

I would like to ask a hypothetical question: If you gentlemen could go back to 1958, and could devise a kind of a Federal program to help not only the big cities, but also the other areas, what would you propose? What kind of Federal legislation would you propose?

Mr. DONOVAN. May I indicate that I think what we are talking about and what we might propose would be something similar to the method by which State aid is given to education in local school systems. State aid is usually given to us, I know, in varying amounts in different States, for general educational purposes. Some States have categorical aids on top of that.

In the State of New York, we get general State aid. We are not told how to use it. It is a fundamental, basic part of the financing of our program. We can predict it ahead of time. We base our finances upon that State aid, plus city aid.

I would envision the most effective type of Federal aid would be something similar to that in nature, as a foundation program.

Mr. PAQUIN. May I add something to that? I think if we could rewrite this program I would also like to see, in addition to a foundation program, some type of weighting formula, or a formula of that type, which recognized some of the unique and distinctive problems.

I am thinking of the handicapped children and that sort of thing. It would be a basic formula but with a supplemental appropriation or grant for children in those special education problem categories.

Mrs. GREEN. You would have some of the funds earmarked; is that what you are saying? You would have categories?

Mr. PAQUIN. For example, you might provide a double per-pupil-basis grant for the number of children that you had in that category.

Yes, I suppose in a sense it would amount to earmarking for that because it would be an obligation to spend it on those children.

Mrs. GREEN. If you had your "druthers" today, would you support the extension of existing programs with all the categorical limitations as your first choice, or would you support the program that might be the modified Heller plan or the Heller plan with the State's share of Federal funds going to that State either through the State department of education to be distributed to the local districts or to the State department with a particular sum earmarked for the cities with no strings attached?

Mr. DONOVAN. If I had my choice in the legislation, I would like to see the general funds going through the State to the cities earmarked on specific amounts. But I don't think we should continue all the categorical aids. As was indicated, you might have handicapped children, but you don't have to have special legislation. They can be weighted in your formula, and they would still get the general aid.

Mrs. GREEN. I believe my 5 minutes are up. We are coming back this afternoon. Maybe we could turn to this in the afternoon.

Mr. DONOVAN. I didn't know whether we were coming back or not. Chairman PERKINS. Yes, we are coming back this afternoon.

Mrs. GREEN. Are the gentlemen coming back this afternoon?

Chairman PERKINS. I hope they are, to accommodate the committee.

Mr. DONOVAN. Most of us are coming back. Some might have to leave.