

The Weather

Today: Sunny and warmer, with the high in the lower 70s.
Tomorrow: Partly cloudy, with the high about 70.
Local Data: Page B-2.

127th Year, No. 68

Richmond, Virginia 23219

Wednesday, March 9, 1977

Virginia's
State
Newspaper

15 Cents

House
Votes
Rebate

Job Credit
Also Approved

(C) New York Times Service
WASHINGTON — The House of Representatives passed President Carter's tax stimulus for the economy, 282 to 131, Tuesday, but voted for modifications phasing out his \$50 rebate for those whose adjusted gross annual incomes are more than \$25,000 and eliminating a Carter proposal to widen the investment tax credit.

Against heavy administration pressure, including an appeal from the President at a breakfast meeting Tuesday with congressional leaders, the House voted to replace the investment incentive with a specifically targeted job credit.

Despite the rebuff, the House accepted with only minor revisions many of the other elements of the tax stimulus proposals.

A Republican-sponsored motion to reconsider the bill was narrowly defeated, a sign of the skepticism with which many members view the rebate. Even as many Democrats said they were voting for the bill out of loyalty to the President, the motion for reconsideration failed by a surprisingly close 194 to 219.

\$50 Payment
The \$50 payment, which would go to nearly 200 million Americans, and personal income tax cuts, also approved Tuesday, which would lift take-home pay of middle- and low-income families, are designed to strengthen the economy by spurring greater consumer spending.

The Senate now takes up the

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U.S. Envoy
Apologizes
To Chile

GENEVA (AP) — An American diplomat expressed regrets Tuesday for what he said was the U.S. role in efforts to undermine the Marxist government of the late Chilean President Salvador Allende.

However, the State Department later rejected the statement by Brady Tyson as "not an expression of administration views."

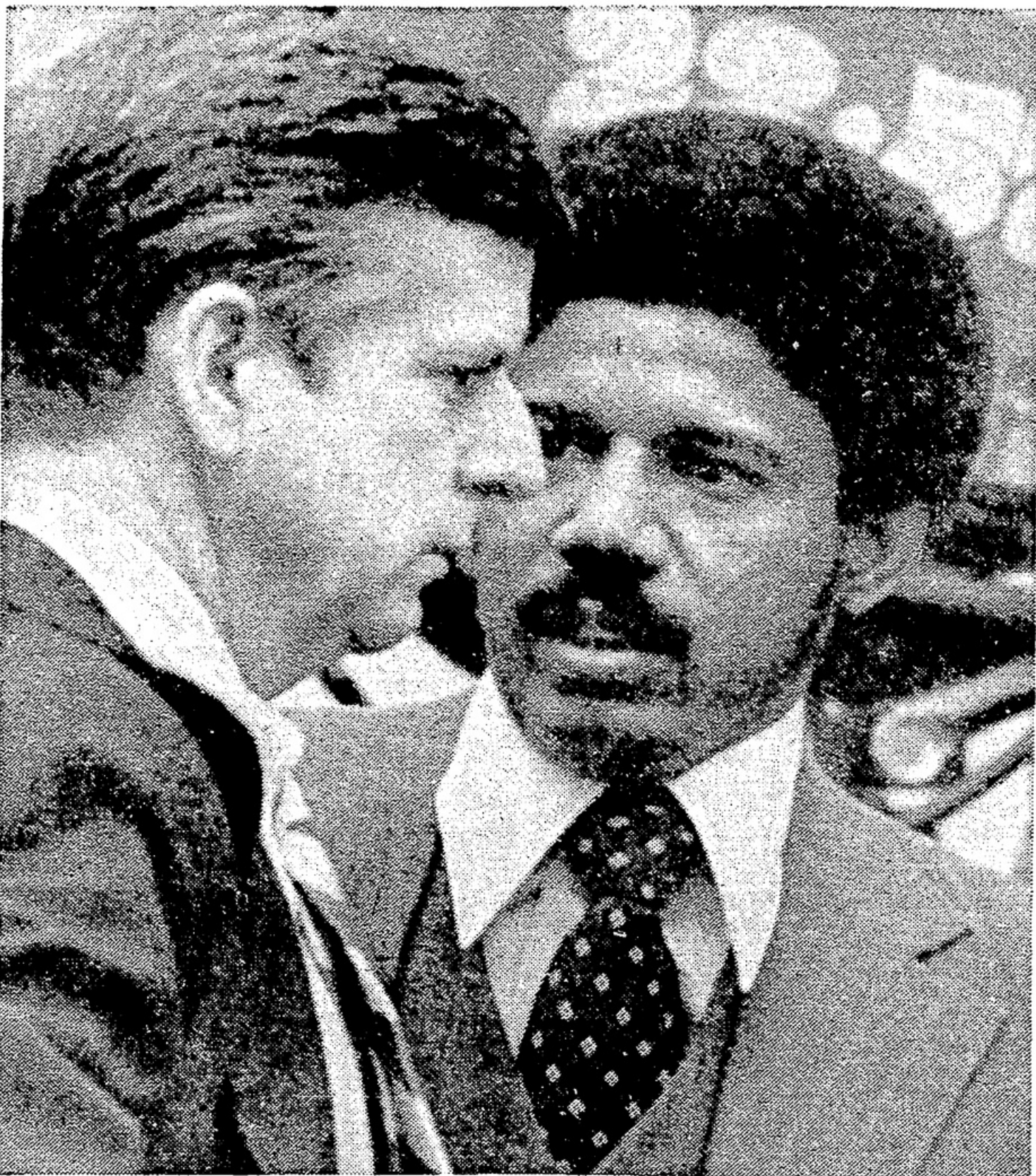
Tyson, an American delegate to the U.N. Human Rights Commission, made the statement regarding the 1973 military coup in which Allende was overthrown and killed. Tyson, a Carter administration appointee, is a veteran of the American civil rights movement.

Tyson was questioned early today about his remarks and said he made the statement "under my own responsibility."

I think that what I said was

Continued on Page 4, Col. 3

Richmond Times-Dispatch



Henry L. Valentine II Confers With Henry L. Marsh III
They Were Selected Vice Mayor, Mayor by City Council Members

Staff Photo by Don Pennell

Carter to Attend Meeting
With Allies in Britain

From Wire Dispatches
WASHINGTON — President Carter plans to make his first trip abroad in May, a spokesman said Tuesday, when he and the leaders of six other industrialized countries will gather in London for a conference that would go beyond the economic agenda of its two predecessors.

Moreover, according to other government officials, Carter may also remain in London afterward to attend a North Atlantic Treaty Organization conference and might possibly meet with President Hafez al-Assad of Syria, in Britain or in Switzerland, before returning to the United States.

The announcement of the President's first foreign journey was made at the White House Tuesday.

The London conference, which will bring together for the third time the leaders of the United States, Britain, France, West Germany, Japan, Canada and Italy, is expected to include subjects other than economics — the only topic discussed when the representatives of the seven countries met at Rambouillet, France, in 1975, and in Puerto Rico last year.

"It's my understanding that it will not be limited to strictly economic issues," Jody Powell, the President's press

secretary, said Tuesday, suggesting an expansion of the summit's scope. French leaders have consistently resisted such an expansion.

The meeting at 10 Downing Street, Prime Minister James Callaghan's official residence, is scheduled May 7-8, with the

Bus Hit by Truck;
Three Children Die

RUSTBURG (AP) — A school bus was rammed from the rear by a tractor-trailer near this western Virginia community Tuesday. Three youngsters died and 31 other persons, including 29 children, were injured.

Two pupils were killed in the crash and a third died in a Lynchburg hospital in midafternoon. One other pupil and the driver of the tractor-trailer were listed as in critical condition.

State Trooper Walter Farmer said the southbound bus had stopped to pick up a pupil on U.S. 29 four miles west of here in Campbell County when the truck plowed into it.

Its rear emergency door a mass of twisted metal, the bus careened onto the median strip and overturned onto its right side, trapping the children and driver Inez Isaacs, 57.

NATO conference set for May 10-11.

Originally, Callaghan was to have offered a formal invitation to the summit when he arrives here today, but since Japanese officials had already disclosed the plans for the conference, U.S. and British officials decided to announce them Tuesday.

The tractor-trailer veered onto the shoulder of the divided highway but remained upright. Its driver, identified as Theodore Templeton, and Mrs. Isaacs were among the injured.

State police said one of the children who died, all of them girls, was crushed when she was thrown out of the bus and fell beneath it as it flipped over.

Dead at the scene were Melinda K. Hollie, 14, and Terri Lynn Hall, 7. Linda Davis, 11, died at Lynchburg General Hospital at 2:40 p.m. All were from rural Rustburg.

The hospital said Karen Whitaker, 16, of Rustburg was in critical condition with head injuries and that Templeton, 36, of Winston-Salem had injuries to the face and chest.

Four youngsters remained in

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Marsh, Valentine
Stress Harmony

By Bill Miller

Henry L. Marsh III was chosen Richmond's new mayor and Henry L. Valentine II vice mayor yesterday during a 55-minute organizational meeting of the City Council members elected last week.

The session, prescribed by the city charter for the serious business of electing the titular heads of the city government, was filled with more humorous moments than serious ones. In addition, the session was characterized by demonstrations of unity of the black and white communities.

Editorial, Page A-14;
Text of Marsh's Remarks,
Page A-15

Marsh is the city's first black mayor. He was elected by the city's first black-majority council. With the selection of Valentine, a white, as vice mayor, council reversed the situation prevailing for almost seven years in which Thomas J. Elliker Jr., a white, presided as mayor and Marsh served as vice mayor.

Marsh and Valentine were elected by their fellow council members minutes after all nine were sworn in. Marsh, Valentine and Mrs. Willie J. Dell, Mrs. Claudette B. McDaniel, Walter T. Kenney, Raymond D. Royall, Wayland W. Rennie, H.W. "Chuck" Richardson and Aubrey H. Thompson on the

Announced they would be

to "faithfully and impartially

discharge and perform all duties incumbent upon me as a member of the council. . . . Each of the nine was elected March 1 in the races in each of nine districts.

About 300 persons crowded into the council chamber at City Hall to witness the swearing in and the election of a mayor and vice mayor. The audience included current and former city officials, General Assembly members, Atlanta Mayor

Maynard Jackson, Central Richmond Association and Retail Merchants Association officials, organized labor leaders and some of the unsuccessful hopefuls in last week's election.

The session, which the charter says is to begin at 10 a.m., started 10 minutes late because those who were about to be sworn in were being con-

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700 Turn Out at Mosque
To Celebrate With Council

It started 15 minutes late. About halfway through, gubernatorial hopeful Henry Howell of Norfolk referred to the new City Council as an "all-American council," and it ended on the upper-register notes of "Swing Low, Sweet Chariot."

It was the people's celebration, staged at the Mosque by City Council members elected last week and installed yesterday. Called "a new beginning" celebration, the affair was to mark the return of council elections to Richmond after almost seven years, and the election of the city's first majority-black council and first black mayor.

Attendance at the affair, though, was more in keeping with the low voter turnout of last week than with the attendance the new council members said they hoped for.

MRS WILLIE J. DELL, the council member who headed a committee to hastily plan the affair, said yesterday morning she hoped the 4,000-capacity Mosque would be filled. Atten-

dance peaked at about 700. Fewer than half of the city's registered voters turned out last week to vote, despite the seven-year absence of council races.

Atlanta Mayor Maynard Jackson, who was to be the main speaker and who attended yesterday morning's installation ceremonies, didn't attend last night's celebration, but if anyone noticed, it wasn't evident. Mrs. Dell said later that Jackson had to return to Atlanta. Speeches were delivered by Howell, Richmond State Senator L. Douglas Wilder and representatives of the religious, business and education communities.

Henry L. Marsh III, for seven years the city's vice mayor and now its first black mayor, delivered the speech that set the tone of the evening. Saying that he was "a mayor who can come to you in living color," Marsh said it is a "significant achievement" that he was chosen

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Staff Photo by Amir M. Pashad

Councilwoman Willie Dell (right) Received Congratulations During Celebration

HEW Reorganized;
Savings Predicted

WASHINGTON (AP) — Health, Education and Welfare Secretary Joseph A. Califano Jr. announced the reorganization of his department Tuesday and predicted the action will save taxpayers at least \$2 billion a year by 1981.

HEW beneficiaries probably won't notice many changes, although Califano said some forms will be simplified and red tape reduced.

However, the changes will be more noticeable to states that administer many of HEW's programs and the doctors and hospitals who serve Medicare and Medicaid recipients. The changes are effective today.

"Although it is not possible at this time to give a precise estimate," Califano said, "the savings for the U.S. taxpayer related to these reorganization initiatives, especially those involving efforts to eradicate errors, fraud and abuse, will be at least \$1 billion over the next two years and will reach a total of at least \$2 billion annually by 1981." He also predicted it would make his department more responsive to the people.

At the White House, press secretary Jody Powell said President Carter told him

some legislative leaders believe the savings could go "as high as \$4 billion to \$5 billion a year." Powell said Carter considered the action "a superb example of some of the steps that can be taken administratively to reorganize the government."

Under the new plan, all cash welfare and retirement programs, including the Aid to Families with Dependent Children program previously run by the Social and Rehabilitation Service, will be administered by the Social Security Administration.

A new agency known as the Health Care Financing Administration will take over both the Medicare program for the elderly, previously run by Social Security Administration, and the Medicaid program for the poor, previously run by the Social and Rehabilitation Service. The Social and Rehabilitation Service will be abolished.

All noncash social service programs such as day care, foster care, health and mental health, family planning and adoption services will be ad-

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The Inside Story

Three Sections 44 Pages

The World

10 ETHNIC GERMANS seeking to emigrate stage the first public protest in Red Square since 1968. Page A-4.

The Nation

ARMY REPORT confirms that biological warfare agents were tested in the open air before they were outlawed in 1969 and that three persons died as a result of such tests. Page A-2.

The State

\$5 MILLION will be needed to repair the Benjamin Harrison Memorial Bridge in Hopewell, state engineers estimate. Page B-1.

The City

GINTER PARK Presbyterian Church forms "club" for youth. Page B-4.

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UPI Telephoto

Rescue Workers Treated Victims Who Were Trapped in School Bus After Accident