

Mr. HOWE. That is exactly what this includes. It includes the full subsidy of interest while the student is in school or in some other situation where he is not in a productive situation. It includes the Government's subsidy of the interest which at the present time is 3 percent while he is repaying the loan.

Mrs. GREEN. If we made this forgiveness for the parents' tax credit, that they would be forgiven \$325 of taxes if their son or daughter went into teaching, would it be more attractive to the Department?

Mr. HOWE. I would guess not but I would like to examine it.

Mrs. GREEN. Tomorrow, we are going to have the American Banking Association here to discuss the guaranteed loan, too.

Mr. QUIE. Under title I of the Higher Education Act? When do you think you will be able to start evaluating these projects that institutes of higher learning have engaged in community services?

Mr. HOWE. Mr. QUIE, could I ask Mr. Pagano to respond?

Mr. PAGANO. We have begun already. We have two small evaluations taking place from the first year's experience, a large problem in the area of government with small evaluation to determine what was done, how the community and higher institutions in a three-State area define their problems and what has happened to the people involved.

We will have a report on that by early next year.

We have another one dealing in the area of poverty which was the second largest area of problems demonstrated by the States and we are looking at five States and in a larger proportion, and the same questions are raised, how the institutions use their resources, involving people, and what was offered and what happened to people during this time which will also be available next year.

Mr. QUIE. Will Congress be receiving an evaluation of programs a year and a half after they have been completed? Now, these are completed projects you are talking about?

Mr. PAGANO. No, these are projects on-going, and some are completed.

Mr. QUIE. Some are completed?

Mr. PAGANO. That is right, or parts of them are completed.

Mr. QUIE. Do you expect a year and a half for Congress to receive the reports?

Mr. PAGANO. Roughly.

About a year since they were implemented, a year and a half, that is correct.

Mr. QUIE. How do you expect most of the money will be spent in the future—research projects trying to find out how to solve the problems, demonstration projects putting into practice some of the research already completed, or actually getting into the dirty work of solving the problems?

Mr. PAGANO. Most of it will be done in research already existing being implemented and being transmitted in some fashion through education or demonstration, or services that the universities have available, and it will move then to the dirty solutions, looking at the possibilities of solutions coming out of this relationship between communities and universities.

Mr. QUIE. Some money can be used to permit universities and communities to become involved?