Mrs. MINK. The specific matter that I wish to support and bring to the attention of the subcommittee is in reference to the method of financing for the college facilities. I am sure I do not need to tell the subcommittee of the very critical need for additional funding for higher education facilities.

In line with this interest there is pending before the House and the Senate a recommendation which was put together with the American Council of Higher Education and others interested in the field, a new concept for financing these facilities.

The specific recommendation is now before the Banking and Currency Committee with reference to the omnibus housing bill. It was also considered in the Senate.

The basic theory behind the financing is to provide for interest subsidy payments by the Federal Government, recognizing that the Federal Government is unable to come up either with grant money or with loan money to meet this critical need.

It seemed to several of us, at least, that a small investment, an output by the Federal Government, could go a long way toward meeting the need if we establish this kind of program for interest subsidy.

If a college or university borrowed the money directly from the Federal Government there would already be involved a 3-percent interest payment to the Federal Government so that this would be the basic liability of the college and university in any kind of program. But if the college and university then is permitted to go to the private market to secure the financing rather than rely upon a very difficult financial situation in the Federal Government and the Federal Government provides the difference in the interest payment that the college or university must pay, then this would allow them to seek an alternate method of financing the college construction program.

I would hope that this subcommittee would consider the provisions which are now being considered for college dormitories and to amend the bill which is now before the committee to incorporate this idea, not a substitute for the direct grants or the loan provisions that already exist but to create this new avenue of resources for the university.

I would be pleased to answer any questions and respond to any comments you wish to make. I would hope that these bills which I have called your attention to in my prepared statement would be considered very seriously by the subcommittee.

Mrs. GREEN. Thank you very much, Mrs. Mink. I share your regrets and your concern that there is a proposed cutback in the facilities. This is not the time when we can afford to cut back. We need to plan for the years ahead. Your recommendations for financing will certainly be considered by this committee.

Congressman Quie, do you have any questions?

Mr. QUIE. No questions, but I should like to echo the words of the chairman. We are pleased to have you come in and make these representations.

Mrs. MINK. Thank you very much.

Mrs. GREEN. Thank you.

The next person to comment on this bill that is before the subcommittee is Mr. Allan Purdy, the chairman of the National Student