First of all, we do feel that the elimination of subject matter categories is desirable as proposed in the bill that you are considering.

In fact, we would suggest that the current listing of eligible subjects

is in fact exclusive of all academic disciplines anyway.

There are just a few left out. I think what we are getting at here is to begin to focus more on programatic improvement rather than just talking specifically of nuts and bolts and things.

You can get a little broader. It does give increased flexibility. Second, of course, it is more practical to relate equipment needs to

broader spectrum than to one specific department or course.

I know members of this committee are familiar with how these things happen and frequently some materials and equipment should be used across the spectrums and this makes it easier to do it.

The second point where it is proposed the language be broadened to include instructional equipment at all levels rather than under-

graduate items, we suggest it is a practical move.

It was not discussed within our group. We did feel from our own experience that the line of demarcation for instructional aids as such at the various levels is pretty gray. It is very difficult to really do this.

I suspect there has been a good bit of subterfuge used in the past in order to somehow or other to be sure it is undergraduate when

really it is going to be used across the line in the institution.

We would say, of course, that because of the system of priority criteria which, of course, as you know, gives advantage to the poor institution in terms of expenditure per student credit hour, still the top priorities will go to the undergraduate programs because the institution with a purely undergraduate program is going to rank higher on that kind of priority.

So I think this is taken care of to some extent.

The third amendment, the one that permits the purchase of athletic or recreational equipment, we think is good. We do construe this to mean, the way we understand it, that we are talking here about just that and not physical education.

I think it is important that we do recognize, continue to recognize

that physical education is a legitimate part of the curriculum.

It will be somewhat of a problem to do this but I am sure the Office of Education by regulation can help us keep this sort of thing honest.

Those are the three or four major things that we saw in the bill to comment on. I would like to switch to three or four of our own sug-

gestions, if I may, Madam Chairman.

The first one, and this, of course, came up for a lot of discussion and I am not sure that everybody was in complete agreement, but I think the vast majority were, and that is that we recommend specifically in section 603, subparagraph 2 of title VI, that the word "objective" be stricken.

Now there we are talking about the kinds of priorities that are to

be used to establish the priority standards for the grants.

The reason for this is that many States have expressed themselves as wanting to use such methods as evaluation panels to set priorities rather than just cost per credit hour and these kinds of things. Of course, those who wish to do so, if you took that word out, could still use the objective priority kinds of things.