

# House rejects tax compromise, may try again

By HARRY GLENN  
Daily Collegian Staff Writer

HARRISBURG — A compromise tax bill that would help raise some of the \$300 million needed to fund the University and other state-related institutions was rejected Wednesday by the State House.

The House Democrats temporarily abandoned Bill 247, which would raise the personal income tax from 2 percent to 2.1 percent and would hike the corporate net income tax from 9.5 percent to 11 percent. The Senate approved Bill 247 two weeks ago, but last week the House failed to concur with the Senate amendments on two separate votes.

In a bit of maneuvering by House Majority Leader James Manderino to drum up some Republican support for a tax program, a new tax bill was introduced into the House Wednesday. The bill would raise the personal income tax an additional 0.1 percent to 2.2 percent, but would lower the corporate tax from 11 percent to 10.5 percent. Republican representatives, under pressure from big business, would not support an 11 percent corporate tax. But by lowering the tax, Manderino had hoped to pick up several Republican votes.

Instead of adding the amendments to bill 247, they were tacked onto House Bill 1633, a tax reform bill, that already had been introduced into the House. The bill was defeated by an 83-107 vote yesterday.

Rep. Helen D. Wise, D-77th, said yesterday's maneuvering was risky, because approval of 1633 would have it sent to the Senate for concurrence.

"The Senate rejected a similar bill twice, before passing 247," Wise said. "If it went to the Senate, two Democratic tax votes would be lost and would have to be made up with two Republican votes."

"There was a lot of fuss on the floor that the Republicans would vote on a compromise bill. The Republicans are saying a 10.5 percent corporate net income tax would be better for business."

Manderino said bill 247 places 75 percent of the tax burden on business. But a reduction in the corporate tax of 0.5 percent would relieve the business community of some \$50 million in taxes.

Three Republicans voted for Bill 1633 yesterday. James W. Knepper, Charles F. Mebus and Anthony J. Scirica were the only minority votes the bill received.

Manderino said 1633 will be available for amendment Thursday. He also said 247 will be recalled Thursday.

"We plan to go back to 247 tomorrow," Manderino said Wednesday. "We may run it (vote) tomorrow. It depends on how many people are here and if there is a significant vote change."

"We will go with 247 unless something better comes along. Senate leaders indicated they would have difficulty if we changed the package (247)."

Wise said several additional majority members have indicated they would vote for 247. Last Tuesday the bill received 86 votes, but she said the figure now stands at about 95, still seven short of the vote needed for concurrence with the Senate.

Manderino said the House's major concern still is to raise revenue for the universities.

"I'm not sure what plan will fund the universities," Manderino said. "But I'm sure there is a plan out there."

Manderino said he still is optimistic that a tax increase bill would be passed. "The last four times we passed taxes, the increases never came before Dec. 15," Manderino said.

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## Winter wonderland?

Cloudy and warmer but generally dreary this morning with occasional showers throughout the day and a high of 53. Partly cloudy tonight as temperatures hold in the low 50's. Becoming windy and cooler Friday with some sunshine and a high of 42.



As snow settles on a pile of firewood stacked outside a Centre County barn, at least one farmer can rest knowing his chores were done early.

Photo by Ken Kaspar

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## Student trustee pick approved by Shapp

By MARY ELLEN WRIGHT  
Daily Collegian Staff Writer

One of the five nominees for the position of Penn State's student trustee has been nominated by the state education secretary and approved by Gov. Shapp.

David Hickton (11th-political science) must now be approved by the state Senate for his appointment to become official.

Hickton, who served as Undergraduate Student Government vice president in 1976-77, said he heard about his approval last week when the story came over the newspaper wire services. He said he has not yet officially been informed of his selection.

However, Hickton said, he called state education secretary Caryl Kline's office in Harrisburg and was informed of the approval by her assistant, Cheryl Genevie.

Three of the other nominees for the position said yesterday they did not know Hickton had been selected.

Hickton and the other four nominees went to Harrisburg Nov. 11 to be interviewed by Kline.

Hickton said he had several goals for the trustee position.

"I would hope to be part of the movement to have students mandated to the Board," Hickton said. "I have no concrete answer as to how it should be done, but it should be done."

Hickton said the next governor would not necessarily have to appoint a student trustee for Penn State.

He said students deserve representation on the Board since they are involved in the day-to-day activities of the University and since the Board makes policy decisions affecting those activities.

Another goal Hickton outlined for his

trusteeship was gaining positions on University presidential committees.

"I would like to be permitted to sit on the president's Service Advisory Council and his academic committee," he said. "I want broad input. I don't want to go in there (Board meetings) and cast a vote on my own feelings alone."

Hickton said he was not sure how effective he will be as a board member.

"I really don't know how I'll be received by other Board members," he said. "Whether or not I'll be effective is the challenge—I'm only one vote."

All of the other nominees said they thought Hickton is well qualified and will make a good trustee.

All five of the nominees including Hickton, said they were disappointed with the interviews conducted in Harrisburg. Diana Foderaro (8th-general arts and sciences) said the nominees were interviewed together and were questioned by Kline's assistants—Genevie and Stinson Strupp—instead of by Kline herself.

Foderaro said many of the questions asked in the interview were similar to questions already answered by the nominees on their written applications.

"The questions were not as probing as I would like to have seen," she said.

Jeannette Morris, who was attending Penn State at the time of her application but is now working in Washington, D.C., said she was disappointed in the group interview.

"A lot of things about the process seemed a bit strange to me in that a little more attention should have been paid to individual interviews," Morris said.

"I didn't think a lot of productive information came out of the interview," Keith McClellan (12th-speech communication and political science) said. Charles Zito (2nd-liberal arts) also

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## Wise to introduce bill on loan interest

HARRISBURG — House Representative Helen D. Wise, D-77th, Wednesday said she would introduce a bill that would put the burden of funding the interest the state-related universities have had to pay during the current budget crisis on the taxpayers.

However, she said she would not introduce the bill until the current tax situation has been cleared up.

The state-related universities have been borrowing money since July while the state works on legislation to fund the \$300 million needed for the universities.

Wise expressed doubt that the schools would be fully reimbursed for the payments.

Dick Baker, the University's assistant treasurer, said Penn State has borrowed \$36 million to date and

will go to the banks today to borrow an additional \$9 million to continue operating in December.

Baker said the University has paid out \$325,000 in interest to date. He said interest payments will jump to \$5,000 per day in December. The University paid \$4,000 per day in November.

Earlier in the year, Gov. Shapp promised the presidents of the state's universities that he would make every effort to get the interest repaid to the universities.

During yesterday's discussion of a proposed tax package in the House, Rep. Richard A. McClatchy, a Republican, said the GOP would support paying back all the interest.

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—by Harry Glenn



Helen D. Wise

Photo by Barry Wyshinski

## Council cuts budget to keep tax costs down

By BOB OSTRANDER  
Daily Collegian Staff Writer

The State College Municipal Council last night agreed to try to make further reductions in the revised 1978 budget of \$2,605,997 in an effort to hold down taxes.

Council already has reduced police department expenditures by \$18,250 and eliminated a \$15,000 allocation to the Parks and Recreation Department for a project in the Holmes Foster Park Road.

Also, \$100,545 has been transferred from the general budget to revenue sharing for such projects as municipal building improvements and a new sanitation truck.

"I'm in favor of cutting back on services if it would reduce our tax base," Councilman Richard Kummer said.

The 1977 tax rate is 18 mills, or \$18 for every \$1,000 of

property assessment. The 1978 budget shows an increase of 6.5 mills, although Council members noted that the final budget version will be decreased.

Kummer suggested that further "painful" cuts could be made in police services and sanitation expenditures. But Councilman Allen D. Patterson said reductions in these areas would be unwise and unwarranted.

"You can't reduce the police force to a point where criminals take over," Patterson said. If trash collection by the borough were eliminated, he said, private individuals or companies would have to be brought in to do the job.

One citizen commented that an annual dinner honoring members of borough authorities and commissions could be held less often to save money.

However, Council President Ingrid P. Holtzman said

those who serve their local government should be recognized.

Councilman Wallis Lloyd said he could not understand why people would complain about increased government expenditures when personal income is rising.

Kummer said many people have told him they are upset with increased borough spending, but he noted that very few express their opinions during Council public hearings.

Regarding a proposal to create pedestrian nodes, a plan that was eliminated from last year's budget, Councilman James McClure said the matter was still under consideration.

"I don't think pedestrian nodes are a high priority item," Councilman Arnold Addison said.

## Technology, rules help solve environmental woes

By JOHN MARTELLARO  
Daily Collegian Staff Writer

America — an energy-independent nation choking to death on its own pollution or an undefiled environment at the mercy of foreign energy producers?

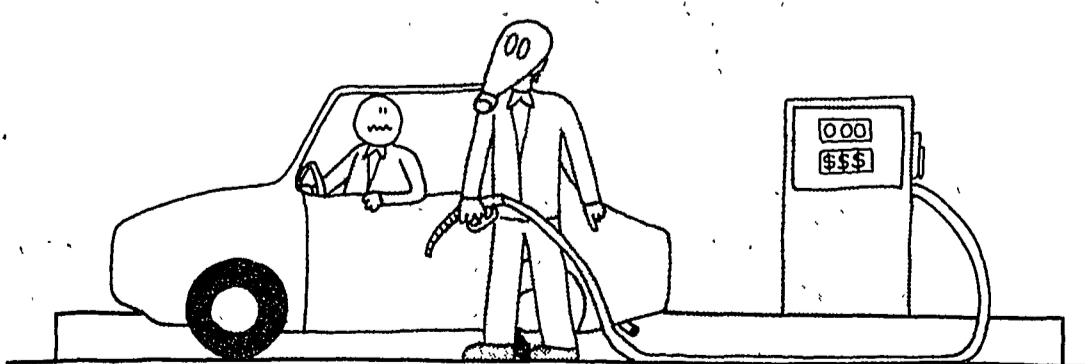
It's a choice that will probably never have to be made, according to auto industry and government spokesmen.

U.S. government regulations for the industry sacrifice neither fuel economy nor pollution standards for the sake of the other. In fact, much of the technology now in use or planned for the future helps to solve both problems.

President Carter set the tone for his administration's commitment to both ideals in his energy proposal delivered to a joint session of Congress April 20.

Of the 10 principles of his national energy policy, No. 3 was "we must protect the environment." Carter said wasteful use of resources causes the nation's energy and environmental problems and conservation would solve them.

Carter's contention was borne out when nine national environmental groups issued a joint statement in support of his energy plan, calling it



"fundamentally fair and farsighted." The administration's belief that energy and environmental goals could be reached successfully was based on the continuation of a trend that began before the 1976 election — a trend made possible because of improved technology.

One example of this new technology, the catalytic converter, was first put in general use for the 1975 model year in American

automobiles. It helped make possible an average 13.5 percent fuel economy improvement over comparable 1974 models, according to a report prepared by the U.S. Environmental Protection Agency.

The converter also reduced emissions of two major auto exhaust pollutants, hydrocarbons and carbon monoxide, by 50 percent under the 1974 levels.

The industry-wide use of converters in 1975

was necessitated by tough emission standards that went into effect that year, allowing a maximum of 1.5 grams of hydrocarbons per mile, 15 grams of carbon monoxide per mile and 2 grams of oxides of nitrogen per mile to be released to the atmosphere per car.

The converter was able to effect a dramatic rise in fuel economy because it shifted the burden for controlling emissions from the engine to the exhaust system.

Before 1975, engine modifications were used to control emissions, which caused average fuel economy for a General Motors car in 1974 to be 16 percent lower than the 1970 figure, according to a report prepared for the American Chemical Society.

The use of the converter allowed the engine modifications to be removed and the hydrocarbon and carbon monoxide emissions to be combined with oxygen in the air to form harmless carbon dioxide and water.

The 1975 emission standards were supposed to remain in effect for two years, and then be replaced with even more stringent standards.

However, the technology for that jump still was not completely developed, so EPA administrator Russell E. Train granted a one-year

extension before the tougher standards were to take effect.

In May of this year, the U.S. Senate voted to extend the 1975 standards to 1979. The new standards which take effect in 1980 allow a maximum of 0.41 grams of hydrocarbons per mile, 3.4 of carbon monoxide per mile and 1 gram of nitrogen oxides per mile.

Another anti-pollution device that contributed to increased fuel economy in 1975 was exhaust gas recirculation, which passed exhaust gases back into the engine to be remixed with gasoline and burned again. The action lowers nitrogen oxide emissions and increases fuel economy.

In order to fully understand how different technological advances affect an automobile's emissions and fuel economy, it is necessary to understand the basic operation of the standard internal combustion engine.

In an automobile engine, air is taken from the outside and fuel is mixed with it as the air passes through the carburetor.

The mixture of air and fuel is then drawn into each individual cylinder by a down-stroke of the piston and is compressed on the next up-stroke.

When the point of maximum compression is

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