a single appropriation for the educational opportunity grant program which would not require program matching funds.

Second. The fund distribution pattern would be altered from the three separate allotment formulas, which differ in each program, to a national pool funding basis with a limitation that no State could receive more than 12½ percent of any single appropriation.

Third. There would be a provision that during any year an institution may transfer not to exceed 20 percent of the Federal money allocated for any one program to another. At the Commissioner's discretion, this 20-percent level could be exceeded in an emergency situation. This would provide a much needed authority for institutions to rebalance their programs during the year.

Fourth. A $1,000 per annum maximum would be set on an educational opportunity grant award to any one student and the present $800 maximum and the mandatory $200 award for students in the upper half of the class in the prior year would be eliminated.

Fifth. The annual ceiling on NDEA loans to undergraduates would be elevated to $1,500 as a reflection of cost increases over the past 10 years.

Sixth. For all three programs, there would be a common requirement for continuation of institutional expenditures in institution's own student aid program, to replace the two different and separate authorities in the existing EOG and work-study programs.

Seventh. In place of the varied pattern of administrative overhead allowances presently contained in the loan and work-study programs, a common, maximum of 3 percent of the total Federal funds granted to an institution would be provided with an overall maximum of $125,000 per year to any single institution.

Eighth. An overall student financial aid advisory council is proposed to replace the four separate advisory committees contained in the present statutes.

Ninth. It is the intent of the administration to accomplish uniform forward financing of these programs beginning with fiscal year 1970.

The consolidation of these programs authorized under a single part A of title IV also allows us to request a program authorization extension of 5 years commencing in 1970. To cover the interim year, fiscal year 1969, single-year extensions are requested for title II, NDEA, and for titles IV–A and IV–C of the Higher Education Act of 1965.

This 6-year request, if granted, would for the first time provide the Nation's colleges and universities with a firm, permanent operating base and would eliminate the confusion and uncertainty which institutions are facing at the present.

The guaranteed loan program: The basic objectives for the guaranteed student loan program are—

To provide a program of long-term loan assistance to all post-secondary students, with Federal interest benefits provided for most of them.

To provide that the program should be operated by State agencies. The function of the Federal Government should be to assist the States to do a good job—through payment of a portion