Basic to any coordinated attempt to solve our education manpower needs is detailed knowledge of specific areas of need both in terms of geographic location and types of persons or training on a nationwide basis. The Commissioner will, therefore, be required to appraise these needs and the adequacy of national efforts. In addition, he must publish an annual report on the state of the profession which will include the Office of Education's plans for allocation of assistance under this program.

Part of the problem of having an adequate well-trained educational staff is the attracting of qualified persons into the profession. Under the amendments, grants may be made to State departments of education, local school districts, colleges or other public or nonprofit agencies to identify capable youth interested in the profession, to encourage them to pursue an education career, to publicize availability of opportunities in education, encourage qualified persons to enter the profession and to encourage others to undertake teachers' assignments on a part-time or temporary basis.

Part C of Title V will be expanded to include fellowship support in the critical fields of preschool and adult and vocational education.

A new Part D to Title V has been added. Under this part, institutions of higher education can receive program development grants to strengthen their graduate and undergraduate programs. Such grants could be used to improve current curricula and to encourage imaginative programs in teacher education. These grants need not be tied to any fellowship or institute program.

The Office of Education may also under this part make grants to:

1. colleges and universities,
2. State departments of education,
3. local school districts, or
4. other public or nonprofit agencies

to train or retrain teachers. All subject areas would be eligible for assistance, and there would be no limitation with respect to the length of a grant. Grants could support conferences, workshops, synposia, seminars, short-term or regular session institutes.

The new Part E would authorize similar institutes, seminars, workshops, etc. for the training of higher educational personnel.

This proposal also establishes a National Advisory Council on Education Professions Development. This council consists of representatives of the National Science Foundation and the National Foundation on the Arts and the Humanities, persons broadly representative of the fields of education, the arts, the sciences, the humanities, and representatives of the general public. It will advise the Department of Health, Education, and Welfare and the Office of Education with respect to policy measures arising out of the administration of this title and will from time to time review this title and all other Federal programs for the teaching of educational personnel.

HIGHER EDUCATION FACILITIES ACT

The Higher Education Facilities Act would be amended by extending the provision for assistance in case of a major disaster and by fixing interest rates for loans at the current average market yield of comparable United States obligation less a reduction of not more than one percentage point to be set by the Commissioner of Education.

The philosophy of our credit policy is two-fold:

1. Government-financed credit programs should, in principle, supplement or stimulate private lending, rather than substitute for it. They should not be established or continued unless they are clearly needed. Unless the urgency of other goals makes private participations infeasible, the methods used should facilitate private financing, and thus encourage long-run achievement of program objectives with a minimum of Government aid.

2. When both public and private funds are involved, it is especially important that the terms and conditions prevailing in competitive private markets should, as far as consistent with program objectives, determine the basis on which the Government funds are advanced. If borrowers can obtain adequate funds at reasonable interest rates from private lenders (with or without guarantees), they should not be given special incentives in the form of substantially lower costs to borrow from the Government agencies.

The interest rate currently in the law does not reflect this policy. We are, therefore, recommending that the interest rate applicable to loans made under title