

BIG CHILL
Windy and cold today, with highs in the upper 20s; clear and cold tonight.
Forecast, F10

The Providence Journal

FRIDAY
JANUARY 25, 2008

50¢
\$2.40 per week by carrier

projo.com

State pension costs studied

House Speaker William J. Murphy is creating a commission to examine Rhode Island's expensive pension system.

BY KATHERINE GREGG
JOURNAL STATE HOUSE BUREAU

PROVIDENCE — Despite recent "reforms" aimed at reining in the state's pension costs, today's state workers can still look forward to significantly higher pensions than their counterparts in most other New England states, at a steep cost to taxpayers — a potential \$1.6 million over the retirement life of a single pensioner, according to a newly released report by the state treasurer's office.

Since the reforms were aimed at new and unvested employees, Rhode Island's public employee pension system would still provide an immediate \$37,620-a-year pension — and guarantees of 3-percent compounded, annual cost-of-living increases — to the 55-year-old averaging \$57,000 in pay at the end of a 30-year state career.

In Connecticut, the pension paid a similarly situated retiree would be \$20,734; in Maine, \$30,353; in Massachusetts, \$25,650; in New Hampshire, \$24,273, and Vermont, \$24,966, according to the state's actuarial advisers at Gabriel, Roeder, Smith & Company.

Looked at another way, the pension paid that one relatively young retiree over the span of his or her retirement years would cost the Vermont pension system a potential \$779,862 — in Rhode Island it would be \$1,628,334.

In 2005, lawmakers here adopt-

SEE **PENSION, A4**

Brown mulls aid increase

The university considers whether to join other Ivy League schools in offering more scholarship money to middle-income families.

BY JENNIFER D. JORDAN
JOURNAL STAFF WRITER

PROVIDENCE — Brown University is the latest elite institution to consider expanding financial aid to help more middle-income families afford steep college costs, which total more than \$48,000 a year for Brown undergraduates.

In the last month, several colleges with large endowments have announced dramatic increases in scholarship money for middle-income students, following the high-profile announcements of Harvard and Yale.

Brown's governing board is expected to discuss the matter when it meets Feb. 23, said James Tilton, the university's financial aid director.

"We are constantly looking for ways to improve our financial aid awards, not only for needy students but for all students," Tilton said.

Tilton declined to release details about what changes Brown

SEE **BROWN, A4**

JUMP-STARTING THE ECONOMY

Agreement on tax rebates

Democrats and Republicans compromise on a \$150-billion economic stimulus package.

JOURNAL WIRE REPORTS

WASHINGTON — House leaders and the Bush administration reached agreement yesterday on a \$150-billion economic stimulus package that would quickly send tax rebate checks to millions of Americans while offering businesses one-time incentives to invest in new equipment.

The deal, announced yesterday by

House leaders and President Bush after arduous negotiations Wednesday night, was a work of difficult compromise, and the fight will continue in the Senate.

House Speaker Nancy Pelosi, D-Calif., acceded to Republican demands, jettisoning plans to extend unemployment benefits and food stamps for now but concluding that the issue could be revisited if the economy continues to slide.

House Minority Leader John Boehner, R-Ohio, agreed to offer \$28 billion in cash payments to 35 million working families that earn too little to pay income tax, an

How much

Up to \$600 for individuals earning up to \$74,000; \$1,200 for couples earning up to \$150,000; an additional \$300 for each child claimed. **Examples, A4**

idea that GOP leaders had roundly rejected in past stimulus plans.

In return, however, the deal includes provisions authored by Boehner that would allow faster tax write-offs for corporate investment and immediate tax deductions for small-business investment

in plants and equipment.

"This package has the right set of policies and is the right size," Mr. Bush said at the White House briefing room. In particular, he expressed satisfaction that it was built entirely on tax breaks.

Under the deal, nearly everyone who earned a paycheck in 2007 would receive at least \$300 from the Internal Revenue Service — \$103 billion in total. Those who file individual tax returns would receive rebates of \$600 each; couples filing joint-

SEE **REBATES, A7**

"It's definitely not going into a new car."

ANNE TAIT

Roger Williams University art professor



"You kidding? An extra 600, the mothers will come, the kids will come."

PAPO CAMPBELL

Manager at Geller's Shoes in Providence

"I would probably pay my bills. I'm not going to spend it at the mall."

DEREK GEORGE

East Providence



Some say they'll use the extra money to shop; others will pay down debt or stash it away in a savings account.

PROVIDENCE — There is plenty of temptation at Sony Style at the Providence Place mall, where Derek George sells flat-screen TVs he wouldn't mind hauling home himself.

But if a \$600 tax rebate check arrives in his mailbox, George says, the windfall would not end up in Sony's till or next door at Nordstrom. Instead, he would use

projo.com

Your turn: What would you do with your rebate? To respond, go to projo.com

the rebate to pay down his \$1,500 credit card debt and the \$20,000 he borrowed to pay tuition at Johnson & Wales.

"I would probably pay my bills," George, 22, of East Providence, said. "I'm not going to spend it at the mall."

That restraint might please George's financial adviser, but it is bad news for President Bush and congressional leaders, who agreed yesterday on \$150-billion stimulus package to halt the U.S. economy's slide into recession.

SEE **MONEY, A7**

How would you spend the money?

"I would bank it as emergency cash and pretend I never got it."

JUMOKE AKINROLABU

University of Rhode Island senior



Story by Benjamin N. Gedan / Photos by Kris Craig

THE PROVIDENCE JOURNAL

Ex-president's style of campaigning raises questions

In vigorously advocating for his wife's candidacy, some worry former President Bill Clinton is not only in danger of damaging the Democratic Party but also the institution of the presidency.

BY NANCY BENAC
ASSOCIATED PRESS

WASHINGTON — It started with dismissive talk of a fairy tale, then deteriorated into more of a nightmare.

As he campaigns for his wife, Bill Clinton has been taking aim at her rival Barack Obama and the media with increasing rancor, trading the roles of elder statesman and supportive spouse for that of attack dog.

Obama is scrapping, too, going after the former president with increasingly heated criticism, and getting testy with reporters himself at times.

Bill Clinton, campaigning in South Carolina on Wednesday, complained that Obama had put out a "hit job" on him.

"Shame on you!" he scolded a reporter who asked about the racial dynamics of the campaign in South Carolina. Clinton himself has repeatedly discussed the racial issue.

CAMPAIGN 2008

Leading Democrats supporting both Hillary Rodham Clinton and Obama have complained that things have gotten out of hand.

Pennsylvania Gov. Ed Rendell, who endorsed Clinton, made a plea for "less acrimony" among the rivals.

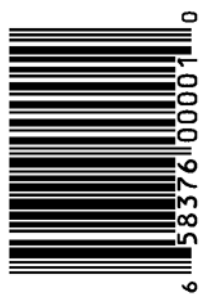
Former Senate Democratic leader Tom Daschle, who backs Obama, called for an end to the "backbiting" and said Clinton's

SEE **CLINTON, A7**



AP / MELISSA HANELINE

Former President Bill Clinton campaigns for his wife, Hillary Rodham Clinton, Wednesday in Charleston, S.C.



INSIDE TODAY

© 2008 Published daily since 1829

6 SECTIONS			
Ask Amy	E8	Local News	D1
Bridge	E8	Lotteries	C4
Business	F1	Obituaries	D4
Classified	F9	People	E1
Comics	E6	Rhode Island	B1
Crossword	E8	Sports	C1
Editorial	B4	Television	E7
Legal ads	F4	What's Happening	E8
Lifeline			
Movies	E1		

GREEN RESURRECTION



What with the recent success of the Patriots and the Red Sox, it's been easy to miss the amazing turnaround of the Kevin Garnett-led Celtics, possessors of the best record in the NBA so far this year. **C1**

\$7.2 BILLION GONE MISSING

In what appears to be the largest trading fraud ever carried out by a single person, a young trader at a French bank is accused of making unauthorized bets on stock markets that cost the bank nearly \$7.2 billion but may not have netted him a cent. **F1**

QUESTIONS OVER CONNECTIONS TO CHILDREN

A Brown University sociology professor testifies that he has never actually met any of the foster children he is representing in a class-action lawsuit filed against state officials in federal court. **B1**

SURF'S UP IN WEST WARWICK?

The House Finance Committee approves a complex tax stabilization agreement intended to help a developer build a \$140-million indoor water park project in West Warwick. **B1**