would only amount to half of the students' needs, with the other half to be filled in another way—either through a loan or a private grant?

Mr. STRICKLER. We would have trouble in our area.

Mr. QUIE. I would not have difficulty getting this answer in some other parts of the country.

Mr. STRICKLER. We would have some trouble.

Mr. QUIE. Why do you say the municipal colleges are a dying type of institution?

Mr. STRICKLER. All you have to do is look around the country and see what is happening to them.

Mr. QUIE. Are they dying?

Mr. STRICKLER. That is not the proper choice of words. They are becoming another kind of institution. For example, you talk about the University of Houston, the University of Omaha, the University of Wichita, University of Kansas City, University of Cincinnati, all of them go struggling to get a broader basis of financial support.

In this day and age, this means moving into the State system of higher education. At the moment our legislature is meeting and we have a resolution in that legislature asking that the University of Louisville be brought into the State system.

If I may say, frequently lawmakers do something out of the goodness of their heart and spirit but it increases difficulty for the institution.

For example, we have always had support for our medical and dental schools in part from the State. In this present legislature, the budget included a $2 million increase in our appropriations for us but it was based upon the principle that we reduce our tuition rate so that we save $2 million.

So here we are with a $2 million increase in appropriations but we are in a much worse financial bind now because we are simply substituting one form of income for another and we are not in a position to raise our tuition to meet increased costs for next year.

So we are going to have to do some negotiating on this because otherwise I can't make a budget next year. It is wonderful for the students because it means that the tuition has dropped from $1,200 to $900 a year. It is terrible for us.

Mr. QUIE. That is all. Thank you.

Chairman PERKINS. Did I understand you to say that you were having trouble with the guaranteed loan program in Louisville at your institution?

Mr. STRICKLER. No, we are not having trouble.

Chairman PERKINS. Do you feel that the fee that is being proposed is reasonable?

Mr. STRICKLER. Yes, sir.

Chairman PERKINS. Or do you feel that it would make it work better at your institution?

Mr. STRICKLER. I asked my financial aid officer yesterday by telephone what his reaction was on this. He said he would have no objection to this. He thinks it is perfectly all right. I am not acquainted with the details of the the operation.

Chairman PERKINS. Have you been somewhat disappointed with the participation of the banks up to the present time that serve your institution and students?