

among the eligible schools on the basis of a statutory formula which now provides \$25,000 to each school plus \$500 for each full-time student enrolled. To be eligible for such a grant, the school must have an increase in first-year student enrollment over the highest enrollment in any of the preceding 5 school years—except that the Secretary may waive this requirement if he finds that the facilities of the school are too limited to permit an enrollment expansion without deterioration of quality of training.

Special project grants are awarded on the basis of individual project applications, but grants may be made only to schools which have been awarded a basic improvement grant, and there is a specific dollar limitation on the amount of any project grant. In addition, there is a combined appropriation authorization covering both basic and special improvement grants, with the specific condition that funds are to be available for project grants only after the requirements of the formula grants have been met.

Several key amendments to these provisions are proposed in H.R. 15757.

First, the appropriation authorization would be modified so that the availability of project grant funds would not be subordinated to the formula grant requirements.

Second, the basis for distributing formula grants would be different. Each school would still receive a basic \$25,000, but of the remaining funds appropriated for these grants, 75 percent would be distributed on the basis of full-time student enrollments and 25 percent on the basis of the number of graduates. In the distribution of funds for full-time student enrollment, the schools would receive twice the per capita amount for enrollment in excess of the average enrollment during the 5-year base period.

In addition, effective with fiscal year 1968, the authority of the Secretary to waive the enrollment expansion requirement would be broadened to apply to cases in which such waiver would be in the public interest and would be consistent with the purposes of this program.

Third, the special project grant provisions would be amended to broaden the purposes for which such grants can be made. New authority is proposed, for example, for projects to strengthen the program planning competencies of the schools—including the planning, development, or establishment of new programs, as well as modifications of existing programs.

Projects for planning experimental teaching facilities, including experimental designs, would also be authorized. Special emphasis would, of course, continue to be given to assisting schools in serious financial straits.

Fourth, the proposed amendments would eliminate the dollar ceilings on individual project grants, as well as the provision limiting such grants to schools that are recipients of formula grants.

Finally, the eligibility for special project grants would be expanded to include schools of pharmacy and schools of veterinary medicine.

We believe these proposed amendments will provide a more flexible basis for institutional assistance and a more realistic approach to incentives for enrollment expansion.

We propose to increase from 12 to 14 the membership of the National Advisory Council—on medical, dental, optometric, and podi-