

I will leave them for the members. The substance of the volume is in such accord with the apparent intent of title IX that other testimony along those lines on our part would be superfluous.

It may be helpful, however, if, as a representative of Educom, I try to point out areas of economy which should encourage the passage of the Networks for Knowledge Act, and bring to your attention some areas of questionable language which may make its administration difficult if and when it is passed into law.

Industry has long found that it is frequently necessary to "spend money in order to make money." At a time when the national economic posture makes it necessary to cut back expenditures in many programs, we feel that the money provided under title IX can well be spent "in order to make money."

By providing a means of tying university resources together so that the whole becomes greater than the sum of the parts, by reducing duplication, by marshalling the available means to meet the increasing educational needs of our country, and by providing an organizational umbrella under which intelligent broad planning can be done. The Networks for Knowledge Act will, we believe, insure the reasonable growth of our systems in size and quality at minimum cost. The wording of the bill is specific enough to make us aware that the committee must already understand these things, and we need not dwell on them further.

Turning to the question of wording, we would like to draw the subcommittee's attention to some possible need for clarification. On page 94 starting with line 9, we find:

(c) (1) Grants pursuant to Clause (B) of paragraph (3) OF subsection (b) may not be used to pay the costs of electronic transmission terminals.

It is entirely possible, for example, that our evolving technology will make it possible for universities to subscribe to a service which, for a fixed fee plus an additional fee representative of use, will permit them access to remoted bibliographic facilities. Such a service, provided by a nonprofit corporation, would clearly fall under the intent of the act, but no specific item of cost would be broken out of the electronic transmission terminals themselves. It would seem that some additional language would be necessary in the legislative history in order to clarify the subcommittee's thinking on this matter.

Again on page 94, starting with line 13:

* * * grants may not include—

(A) the cost of operating administrative terminals or student terminals at participating institutions * * *

Here the change of language from the costs of electronic transmission terminals to the cost of operating administrative terminals would imply that a great many not include payment for the labor required to operate the terminals but would be available to pay for the terminals themselves. Here again we feel that additional language is necessary in the legislative history to make clear the subcommittee's feelings concerning such details as: Rental cost for terminals dedicated to this use; the purchase of terminals and the depreciation charges resulting therefrom; the maintenance costs associated with terminals; and, finally, the labor cost associated with actual operation of the terminal.