National security. We are disturbed by the priorities that have been set in making budgetary appropriations and in applying budgetary cutbacks.

We naturally support the new programs of fellowships and projects to prepare graduate students to enter public service with increased competence, to improve the quality of doctoral programs at "middle-range" graduate schools, to provide special services for disadvantaged college students, and to promote "Networks of Knowledge" for cooperative sharing of technical and other resources among colleges, but we most respectfully inquire whether it is wise to proliferate new and meagerly Funded programs when established programs continue to be underfunded and must be implemented at levels considerably below the minimum needs identified and defined by this Committee.

We must repeat an objection which we most recently expressed in testimony concerning the Education Professions Development Act of 1967. As we have indicated on several occasions, we believe a serious departure from acceptable practice appears in Section 107 of this bill. The Commissioner is authorized to contract with profit-making agencies to carry out experimental projects in the fields of community service and continuing education. Madam Chairman, we wish to reemphasize that this effort on the part of the Office of Education to secure authority for the Commissioner to bypass the public and private non-profit education agencies and to deal directly with profit-makers is, in our opinion, as dangerous a proposal today as it was when we first called it to the Committee's attention in 1966. This kind of authority permits the Commissioner to use tax-payers' money to provide profit for private agencies in carrying out activities which are clearly and solely the prerogative of institutions of higher education, public and private non-profit institutions and agencies.

Equally serious is the potentiality for federal control and direction of the entire education effort of this country, in direct violation of the American tradition of state control of public education and language contained in these laws. Profit-making agencies are in business to make a profit. If permission to contract with profit-making agencies is granted, we will run the risk of central federal control over curriculum and instructional materials. It is our conviction that financial agreements with profit-making agencies should remain the responsibility and prerogative of the individual institution in the state or local education agency, to protect the public interest.

May we make it perfectly clear that we are not opposing the involvement of the profit-making sector of our society in the educational enterprise. We believe that situations can arise where it is economical and efficient for public and non-profit educational agencies to contract with industries such as the computer or electronics industry, to provide specialized training or develop machinery for specific parts of a research or demonstration project. Our strenuous objection is to the proposal that the USOE be authorized to contract *directly* with profit-making agencies, with no involvement of the public and non-profit educational sector, in such a manner as to achieve whatever objectives the USOE may unilaterally determine.

H.R. 15067 proposes, on page 86, lines 7 through 10, that the heading of Title III of the National Defense Education Act of 1958 be amended to read "Financial Assistance for Strengthening Instruction in Academic Subjects". This heading is objectionable because in certain states the term "academic subjects" has a special connotation which is quite narrow in scope. We have supported the concept of expanding NDEA categories not restricting them. We believe the bill should clarify such matters as this and not leave the decision to the guideline writers in USOE. Page 88, lines 11 through 19, repeal the provision in Title III of NDEA which has authorized about $10 million for state supervisory services in the categories enumerated in Title III NDEA. We oppose the repeal of the authority for the states to use NDEA funds for this purpose. Indeed, there is reason to believe that this part of NDEA Title III has been perhaps of more benefit than the equipment provision, especially in what the Office of Education calls the weaker states. We strongly urge that Congress continue to provide state education agencies the opportunity to appoint subject matter specialists to their staffs to assist local school systems in strengthening their curricular offerings. This is further reason for our concern about removing the categories in NDEA Title III.

Madam Chairman, we appreciate the opportunity to present the views of the National Education Association to this Committee. We are confident that this Committee will produce another bill which will continue to improve the quality and quantity of educational opportunity in this country and at the same time preserve the traditional structure and control of education by the States.