(*d*) *Other benefits.*—In addition to the above benefits to the individual and to our country's economic and social advance, colleges and universities themselves are strengthened and enabled to expand through the enrollment of more students. To the business community surrounding the college benefits also flow from this growth—to its hotels, service industries, transportation and recreational facilities.

(*e*) *Pertinent geographic differentials.*—The national defense student loan program is in operation in every State and territory in the United States. Thus its impact is nationwide but difficult to measure geographically because of the mobility of most people.

10. Economic classification of program expenditures. (See table 2.)

Program: National defense student loans.
Department or agency, and office or bureau: Department of Health, Education, and Welfare; Office of Education; Bureau of Higher Education.

TABLE 2.—*Economic classification of program expenditures for fiscal year 1965*

[In millions of dollars]

Federal Government:	
Purchases of goods and services: Wages and salaries	[1] 0.6
Cancellation of student loans	4.6
Contributions to student loan funds	129.8
Loans to institutions	1.1
Total, Federal expenditures	136.1
Non-Federal expenditures financed by:	
Individuals and nonprofit organizations	[2] 14.4
Total expenditures for program	150.5

[1] Estimated.
[2] Based on ⅑ matching funds provisions (NDEA, sec. 204).

LOW-INTEREST INSURED LOAN AND INTEREST SUBSIDY PROGRAM

(The Higher Education Act of 1965—Title IV–B—and the National Vocational Student Loan Insurance Act of 1965)

PART I. DESCRIPTION OF THE PROGRAM

1. Objectives

To aid the States and nonprofit private organizations in the establishment of adequate low-interest loan insurance programs for students attending higher education institutions or postsecondary technical and vocational schools with special assistance for students from families having an adjusted annual income of less than $15,000.

2. Operation

The program operates through State or private nonprofit guarantee agencies with the use of moneys for loan purposes supplied by commercial lending institutions. The Federal Government provides funds to pay a portion of the interest charges on postsecondary vocational and college student loans made under this program. Federal funds are also provided as advances to State and nonprofit private guarantee agencies to establish or strengthen such loan programs. The legislation provides for Federal guarantee of such loans in the event that all demands are not met by the other agencies within a State.