

Mr. BARR. I do, Mr. Reid.

Mr. REID. Mr. Secretary, I have just one question there for you. I believe that we do need to help the middle-income family but I am concerned over the eligibility requirements and in Commissioner Howe's statement yesterday on page 4 there is the following sentence: "Administrative arrangements are centered on State loan guarantee agencies with the Federal Government providing an interest subsidy for students whose adjusted family income is less than \$15,000 per year."

My question is this, and I would state it as an affirmative proposition: I believe it would be desirable to remove the income limitation and have a statement that this program would be available without dollar limitation and based on the need of the student because if you take a \$15,000 figure, you would exclude even with adjustments some of those you have just been discussing, and I think if the principle is clear that we are trying to reach all students who lack financial resources, shouldn't it be on that basis rather than on a dollar-limitation basis?

Mr. BARR. Mr. Reid, I am not try to duck your question, but I am really not competent to answer. I stand on my statement that I think this is designed for lower middle-income and middle-income families. As to whether or not the \$15,000 limit for subsidies should be removed, there are people more knowledgeable in the area as to where the need really arises.

Mr. REID. What I am getting at is: Shouldn't we give consideration to the question of actual need?

Mr. BARR. I think so.

Mr. REID. Rather than necessarily trying to find a dollar limit which might or might not be relevant? If you have two or three children going to college at the same time in the \$15,000 bracket, you can't afford it.

Mr. BARR. I think your point is well taken, but I want to disqualify myself as an expert.

Mr. HOWE. I agree here that the \$15,000 limit is designed to be a gross measure of need, and you are speaking of really a more refined measure of need.

Mr. REID. That is correct. Now, all I am saying is, I hope we can give consideration to this and conceivably an amendment could be offered by the committee to the bill having a more refined basis, if you will, addressed to any student in need rather than trying to put an arbitrary figure on it.

Mr. BARR. I think your point is well taken. I have found the arbitrary cutoffs to be troublesome in most areas. While I want to repeat I am not an expert in this area, it is a troublesome point. If the committee can do better than this definition, I would personally support it. I can't speak for Mr. Howe, but I would support it.

Mr. QUIN. I think you remember there is no arbitrary cutoff in NDEA. It is left to the institution to work out this plan.

Mr. HOWE. If we were to suggest some system for the measurement of need, or some system more effective than this, the only stipulation I would want to make about it would be that the establishment of need probably has to reside in the higher education institution, in the scholarship offices involved. Many of them have developed an expertise in assessment of needs.