

Dr. MARLAND. I, personally, would see no objection to it. I am sure you all have to weigh the implications this raises over church-state and those things. I, personally, could see no problem.

Mr. GOODELL. Of course, the other way of handling that is what both Mr. Quie and I have proposed, to fund through the Community Action Board. The Community Action Board is free to contract both with the public and private schools, as they are now doing under the poverty program.

You would not be free, as I understand your testimony, under State law, to contract with the private schools. This is true in a good many other States.

But the Community Action Agency would be free to contract either with public or private, or some other group if they wanted to.

If they wanted to run their own program, presumably they would be able to do so. But judging from the experience thus far, most of the Headstart programs are contracted with public or private schools.

Dr. MARLAND. I would think that there could be direct funding for nonpublic schools to operate Headstart programs just as they are doing now, without necessarily having to go through the local board of education.

Mr. GOODELL. I would worry a little bit about this. Are you suggesting the Office of Education would make the direct funding to the private schools?

Mr. MARLAND. I don't know whether that is within your legal limits or not, but that is the way I am inclined, yes.

Mr. GOODELL. Of course, that goes back to this whole question we had the first time around. In effect, what we did was we debated very, very intensively the problem with relationship to private and public schools, and how much public money should go to private schools in the Elementary and Secondary Education Act.

We did not debate it intensively in the poverty program. As a result, the poverty program is able to make these direct grants, while the Office of Education and the Elementary and Secondary Education Act cannot do it.

Mr. SCHEUER. Will my colleague yield on that point?

Mr. GOODELL. Yes.

Mr. QUIE. I will yield.

Mr. SCHEUER. Under the poverty program, a private school can run a Headstart program that is open to all of the children in the neighborhood, that is not restricted to children in the private school.

In the Elementary and Secondary Education Act there is a clear prohibition against such contracting in the rules and regulations. The regulations provide that funds provided under title I will at all times be under the control of and be administered by a public agency. So contracting by a public agency with a private school is clearly prohibited.

Mr. GOODELL. If the gentleman will yield, that is your interpretation, but I don't believe it is the interpretation of the Office of Education.

Mr. SCHEUER. Yes. I spoke to counsel this morning and he said such a contract would be clearly prohibited under the terms of the act.

Mr. GOODELL. Then he gave you a contrary answer to what they gave me. They have indicated that a public school can contract out