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THE LINCOLN STAR

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News Digest

Carter cites agreement

PEKING — Jimmy Carter, who is visiting China, said he and Chinese leaders agreed three years ago that the United States would continue prudent sales of defensive arms to Taiwan without a time limit, but with the hope that Peking and Taipei would resolve their differences peacefully. This understanding seems to undercut Peking's angry denunciations of the Reagan administration for considering the sale of defensive weapons to Taipei.

Angola wants meeting

UNITED NATIONS — Angola called for an urgent meeting of the U.N. Security Council to demand an immediate withdrawal of South African troops from Angolan soil.

Dropoff in giving seen

NEW YORK — A sharp drop in private philanthropy is in prospect because of drawbacks to charitable contributions contained in the new tax act, according to an analysis of the law's impact on the nation's 300,000 non-profit organizations. The analysis said the gifts would decline by at least \$1.8 billion.

Borrowing in secret?

WASHINGTON (UPI) — Americans trying to escape high interest rates may be secretly borrowing money from oil-rich Arab countries, government officials said Thursday. The mysterious borrowing in 1980 may have been nearly \$30 billion.

19 kittens in litter

United Press International — The largest cat litter ever recorded was one of 19 kittens (four stillborn) delivered by Casanova, a section of "Tarawood Antigone," a 4-year-old brown Burmese, on Aug. 7, 1970.

4 charged in bombing

RENO, Nev. (UPI) — A gambling high-roller, his girlfriend and two laborers were charged before a U.S. magistrate with Harvey's extortion bombing Thursday, the first anniversary of the explosion at Lake Tahoe. Magistrate Phyllis Atkins set Sept. 2 for arraignment of John Burgess Sr., 59, Clovis, Calif., his girlfriend, Ella Joan Williams, 47, a probation officer from Clovis, Terry Lee Hall, 25, and Willis Brown, 52, both laborers from Fresno, Calif.

McNell body examined

AUGUSTA, Maine (UPI) — The body of Dennis McNell was examined from a western Maine coroner's view Thursday and an autopsy was conducted to determine if the man whose father forced the resignation of a CIA spy master died a violent death.

Deposits dip \$3.5 billion

WASHINGTON (UPI) — The Federal Home Loan Bank Board said 4,542 savings and loan associations ended July with a record \$3.5 billion drop in deposits.

Chance for showers

LINCOLN Variable cloudiness Friday; 30 percent chance for rain. High mid 70s. Winds northerly 5 to 15 mph. Partly cloudy Friday night. 20 percent chance for rain. Low upper 50s. Partly cloudy and warmer Saturday. High upper 70s to lower 80s. (Weather digest, page 18)

Today's Chuckle

By the time we get old enough not to care what anyone says about us — nobody says anything.

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Guatney is committed

By Mike Goff
Star Staff Writer

Murder charges against William "Freight Train" Guatney will be dropped "very soon," Lancaster County Attorney Ron Labors said Thursday after Guatney was ordered committed to a mental institution.

The three-member Lancaster County Mental Health Board Thursday morning ordered Guatney's commitment, based on Labors' petition, which claimed only that Guatney was unable to care for his own basic human needs: food, clothing, shelter and medical attention.

Public Defender Dennis Keefe said he views the commitment order as a partial victory for his client, adding that he will now work toward having him placed in a suitable domiciliary care unit at a Veterans Administration hospital.

"I will not stand for him being confined to a maximum-security institution for the rest of his life based on an unproven assumption," Keefe said.

That assumption — carefully avoided at the hearing — is that the 39-year-old Guatney is being sent to a mental institution because a court suppression order sidetracked prosecution

of him on first-degree murder charges for the 1975 slayings of Lincoln boys Jon Simpson and Jacob Barber.

The mental health petition seeking Guatney's commitment at the Lincoln Regional Center was filed Aug. 17, the Monday after District Judge Dale Fairbairn's Aug. 14 ruling that various statements Guatney had made to law enforcement agencies could not be used in evidence.

Lincoln police, who first questioned Guatney about one year after the killings, released him in 1976 and arrested him Aug. 13, 1978, after becoming aware of statements he'd made to other law enforcement agencies.

In one statement he confessed to killing a Topeka, Kan. boy, but Keefe's investigation after Guatney was charged with the Lincoln slayings proved that the carnival and stock show worker was in an Illinois detoxification center at the time of the Topeka murder.

Other statements subsequently were found to be "confidential" due to his mental illness, District Judge Dale Fairbairn noted in his suppression order.

At the commitment hearing Thursday, two

expert witnesses testified that Guatney indeed is mentally ill and unable to care for his basic human needs.

Regional Center psychiatrist Edwin Costa said he first examined Guatney in 1979 and has seen him frequently since September 1980.

Guatney has been in custody at the Regional Center for the past year, having spent his first year in custody in the county jail.

Costa said Guatney suffers organic brain syndrome, which is a chronic alcoholic who requires medication three times daily to prevent psychotic episodes.

"I think he's in better contact more of the time now. He still becomes psychotic on occasion, but (he's) better than he used to be," the doctor testified.

Costa added, Guatney "is preoccupied with (his fear of) electrocution, and feelings of guilt," prompting Keefe's retort: "Are you aware Mr. Guatney has felt guilt and confessed to crimes he could not have committed?"

Although Costa said that Guatney "is not interested in doing anything — he sits around a great deal of the time," he further testified that "a treatment plan for Guatney" would be con-

tinuation of his present regimen.

Under cross-examination by Keefe, the doctor said he had no objection to Guatney's placement in a VA hospital, "if the board approves."

Dr. James K. Cole, clinical psychology professor at the University of Nebraska-Lincoln, concurred on Guatney's mental illness.

Cole testified that tests and interviews with Guatney consistently indicated neuro-psychological impairment and a borderline psychotic condition, "which probably existed many years ago."

Cole said he has worked directly with the VA hospital in Lawrenceville, Kan., and knows it has facilities suitable for Guatney's care.

Keefe said that Milton Hofstad, a Regional Center psychiatric social worker, told him that the Lawrenceville hospital already has agreed to accept Guatney as a patient.

The county mental health board, however, will convene in 30 days to determine whether the facility is suitable for Guatney's care.

Labors would not specify when the charges would be withdrawn, but it appears that no action will be taken until Judge Fairbairn returns from vacation.

Federal revenue loss high

WASHINGTON (AP) — The government may be losing hundreds of millions of dollars in royalty payments on oil pumped from federal lands because of slanted accounting and auditing practices, a special commission was told Thursday.

Acting Comptroller General Milton Secoler told the commission a more precise estimate can't be made because of inaccurate and incomplete records on the \$4 billion-a-year federal royalty program.

However, Secoler said, it is clear that the U.S. Geological Survey "is not collecting all oil and gas royalties. Hundreds of millions of dollars owed the government may be going uncollected each year."

"However, millions of dollars in royalty income are not collected when due, thus increasing government interest costs," Secoler said.

Secoler made the comments during the first public hearing of the Commission on Fiscal Accountability of the National Energy Resources, a panel established by the Reagan administration July 9 to explore allegations of waste, mismanagement and fraud in the royalty system.

The issue is important not only to the federal government, but also to oil-producing states, which get a share of the royalties, and to Indian tribes, which get royalties on oil and natural gas pumped from Indian reservations.

The royalties are paid by oil producers to the federal government and Indian land.

Secoler said studies by the General Accounting Office indicate the accounting problems have existed for more than 20 years, but the Geological Survey has shown little interest in correcting the system.

He said the problems are due partly because the oil companies that owe the money are essentially on an honor system to report accurately and to fully pay royalties when due.

"Theft of government and Indian oil also may be costing millions, and two specialists in oil field security — Theodore Bonack, former head of the FBI's Denver office now in the private security business, and Charles Thomas, a former Geological Survey inspector now employed by several Western Indian tribes, Bonack said one of his companies he was familiar with estimated its order of theft at \$10 million.



Brownies and Girl Scouts launch balloons at Gateway Thursday. Finders receive Girl Scout membership.

Reduction in gas tax is unlikely

By James Joyce
Star Staff Writer

A proposal to cut the state's gas tax by 1 cent appeared Thursday to have as much chance of success in the Legislature as a victory for Thurgood Marshall in a fight with the Incredible Hulk.

The proposal was made during a Revenue Committee hearing by George Walters, executive director of the Nebraska Petroleum Marketers Association, but got a chilly reception from senators and witnesses.

They said the cut would endanger the state's road building and maintenance programs and could mean

millions of dollars in lost revenue to Nebraska towns and counties.

Walters claimed the marketers face a "serious" financial problem because the tax is so high that consumers are buying gasoline out of state or are avoiding the levy.

He suggested the lost revenue, estimated at \$25.7 million a year, could be replaced by issuing \$25 million in highway bonds for each of the next three years, increasing motor vehicle fees and instituting a \$10-a-year fee on users of fuels other than gasoline.

Among those opposing his recommendation were representatives of

the city of Lincoln, Nebraska League of Municipalities, state Roads Department, truckers and the road construction industry.

The most commanding testimony, however, came from Sen. Jerome Warner of Waverly, who engineered most of Nebraska's road financing bills through the Legislature.

Warner, who was out of town but delivered his testimony in a recording, quoted a picture of scarce money against huge building and maintenance needs costing hundreds of millions of dollars.

He suggested that only within the past year has Nebraska developed

any stability in funding from state sources and that to charge funding approaches now would be both unwise and unlikely to get support.

Warner also rejected the bonding proposal even though he was one of the lawmakers who originally pushed the constitutional amendment giving the state that authority.

In view of the high interest rates, he said, the flailing of highway bonds has "relatively little merit."

Lincoln lobbyist Deb Thomas said the proposed tax cut could mean a \$1.4 million loss to the city and municipalities stand to lose as much as \$7 million altogether.

County Board to give final taxing OK Tuesday

By Mike Butler
Star Staff Writer

County Board members will officially certify an array of property valuation and tax levies Tuesday, the bottom line being a property tax bill that's 1.45 percent higher than last year.

For the 1981-82 budget year, the owner of a \$100,000 house in Lincoln will pay \$2,524.80 as opposed to the \$2,510.80 he paid last year. Or a \$40,000 house, the owner will get a property tax bill of \$975.45 compared with the \$955.12 bill of last year.

To find the exact amount of increase, take the amount of value the county assessor has placed on your home, divide it by 100, and multiply that by 1.4505 — the tax rate. Put in another, rounded-off way, your property is being taxed at

a rate of \$2.45 for every \$100 of assessed value.

The tax rate is the sum of what each individual governmental taxing jurisdiction — the city of Lincoln, Airport Authority and Lincoln School district — has levied on the property.

The difference results from federal money which has been appropriated to initiate improvements to various streets and railroad crossings in the area. The \$521,000 in local property tax support needed by the district is up

only slightly over last year.

The Lincoln School District doesn't have the budgeted total budget of \$643 million, but it takes the biggest bite because that budget is made up of \$413 million in property taxes.

As a final note, the discrepancy between the city of Lincoln's budget this year and last is caused by the Lincoln Electric System. Because

LSES was moving onto a calendar budget year last year, its budget for one quarter was included in the city's budget. The city's \$181.5 million budget this year does not include LSES figures.

The table below breaks down local budget figures for 1980-81 and 1981-82:

	1980-81	1981-82	% Change
City of Lincoln	141,400,000	141,400,000	0.00
Lincoln School District	548,000,000	548,000,000	0.00
Lincoln Electric System	64,319,074	1,376,000	-97.8
Lower Lincoln South H&O	1,270,000	2,200,000	73.2
Lincoln Electric System	1,270,000	2,200,000	73.2
Lincoln Electric System	1,270,000	2,200,000	73.2
Lincoln Electric System	1,270,000	2,200,000	73.2
Lincoln Electric System	1,270,000	2,200,000	73.2
Lincoln Electric System	1,270,000	2,200,000	73.2
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