

modern foreign languages, English, and reading, by providing better equipment, materials, and State services.

2. Operation

Allotments to States are determined by formula (see act). Federal grants from the allotments are made to State educational agencies on a matching basis. To apply for a grant, a State educational agency must submit to the U.S. Commissioner a State plan, describing how it will use Federal funds for local projects to be approved by the State agency, for expansion and improvement of the State's supervisory services, and for administration of the State plan. To apply for remodeling and equipment funds, local educational agencies submit project proposals to the State educational agency, which administers the grants. Loans are negotiated with and paid directly by the Office of Education to private nonprofit elementary and secondary schools.

3. History

This program was initiated by title III of the National Defense Education Act of 1958 (Public Law 85-864). It has since been extended four times—in October 1961 (Public Law 87-344), in December 1963 (Public Law 88-210), in October 1964 (Public Law 88-665), and in November 1965 (Public Law 89-329), effective through June 30, 1968.

The 1963 amendments made the following principal changes in title III: Test grading equipment and specialized audiovisual equipment were authorized; American Samoa was allowed to participate; the definition of "local educational agency" was enlarged to include any public institution or agency which has administrative control of any public elementary or secondary school; the 1-year carryover provision was repealed; reallocation to other States of unused portions of State allotments was authorized.

Principal 1964 amendments to title III added history, civics, geography, English, and reading to the eligible subjects; increased the annual authorizations; increased the minimum annual State allotment for supervisory and related services and administration of the State plan; and provided that allotment ratios be promulgated biennially by the Office of Education. The Higher Education Act of 1965 added economics to the previously designated critical subjects and increased the authorization.

In the first 6 years of the program, States received a total of \$223.6 million for equipment, materials, and minor remodeling and \$13.1 million for supervision and administration. Both sums were matched with at least equal State or local expenditures. During the same period, States approved 306,941 local projects at a total estimated cost of \$560.4 million. By July 1964, the States employed the full-time equivalent of 227 special supervisors in the eligible subjects, as against 33 before the National Defense Education Act was passed.

4. Level of operations. (See table 1.)

Program: Instruction in critical subjects.

Department or agency, and office or bureaus: Department of Health, Education, and Welfare; Office of Education; Bureau of Elementary and Secondary Education.