

Regarding the present level and limitations of disaster assistance under Public Law 874, the Commissioner says—

The phrase "during the last full fiscal year" would be eliminated from section 7 of Public Law 874. This section authorized Federal assistance on a continuing basis to finance a school program equivalent to that maintained the last full year prior to the disaster. This is not practical, because school programs are improving each year.

I totally agree to the elimination of this restrictive level of assistance. Likewise, I would ask that the committee consider removing or changing a similar but much more damaging and limiting provision for determining the rate of payment under section 3 of Public Law 874. The rate under this section is presently determined from fiscal data of the second preceding year, which is even more inequitable than the restriction, "during the last full year" in section 7 of the law.

Fifteen years ago when the education for a pupil was being purchased for approximately \$100 in many States, and even less than \$100 in many States, and was not increasing at any rapid pace this restriction to section 3 payments under Public Law 874 pose no particular problem. However, when education is now averaging over \$400 per pupil and increasing by \$15 or \$20 per year in many States, a 2-year lag in the fiscal data used in determining funds available places the schools depending on Federal impact money in a very disadvantageous position insofar as providing a normal education is concerned.

A great many of the schools of Oklahoma voted the extra 10 mills last year and many voted this year; yet it will be 2 years before that figure will be involved in what part the local contribution rate the Federal Government will pay because of this 2-year lag.

When the "second previous year" restriction was included in Public Law 874, it was thought that the fiscal data would not be available for use the year following which is not the case at the present time with the present methods of accounting. I believe all fiscal data for the previous year is available well in advance of final payment for the current year.

The U.S. Office of Education regulation permits applications to be filed prior to March 30 of the current year which is 9 months after the close of the previous year.

Certainly this fiscal data is available in all cases prior to final payments which is well over a year from the beginning date of the current year. I would certainly suggest that the Commissioner's conclusion "that this is not practicable because school programs are improving each year" is just as basically sound for section 3 in Public Law 874 as it is to section 7.

Especially do I urge consideration of an amendment of Public Law 874 modifying the plan of determining the rate of payment since the adoption of the amendment by the 89th Congress which determines the rate of payment by "school grouping" within a State rather than by comparable schools. I believe that the most equitable correction of this inequity in determining rates is to eliminate the 1-year lag in the fiscal data used. However, if this cannot be done, I would suggest that the effective date of the amendment enacted during the 89th Con-