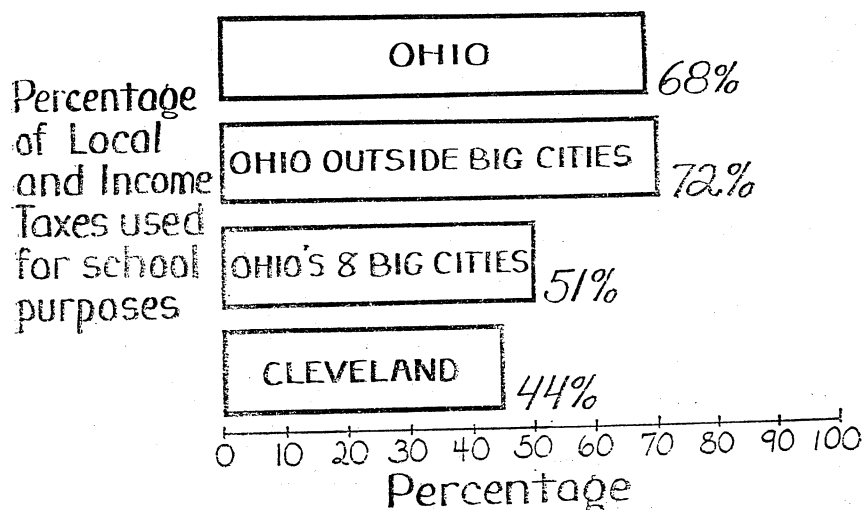


This condition exists in many States, and is a principal explanation of the phenomenon documented recently by work done at Syracuse University, that the big cities have higher taxes and lower per pupil expenditures than the suburban areas.

The reason I bring this matter to the attention of the Committee is *not* because I think the Federal Government should mandate a change in State foundation formulas. However, the amendment to Section 303(a) of the National Defense Education Act of 1958 proposed by Section 623 will establish a Federal requirement that a State plan take into account the resources available to a school district in relation to resources available to other school districts. It seems to me highly desirable that the Federal government require that, for this Federal purpose, the heavy burdens of municipal taxes should be taken into account.

If the States were required to recognize this factor for this Federal purpose, I feel confident that they would in a short period, also consider its significance in allocating State funds. One of the most interesting consequences of Title I of ESEA is its educational effect in leading progressive States to adopt similar programs for channeling State funds to the education of the disadvantaged.

A recent experience I have had testifying before the Ohio State Board of Education with respect to allocation of Title II Elementary and Secondary Education funds in the State of Ohio confirms that specific reference to this problem by the Congress is necessary if the States are not to continue to regard property tax base per pupil as the sole criterion of wealth, ignoring the proportion of that tax base which is available for schools.



STATEMENT BY DR. JOHN J. NEUMAIER, PRESIDENT OF MOOREHEAD STATE COLLEGE, MOOREHEAD, MINN.

A major purpose in this legislation should be to strengthen higher education programs at all levels, and to take advantage of teaching and research talents, wherever they are found.

Restricting awards for fellowships or for research projects to Ph.D.-granting institutions means eliminating contributions that are possible from a great many other colleges and universities. Moreover, the country becomes largely dependent upon a relatively few institutions for the development of programs and personnel urgently needed to combat poverty and ignorance and for national defense. Only 129 colleges and universities in the United States today grant doctor's degrees and consequently are eligible for National Defense Graduate Fellowships, and 76 of these institutions are located in six states—New York, California, Massachusetts, Pennsylvania, Ohio and Texas.