

N. NATIONAL DEFENSE STUDENT LOAN PROGRAM—OTHER RECOMMENDATIONS

39. *It is recommended that the procedure for allocating the Federal capital contributions be based on a State or regional allocation to take into consideration the number of students enrolled in high-cost institutions and the income distribution of college-going students, as well as on the number of full-time students in higher education, which is the only factor now used. (See ch. IV, p. 14.)*

OE position

A change in this procedure is recommended in the Higher Education Amendments of 1968, with creation of national pooled funding. Factors of institutional cost, income distribution of students, enrollment changes, etc., are best developed within the individual institutional request, rather than superimposed by formula.

40. *Further, it is recommended that no allocation to a State or region be allowed to lapse, that funds not used in a State or region be reallocated to States or regions where insufficient funds have been allotted. (See ch. IV, p. 14.)*

OE position

This recommendation has been met by provision in H.R. 15067 in which there is no State allotment formula. Accordingly, all institutions are treated on an equal basis and the amount of money which would not be utilized by institutions, would be reduced to a bare minimum.

41. *It is recommended that additional restrictions on needy students be called to the attention of financial aid officers as possible sources of discrimination. (See ch. IV, p. 17.)*

OE position

We steadfastly support the right of the institution to determine the students to whom they make awards. Whenever it is brought to our attention that financial aid officers are not following the rules or regulations, we do take appropriate action, primarily through site visits by our regional personnel.

42. *It is recommended that the provision in the national defense student loan program legislation requiring that special consideration be given to students "with a superior academic background" be eliminated (See ch. IV, p. 17.)*

OE position

This provision of the NDEA will be eliminated by amendments contained in H.R. 15067.

O. OTHER RECOMMENDATIONS

43. *It is recommended that the institutional allocation procedure in the health professions student loan program be revised to take into consideration not only the proportion of students involved, but the relative student expense budgets. (See ch. V, p. 5.)*

OE position

No comment.

44. *It is recommended that additional efforts be made to disseminate information about the nursing student loan program: (a) among high school guidance counselors; (b) among currently enrolled students in nursing programs to encourage them to continue into advanced studies; and (c) among married nurses to encourage them to take on advanced studies. (See ch. VI, p. 8.)*

OE position

No comment.

Mr. PETRIE. In connection with our particular State, when any student advises me that he cannot find a bank, I determine that he has actually made contacts with the various banks. If he cannot find a bank or lender to provide the loan, I ask him to send the application on to our office and we find a place for him.

Mrs. GREEN. Will you also give us the number of women who are borrowers under this?

Mr. PETRIE. I have this in my program, too.

Mrs. GREEN. I thank the members of this panel for appearing today.