

The removal of all interest subsidy at the beginning of the payoff period would save a substantial amount of Federal dollars and would place a greater degree of responsibility upon the borrowers.

In addition it would add an incentive for the loan to be paid off readily after graduation. A further advantage would be the simplification of administrative detail for the lender during the pay out period.

The guaranteed loan program offers many problems and as you know, it is difficult to get a general agreement on the best way to improve it. Since a detailed discussion will be presented by the National Conference of Executives of Higher Education Loan Plans later in this hearing, we will reserve further comment at this time.

9. We believe the present level of funding as recommended by the Administration is inadequate to enable Student Aid programs to keep up with expanding enrollments. This recommended level might seriously handicap the newest of the programs, the Educational Opportunity Grants. EOG will be serving a new group of students next year, the first class aided will not graduate until June of 1970, and the funds suggested will not adequately meet the needs.

By comparing the recommended levels of funding (\$190 million for the NDSL Program, \$140 million for the CWSP Program and \$148 million for the EOG Program) with the requests of the colleges and universities (\$247 million for the NDSL, \$227 million for CWSP, and \$220 million for EOG), one can visualize the number of needy students who will be unable to receive aid. Under the EOG Program, colleges and universities have been urged to make advance commitment of funds to students in the eleventh and lower grades. The projected curtailment of funds will discourage colleges from making these commitments.

Three of these programs, NDSL, CWSP, and EOG, are designed for needy students. In contrast, the Guaranteed Loan Program was designed as a program of convenience. It is our assumption that a large number of borrowers under the GLP would be able to attend college without these loans. Hence, if there are shortages of funds, we strongly urge that funding priorities be given to those programs which are the most effective in enabling students to secure higher education.

10. While we are on the subject of funding, we sincerely appreciate all efforts at all levels to provide advance funding so the institutions can get the word to their students in time for them to plan for the coming year. This is vitally important.

The National Council heartily endorses Title IV, Part C, Special Services for Disadvantaged Students. The stated purpose highly complements the other programs of student financial aid and will enable the institutions to assist and encourage students of limited financial, social, and educational backgrounds in realizing educational objectives to which they are entitled. When a significant number of such students are included in a student body, it presents special problems of counseling and tutoring. Funds from this act will help the institution meet these problems as well as other social and financial responsibilities to the highly disadvantaged student.

12. Again we thank you for the opportunity of presenting our thoughts and of working together with you and with the Office of Education in a unified effort to keep the door of educational opportunity open for those who need help.

Mrs. GREEN. The next person that we have before the committee is our colleague, the able Representative from New York, the Honorable Bill Ryan.

Mr. Ryan, I regret that we have kept you waiting.

STATEMENT OF HON. WILLIAM F. RYAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. RYAN. I enjoyed the discussion, Madam Chairman.

Mrs. GREEN. Will you proceed on the point. I am aware of your particular problem, Congressman Ryan. I don't know whether you want to have your full statement placed in the record at this point and you summarize it or whether you want to read it.

Mr. RYAN. Suppose I proceed. I think the statement is concise and explains the problem with which I am concerned and which, of course,