

tions would pay the same net effective interest rate. Those whose bonds are less attractive in the private market would use the direct Federal program.

This proposal is embodied in section 218 of S. 2500 with respect to the college housing loan program, and also with respect to the same program, in H.R. 8647, by Representative Mink, of Hawaii.

The academic facilities grant program, supplemented by the facilities loan program is the one major, noncategorical program which is directed at helping colleges and universities accommodate increased numbers of students, including veteran students and economically disadvantaged students, and at the same time reducing the burden on institutional revenues which has forced colleges to charge students more and more.

We are greatly distressed at the budgetary recommendation to cut new obligational authority for the undergraduate facilities program to \$67 million for the coming year, and for the graduate program to \$88 million. It has been indicated that this decision was in part based on the necessity of controlling inflation.

However, because of the time lag between appropriation of new funds, processing applications, making awards, and letting contracts, we are talking about the inflationary effect 2 or 3 years from now, and not in the current situation.

A report issued by the Division of College Facilities, Bureau of Higher Education, U.S. Office of Education, early last November stated that academic space per student in U.S. colleges and universities is definitely the lowest since 1952 and probably the lowest at any time in U.S. history.

The report was hopeful that we would start gaining on the situation if the Federal program was kept at the levels of recent years.

Following the issuance of that report, funds available for the current year were cut by one-third (they were already substantially below the previous year's levels), and the 1969 level slashed far below that.

Title XII—Education for the Public Service:

The State and land-grant colleges and universities of the United States are deeply interested and heavily involved in training for the public service in a wide variety of ways. We favor the enactment of this title.

General comments:

1. Forward funding: H.R. 15067 provides the forward funding authorizations in future years for many of the programs involved. Such authorizations are greatly to be desired, for reasons with which members of this committee are familiar. We support these proposals.

2. Authorization ceilings: H.R. 15067, in general, follows the policy of specific authorization ceilings for the first year of the extended and new programs, with indefinite authorization ceilings for the following years.

While a case can be made for indefinite authorization ceilings, under present circumstances the setting of specific authorization amounts has a certain value as a measure of the amounts considered by this committee, with its long experience and background in the problems of higher education, to be essential to carry out the objectives of nationally established educational programs.