attending are: James G. Dwyer, Marquette University; John D. Jones, Arkansas A & M; Jerome R. Murphy, University Montana; James B. Sanderson, University of Utah; Hugh Voss, Washington University, St. Louis; Ken Wooten, University of Mississippi; and Arch W. Hunt, Baylor University.

1. Our comments will deal only with Title IV of H.R. 15067 concerning aid to students. Financial aid has grown up in several parts—loans, work, and gifts. We heartily approve the amendments which would consolidate these programs for the purpose of funding and administration. The flexibility provision of the 20 percent transfer of funds between the programs of course places a greater responsibility on the individual financial aid officer. It also enables him to exercise his best judgment in making the aid dollar effective and in giving the maximum help to deserving students.

2. Since the programs are growing and the administrative costs are rising, it is encouraging to the institutions to see the provision of three percent for administrative costs.

3. With the consolidation of the programs, it is logical to combine the advisory committees into just one committee instead of three (Part E, Section 471).

4. Since its inception in the 1966–67 academic year, the Educational Opportunity Grants Program has brought increasing numbers of exceptionally needy students to institutions of higher education. We recognize the value of the existing EOG Program and we see in the proposed legislation [Section 404, subsections (a), (b), and (c)] the opportunity to more fully achieve the purpose of this aid. We support retention of the maximum award at $1,000 per year, and endorse an award minimum subject to review by the Commissioner. The provision to extend awards to students in regular five-year degree programs is a needed refinement. We are especially enthusiastic about grants for students who require remedial or noncredit courses. An extension beyond the four years would also be justified for the disadvantaged student who is "essentially a full time student" but who on the advice of the institution carries some what less than the normal semester or quarter hour load.

The elimination of an individual grant matching requirement provides for institutional flexibility in the packaging of student aid, and certainly institutions should be required to maintain their efforts for aid as each has done in the past.

We feel an immediate urgency exists for the deletion of the restriction against using CWS funds as a source of matching aid for the EOG for the 1968–69 school year approval of such an amendment *effective July 1, 1968*, on the basis of average borrowing habits, under this program over a five year cancellation period, cancellation would be afforded the average student in amounts between $400 and $425. These averages will likely get larger. Even if it were sound educational philosophy to motivate a student to choose his career on the basis of loan forgiveness, we doubt that $400–$425 is a sufficient amount to accomplish that purpose.

More that $28,000,000 in principal and interest had been cancelled by the end of the year 65–66. If cancellation were phased out, it is estimated that savings annually will exceed $34,000,000 by 1975. If it was ever hoped that NDSL repayments would create a revolving loan source, this annual attrition would prevent such a plan from succeeding.

5. As reported in the testimony by the National Student Financial Aid Council before this Committee on April 27, 1967, we strongly question the advisability of continuing the teacher cancellation provisions of the National Defense Student Loan Program. Currently the gifts to many potential teachers under the EOG program logically reduces the need for a gift program which continues after graduation. Cancellation for full-time teaching service was introduced with the anticipation that this provision would affect significantly the number of college youngsters who choose teaching as a career. It has been determined from analysis that teacher cancellation provisions *have not resulted* in an appreciable increase over and above the normal number of students entering the teaching field.

In a 1968 study of Federal Student Loan Programs conducted by the College Entrance Examination Board which has been made available to this committee, it was shown that no evidence could be found to support the contention that the cancellation provision has materially contributed to an increase in either the number or quality of teachers. The report states that during the nine years the National Defense Student Loan Program was instituted, the rate of increase in the number of classroom teachers has closely paralleled the rate of increase in the number of high school graduates, the number of college graduates, and the number of college graduates with bachelor's degrees in education. Moreover, statistical information indicates that this same parallelism existed during the four years preceeding the National Defense Student Loan Program.

The original thesis was that teacher cancellation would be instrumental in