

(The document referred to follows:)

PREPARED STATEMENT OF KEITH SPALDING, PRESIDENT, FRANKLIN AND MARSHALL COLLEGE, REPRESENTING THE AMERICAN COUNCIL ON EDUCATION, THE AMERICAN ASSOCIATION OF JUNIOR COLLEGES, THE ASSOCIATION OF AMERICAN COLLEGES, THE ASSOCIATION OF AMERICAN UNIVERSITIES, AND THE ASSOCIATION FOR HIGHER EDUCATION

Madam Chairman and members of the subcommittee; My name is Keith Spalding. I am president of Franklin and Marshall College at Lancaster, Pennsylvania, and chairman of the Commission on Federal Relations of the American Council on Education. The Council has a membership of 1,538 colleges, universities, and organizations working in or with higher education. I am very happy to tell you that joining the Council in this testimony are the American Association of Junior Colleges, the Association of American Colleges, the Association of American Universities, and the Association for Higher Education.

We are pleased to have the opportunity to voice our support for H.R. 15067, the Higher Education Amendments of 1968. In a bill of such broad scope, there are, naturally, a few provisions which we believe should be changed or eliminated, but generally we support the bill, particularly the five-year extensions proposed for such important and valuable legislation as the Higher Education Facilities Act of 1963, the Higher Education Act of 1965, the National Defense Education Act of 1958, and the National Vocational Student Loan Insurance Act of 1965. We strongly urge this committee to approve the five-year extensions of these Acts. Altogether, they contain many and varied programs of great benefit to students, colleges, and higher education in general. The longer advance notice we have of the continuation of these programs, the better we can plan for their successful implementation.

In this connection, we particularly applaud Section 908 of the bill, which authorizes advance funding of the programs of the Higher Education Act of 1965, the Facilities Act, the NDEA, and other programs in the bill. Due to the way the academic calendar operates, advance funding is especially important for student aid programs, including fellowships. As this committee knows, colleges and universities must make commitments in the spring for scholarships, fellowships, loans, and work-study funds to be used in the academic year starting the next fall. In the past, the appropriation for the Federally-supported student assistance programs often have not been made until well into the fall—after the school year has started. This has created confusion, uncertainties, and difficulties for both the students and colleges which could be avoided if we could be certain in the spring just how much money would be available for student aid the next fall. Advance funding would provide this assurance. We are grateful to this subcommittee for pointing out the problems of late funding of educational programs with such clarity, in your recent report on your study of the U.S. Office of Education.

Also highly desirable, from the standpoint of the colleges as well as Government administrators, are provisions in Section 907 of the bill for advance planning and for evaluation of educational programs. With the magnitude of higher education constantly increasing and the Federal budget tightening, it becomes more essential than ever to have wise planning and wise use of available funds. The higher education community would welcome both the yearly evaluation of programs contemplated in Section 907 and the more comprehensive review required in Section 910(b). Clearly we also would welcome a one-year automatic extension of an expiring program in any case where the Congress has not acted either to extend or terminate the program, as provided in Section 910. This would eliminate any "cliff-hanger" suspense at the start of an academic year as to whether the program would or would not be in operation during that year, it would help us to implement more effectively the intent of Congress in establishing the program.

Now I should like to turn to a provision in the bill which we strongly oppose: Federal assistance for the construction of academic facilities has long been a top priority item with the American Council on Education. While we enthusiastically support the proposed five-year extension of the Higher Education Facilities Act, we must oppose that section (Section 1102) which would have the effect of raising interest rates on facilities loans. The Council believes that the present ceiling of 3 per cent on interest rates for loans made under Title III of the