senate voted 95-5 to reject the raise for Congress and other top federal officials, and to change the law to eliminate current procedures which allow a pay increase to take effect without a vote.

The vote against the pay increase was lopsided but largely symbolic, since both chambers must vote to block it. House procedures make it easier to protect a pay raise in that

chamber, and Wright, D-Texas, continued as the main target of opponents as he maneuvered to protect most of the raise.

House members' public positions, like those of the Senate, have been overwhelmingly against the proposed 51 percent pay increase, which must be disapproved by both chambers before Feb. 8 or it will automatically take effect.

But Wright said Thursday a "clear majority" of the House privately supported his plan for dodging a pre-deadline vote and then voting a partial rollback of the raise along with a ban on honoraria.

However, the restrictive parliamentary procedure planned by the

speaker requires a tough two-thirds vote before the bill could be sent to the Senate. The 51 percent raise would remain in effect unless both chambers agreed to cut it back, and House opponents vowed to roll it back to zero whether Wright wins or loses.

"It would be very difficult for the speaker to find two-thirds for this resolution," said Rep. Tom Tauke, R-Iowa.

Wright released partial results of a personal questionnaire, showing 57 percent of House members opposing a pay raise vote before the deadline and 54 percent favoring instead a vote to reduce the raise to 30 percent.

The \$26,850 pay raise he was proposing was "a decent raise but not an exorbitant raise," Wright said, compared with the \$45,500 increase proposed by former President Reagan and endorsed by President Bush.

The 30 percent figure was equal to the amount of income House members could lose in a ban on honoraria. The Senate figure is \$35,800, as they are currently allowed to retain honoraria equal to 40 percent of their salaries.

House members would still make the same amount of money they make now, he said.

"The difference is we will be serving one master, not two, that is, the American people," he said.

Arrest of Houston man triggers Tampa melee

TAMPA, Fla. (AP) — A predominantly black Tampa neighborhood was calm Thursday in the aftermath of the latest rock- and bottle-throwing melee triggered by the arrest of a drug suspect from Houston in a soured undercover bust.

Edgar Allen Price, a 40-year-old convicted felon from Houston, died in custody after a delay in treatment caused by the disturbance, police spokesman Steve Cole said.

Cole said officers had to move Price two blocks so paramedics could get to him, but the spokesman said didn't know how much of a delay this caused.

Officials were awaiting preliminary autopsy results Thursday.

A crowd of youths, estimated at 75 to 150, hurled rocks, torched and looted a grocery store and fired two shotgun blasts at a news van during an hourlong disturbance, police said.

Price resisted arrest in a violent struggle with two undercover officers after an informant made a drug buy in the College Hill housing area, a trouble spot in the past, Cole said.

The 6-foot-3, 300-pound man "picked one of them (officers) up with one hand. He broke away from them," said Cole, adding that one officer managed to get to his two-way radio and summon backup help. Six officers arrived and subdued the suspect, then the disturbance flared as bands of youths began hurling rocks and bottles, the spokesman said.

The size of the crowd Wednesday night was estimated at about 150, but Tampa Mayor Sandy Freedman, who was summoned to the scene, said Thursday there were no more than half that number.

Neither officials at St. Joseph's Hospital nor police officials would discuss the nature of

Price's injuries, but Cole said no shots were fired. The suspect was carrying 25 pieces of crack and a 25-caliber derringer in his pockets, Cole said.

Price was sentenced in 1974 to 50 years on a Texas robbery conviction and also had a 1967 robbery arrest on his record, Cole said, adding he did not know the disposition of that case.

Officials cordoned off four intersections in the 22-block housing development and summoned 100 riot-clad police officers and 30 firefighters to quell the disturbance.

"The man fought us out and punched one of our detectives three times in the nose," Lt. Jesse James said.

At least four officers received minor injuries, including the detective involved in the arrest, who suffered a broken nose, police said.

Gene Bexley, owner of Bexley's Bar-B-Q in the neighborhood, said youths looted a grocery store before it was set on fire.

"Once they broke it, it took 10 to 15 minutes and they cleared it out," he said. "Some went in, then things come flying out windows and doors."

The fire forced choir members at nearby Deliverance Tabernacle Church to toss an organ and other valuables into a truck as a precaution.

A youth with a 10-gauge shotgun fired on a WFLA-TV van, cameraman Eugene Moore said.

"I knew he was empty after the second shot," said Moore, who was not injured. "I almost went back to get him. That's what made me mad. I guess the little guy was having a ball."

College Hill has been the site of past disturbances. In October 1987, rock- and bottle-throwing broke out after a black teenage girl was hit by a vehicle that ran off the road and the driver fled.

Sununu calls bank ads 'irresponsible'

WASHINGTON (AP) — White House Chief of Staff John Sununu rebuked bankers Thursday over "irresponsible" newspaper advertisements encouraging savings and loan customers to withdraw their deposits, industry officials said.

Sununu raised the issue during a private, hour-long meeting attended by President Bush, Treasury Secretary Nicholas Brady, Budget Director Richard Darman and representatives of five bank and S&L groups, said Frederick Webber, president of the U.S. League of Savings Institutions, who attended the meeting.

Another source, who spoke on the condition of anonymity, said, "Sununu characterized the ads twice or three times as irresponsible. He said, 'This type of garbage is irresponsible.'"

Meanwhile, the General Accounting Office urged the government, after agreement is reached later this year on an S&L bailout and reform package, to promptly take control of the 350 remaining insolvent, but still open, institutions.

Bush, at the White House meeting, did not address the ads or reveal any preference among the many options for addressing the S&L crisis, according to participants.

"He was there to learn from us and he's a good listener," Webber said. "It was very gratifying. The man is personally involved in this."

White House spokesman Marlin Fitzwater said the president, who will meet with members of Congress on the subject Friday morning, will detail his S&L program in a speech to Congress on Feb. 9.

Meeting participants said Bush indicated he has not yet received recommendations from the Treasury Department. But Fitzwater said that proposals in the address to Congress "will be pretty specific. You'll know exactly what our proposal is."

The spokesman outlined the "basic points" guiding the president:

"Depositors' insured savings must be protected. We must resolve the current difficulties and avoid further losses; . . . permanent reforms to prevent these problems from recurring; . . . the deposit insurance system (should be put) on (a) sound financial footing, (and cleanup costs should be) equitably allocated."

Sununu's anger over the advertisements underscores the administration's concern that the debate in Washington over how to pay for the S&L crisis has unnerved some thrift depositors even though no one in government has suggested that insured deposits are not fully protected.

Last week, there were reports from regional Federal Home Loan Banks of higher than expected S&L withdrawals after Brady and other administration officials discussed a suggestion that depositors pay an insurance fee to raise money for the S&L bailout.

The furor prompted Bush at a nationally televised news conference to emphasize that the deposits are backed by the full faith and credit of the federal government. Meeting participants said Bush reiterated that point on Thursday and would likely repeat it again in his Feb. 9 speech.

"The feeling in the meeting was this is a serious situation. By the time it gets to be a real run, it's too late," said Mark Riedy, president of the National Council of Savings Institutions.

Mary-Liz Meany, a spokesman for the American Bankers Association, said Sununu gave the association copies of advertisements placed by banks in Texas, Arkansas and Kansas.

"We are going to call the banks and inform them of the concern in Washington and the sensitivity that they might not be aware of," she said. "We made a promise to the administration that we would certainly monitor it and we agreed with their concern."

On Jan. 24, Union State Bank of Clay Center, Kan., placed an ad asking, "Are you questioning how secure your money is with all the stories being published about the thrift industry?" The ad described how bank deposits are protected.



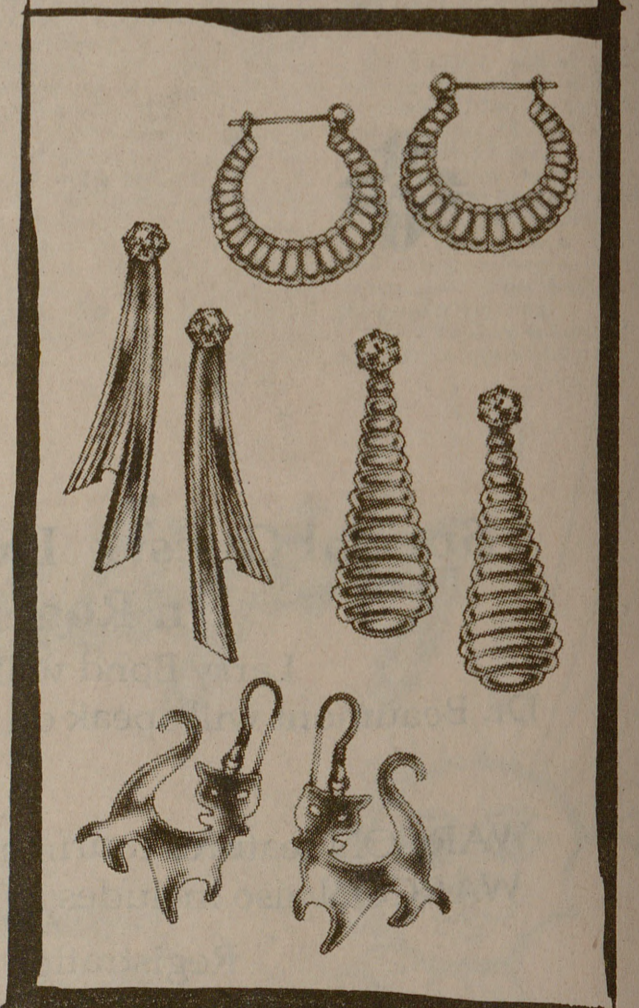
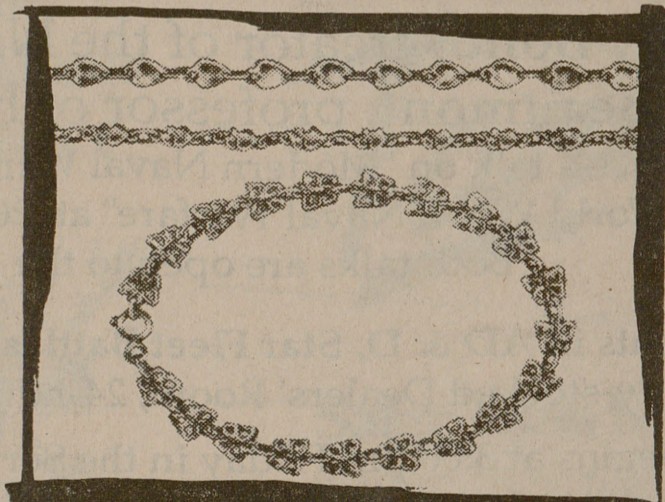
Capture her heart with sterling silver jewelry by Paul Michael

VALENTINE BONUS!

A sterling silver heart-shaped dangle ring, your gift with any 30.00 or more purchase from our Paul Michael sterling collection.

Silvery splendor for the one you love. Paul Michael sterling fashion accents. Exquisitely detailed earrings, chains, pendants, bracelets or rings, some accented with sparkling cubic zirconia or gemstones. Each, 10.00

Plus, with each Paul Michael purchase, we'll add a special Valentine gift-wrap, at no extra charge.



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