

Congress approves tax cut

WASHINGTON (UPI)—The House and Senate last night approved by largely party-line votes and sent to the White House a \$24.8 billion anti-recession tax cut package intended to boost the buying power of nearly every American.

Lopsided votes of approval in both chambers belied strong Republican misgivings displayed in debate and test votes, an indication President Ford might be on safe ground should he choose to veto the broad package of tax rebates, reductions and bonus payments.

The Senate, voting after the House, sent the measure to Ford on a 45-16 roll call vote. Thirty-four Democrats and 11 Republicans voted for the bill while two Democrats and 14 Republicans voted against it. The late hour—it was nearing midnight when the Senate acted—reflected considerable absenteeism due to Easter recess due to begin today.

In the House, final approval was 287-125, with 232 Democrats and 55 Republicans voting yes and 43 Democrats and 82 Republicans voting no. The compromise measure would provide \$20 billion in tax cuts and bonuses to individuals—80 per cent of it to those earning under \$20,000—and \$4.8 billion in business tax cuts and incentives.

With \$2 billion in increased Treasury revenues from reduction of the oil depletion allowance and other business tax changes, the net cost would be \$22.8 billion—well within the tolerance Ford set for its budget.

But murmurings of a possible veto emanated from the White House before the congressional votes, and the surprising strength of House Republican opponents—they came within 17 votes of sending the compromise back to House-Senate con-

ferrees—suggested a veto would easily be sustained. The recomittal motion was defeated 214-197 with 204 Democrats and 10 Republicans voting against it, while 70 Democrats and 127 Republicans voted for it.

In an earlier series of votes the House refused to delete a \$50 bonus for Social Security beneficiaries, a tax credit for new home buyers or a temporary extension of unemployment benefits.

Republican objections centered largely on the bill's pricetag, with opponents declaring it would stimulate the now abating inflation.

Sen. Paul Fannin, R-Ariz., one of the conferees who worked out a compromise with the House in three days of tough bargaining, called the compromise an improvement over the original Senate bill but said he was "still concerned about the revenue loss" to the Treasury.

The oil depletion repeal was one of three or four which President Ford strongly opposed in the measure, the biggest tax reduction in American history.

Soon after an outline of the bill reached the White House, an aide said of Ford: "He's pretty hard-nosed. He may veto the tax bill."

Press Secretary Ron Nessen said Ford will take several days to decide whether to veto the bill or sign it. "There is no clear view of what he will do," Nessen told reporters.

Ford, Nessen said, had relayed to the Republican congressional leaders his "serious concern over the astronomical spending proposals moving through Congress now." So, Nessen added, "He has to weigh the tax bill against these spending proposals."

Senate Finance chairman Russell Long, D-La., told

reporters: "I don't think he's foolish enough to veto this bill."

The bill contains \$8.1 billion in 1974 tax rebates of \$100 to \$200 for almost every taxpayer, \$7.8 billion in 1975 tax cuts, special one-time \$50 payments to every social security beneficiary, and special payments up to \$400 for the working poor.

There also are special amendments including a temporary 13-week extension of unemployment benefits and a special tax break of up to \$2,000 for purchasers of new homes which were under construction or completed but unsold before yesterday.

Overall, for the average couple with two children, counting both rebates and new cuts, the bill would mean a \$300 tax break at \$3,000 income; \$496 at \$5,000; \$510 at \$6,000; \$312 at \$8,000; \$258 at \$10,000; \$290 at \$15,000; \$320 at \$20,000, and \$220 at \$30,000.

As a general rule, anyone with an income above \$30,000 would get only \$100 rebate plus a special \$30 tax credit for the taxpayer and every member of the family.

The 1975 tax cuts would be reflected in lower payroll withholding rates beginning May 1, and rebate checks would begin flowing April 15, congressional staff members said. The Internal Revenue Service said earlier it would take 45 days to begin the flow of checks.

It was uncertain when recipients of Social Security, railroad retirement and supplemental income for the working poor would begin receiving their checks.

The 1975 tax cuts were decided by the negotiators at the end of their last session. The cuts would involve increases in the standard deductions, used by those who do not itemize deductions, plus a special \$30 credit for the taxpayer and every member of the family.



Photo by Kathy O'Donovan

Tree planting

STATE COLLEGE MAYOR Jo Hays hands a shovel to Connie Faust (13th elementary education) who yesterday helped in planting a Katsura tree in College Parklet donated by the Organization of Town and Independent Students to the borough, while Denise Collier (12th-social welfare), center, and Sheila Tucker, (6th-human development), right, lend assistance.

Thieu gov't crushes coup attempt

SAIGON (UPI)—President Nguyen Van Thieu's government announced today it had crushed an attempted coup and arrested a number of "short-sighted" persons who plotted the overthrow.

On the fighting front, the United States and South Vietnam began a land and sea attempt to rescue a million persons from the isolated city of Da Nang far to the north of the capital and the Viet Cong flag was hoisted over the captured city of Hue.

A government spokesman in Saigon said of the coup attempt: "These elements have been arrested and further investigations are being carried on."

The announcement came from the interior ministry—charged with internal security—and not from the presidential palace.

Rumors of a coup attempt by dissident generals and officers dissatisfied with Thieu's military leadership in recent days had been making the rounds in Saigon. It was assumed that the leaders of the coup were military men, but there was no confirmation.

Thieu tood to the national radio twice yesterday to order his battered army to

halt its retreat and stand and fight the "final and decisive battles of our history."

Communist troops bombarded tens of thousands of refugees and soldiers cut off near the coast. They were the tail end of a convoy that started to evacuate the Central Highlands two weeks ago, taking Communist fire much of the way.

The massive air evacuation of Da Nang, bursting with refugees, was endangered the day it began when 14 Communist rockets blasted the fringes of its airport, killing six persons and wounding 34 others, military sources said.

Civilians were evacuated from the district town of Ho An, 15 miles south of Da Nang, where government troops dug in to prepare for an imminent Communist attack.

An estimated 10,000 government troops and civilians, all that remained in the evacuated city of Hue, surrendered yesterday without a fight as Communist tanks rolled into the city, military intelligence sources said.

Military officials said the Communist

troops sprayed the Central Highlands refugee column with heavy artillery and small arms fire after sappers destroyed a bridge on Route 7 and cut off the refugees' retreat to Tuy Hoa on the coast, 240 miles northeast of Saigon.

The vanguard of the convoy, originally consisting of 250,000 persons, made it to safety, military sources said.

Planes and boats started carrying the first of Da Nang's refugees out as the last hundreds of thousands of others fleeing from the north were still arriving.

The U.S. embassy yesterday began evacuating dependents and non-essential personnel from its consulate in Da Nang, along with other Americans and foreign nationals.

In Saigon, Thieu's order of the day, read over national radio, instructed his troops to "at all costs interdict the enemy advance" and take the initiative.

"Fellow soldiers, the war is coming to its crucial and decisive phase and you are fighting the final and decisive battles of our history," he said.

But military sources said they doubted the government could hold Da Nang, South Vietnam's second largest city and

its last bastion on the northern coast.

A chartered World Airways Boeing 727 made the initial evacuation flights. U.S. officials said it would be replaced later in the week by a large Boeing 747, stripped to the floorboards to carry up to 1,200 passengers.

Officials said they hoped to evacuate up to 25,000 refugees a day to resettlement camps at Cam Ranh Bay, a deserted American base on the coast 185 miles northeast of Saigon.

The refugees are expected to be eventually taken to the coastal provinces of Khanh Hoa, Ninh Huen and Binh Thuan, still considered relatively secure.

Abandoned barges formerly used to transport food, fuel, and ammunition to Phnom Penh, Cambodia, were under tow by three tugs and were expected to arrive tomorrow.

To the north, Communist tanks rolled without opposition into Hue, the ancient imperial capital of Vietnam and citadel of resistance in the 1968 Tet offensive.

A Viet Cong military spokesman in Saigon said the red, blue and gold Viet Cong flag was hoisted in central Hue "in the face of welcoming Hue citizens."

Candidates discuss alternate meal plans

By LAURIE PEACHER
Collegian Staff Writer

Food seemed to be on everyone's mind last night at the Undergraduate Student Government candidates night in South Halls.

Candidate Joe Seuffer outlined his plans for a mean system similar to Syracuse University. This plan allows students to choose any of four plans at varying prices, he said, giving students the opportunity to skip meals and not pay for them. A plan also was included for commuting students.

Candidate Doug Ford pointed out that the dining facilities at Syracuse are operated by a catering service. Penn State operates its own service.

Advocating another type of alternative meal plan, candidate Dave Perlman

said students should be refunded for meals they do not eat. He said students could arrange with the meal service after they knew their term schedule to skip certain meals.

"The food service of the University made \$1.5 million last year," he said, in response to an accusation made at an earlier USG debate that his idea was more expensive. Perlman questioned where this money went.

Ford said he thinks every candidate for the past three years had brought up the alternative meal plan and that it had never been carried out. ARHS has researched it, he said, and found it impossible.

In addition to the food problem, the candidates were asked what they thought USG's role with the University

should be. All candidates agreed that USG should represent the students.

"How can there be student representation when the students won't even register for the Senate?" Perlman asked. Earlier in the evening Perlman criticized South Halls students for not having the required number of candidates for their Senate seats.

South has only one candidate running for two Senate seats. Perlman also mentioned that only 16 of the necessary 17 students have filed in the town area.

"We must have an effective organization to get anything done," Perlman said.

Candidate W.T. Williams said, "You don't support a government, you support your leaders because that's what the government stands for."

Candidate Stanley G. Miller suggested a cooperative association through USG to provide low-cost items to students his answer to what USG's role should be.

Miller said he is not sure he is a candidate because he has not paid the

necessary \$20 filing fee to USG.

Candidate Marie Blosch said USG should be an "umbrella organization" to coordinate all University groups. Students should be actively involved on decision-making boards, she said.

"We (the students) can give all the advice we want but without the vote it doesn't make any difference."

Candidate Mike ("Dirt") Bahry was kidnapped temporarily by a group from the Beaver Penthouse as he presented his opening statements. A spokesman for the group said, "Dirt will be cleaned up and the problem won't exist anymore."

Amidst applause, candidate Harry "Eli" Cain thanked "All the people in North Halls for making the debate last night so successful. That's our apathetic stronghold," he said.

The USG debate in North was canceled last night because only campaign workers and candidates attended.



AP wirephoto

Nominee

GOV. SHAPP with Philip Kalodner, his nominee for chairman of the Public Utility Commission.

Kalodner nominated as PUC chairman

HARRISBURG (AP)—Governor Shapp has nominated his special consumer adviser, Philip Kalodner, as chairman of the Public Utility Commission.

Sumers before the regulatory agency, would succeed Republican PUC chairman George Bloom, who retires April 1.

The nomination, announced yesterday, is subject to confirmation by 34 of the 50-member Senate.

Shapp also said he will ask the Senate to consider the nomination of Herbert Denenberg to the five-member PUC.

Shapp asked the Senate Democratic leadership to hold up the confirmation in January when it appeared Denenberg could muster no more than 27 of the necessary 34 votes. A rejection would have forced Denenberg off PUC.

At the time, Shapp said Denenberg should be given a chance to perform on the commission before the Senate made its decision.

"Hopefully, we'll get a couple more Democrats and enough Republicans to get Denenberg confirmed," Shapp said yesterday.

When pressed on whether he was certain Denenberg had enough votes now, Shapp repeated, "hopefully, we'll have the votes."

Shapp said he never talked to Denenberg about the chairmanship. Denenberg had made strong gestures that he wanted the job.

Kalodner, 44, who has served as PUC counsel and in various consumer advocate roles in the Shapp administration, will bring a needed balance to the PUC, the governor said. The commission sets rates for electricity, water and other utilities.

"The overwhelming feeling is that the PUC has been industry-dominated for too long," Shapp said. "Some of that feeling on the part of the public is certainly going to be felt by the Senate in the confirmation process."

Kalodner said he viewed his role on the PUC as an adjudicator between the interests of the consumer and the utilities.

For the time being, the PUC has to play the role of judge and prosecutor, he said.

"One can be concerned with both sides and play the proper role," Kalodner said.

His appointment will not mean an end to all rate increases, he noted.

"I would not say to you that rate increases can be eliminated under anyone's leadership."

Kalodner said he would reorganize the

agency to speed action on rate requests.

Senate Democratic floor leader Thomas Nolan said yesterday there is no way the Senate will confirm Denenberg as a member of the PUC.

Nolan added that he did not think Gov. Shapp's latest nomination to the PUC, consumer advocate Philip Kalodner, could win confirmation either.

Nolan, who heads the Rules Committee, said yesterday that conditions have not changed since then and Denenberg's nomination will still be defeated. Such an outcome would force the fiery consumer advocate off the PUC.

"The governor did not discuss with me or any other leader of the Senate my knowledge of the appointment of Denenberg or Kalodner..." Nolan said.

"I think that when the governor sees fit to sit down and discuss the appointments with the leaders before he announces the appointments he's going to be further ahead."

Nolan said the senators already have an unfavorable view of Kalodner. He refused to elaborate.

Nolan, an Allegheny County Democrat, said he was angered by Shapp's apparent refusal to consider former Sen. Thomas Lamb for the PUC chairmanship.

Nolan said he wrote the governor in November and lobbied on behalf of Lamb, who, according to Nolan, would be willing to accept the post.

Shapp said at the news conference that he had not contacted Lamb, Nolan's predecessor as floor leader.

A Senate defeat of Denenberg could open a vacancy for Lamb.

Nolan said he feels Shapp is throwing Denenberg to the wolves.

"I think he (Shapp) has fulfilled all his promises to Mr. Denenberg and is now ready to throw him overboard," Nolan said.

"My conversations with the Senate indicated I would not be confirmed," Denenberg said.

"I have to assume that if the governor puts my name out he's sure I can be confirmed," he added.

Senate Republican floor leader Richard Frame could not be reached for comment.

Weather

Sunny but quite cold. High today 43. Clear and very cold tonight. Low 23. Increasing clouds and not as cold Friday. High 48.