

The original documents are located in Box 27, folder “7/25/75 HR5901 Education Division and Related Agencies Appropriation Act for 1976 (vetoed)” of the White House Records Office: Legislation Case Files at the Gerald R. Ford Presidential Library.

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald R. Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

Exact duplicates within this folder were not digitized.

*Vetoed 7/25/75
Veto message delivered to House
of Representatives - 7/25/75 - 4:00pm*

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

JUL 25 1975

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 5901 - Education Division and Related Agencies Appropriation Act for 1976 and the transition quarter ending September 30, 1976

Last Day for Action:

July 30, 1975 - Wednesday

<u>Appropriations (in millions):</u>	<u>Administration Request</u>	<u>Enrolled Bill</u>	<u>Congressional Increase</u>
1976.....	\$3,807	\$4,917	\$1,110
Transition Quarter....	268	465	196
1977.....	<u>2,328</u>	<u>2,563</u>	<u>236</u>
Total.....	6,403	7,945	1,542

Outlay Increases: \$350 million in 1976; \$125 million in the transition quarter; \$837 million in 1977; and \$230 million in future years.


Highlights:

- The size of the total congressional increase to your requests and congressional support of existing programs that need reform are the two bases for recommending veto of this enrolled bill.
- Significant actions on major program appropriations include:
 - o An increase of \$479 million for impact aid and no action on the revised distribution formula you have proposed.
 - o An increase of \$434 million for higher education without the shifted emphasis you had proposed on aid to students. Aid to institutions receives emphasis in the enrolled bill.

Recommendation:

I recommend that you veto the enrolled bill and issue a veto message before leaving on your European trip.

James T. Lynn
James T. Lynn
Director



Attachment



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

JUL 25 1975

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled bill H.R. 5901 - Education Division and
Related Agencies Appropriation Act for 1976
and the transition quarter ending
September 30, 1976
Sponsor - Representative Flood (D), Pennsylvania

Last Day for Action

July 30, 1975 - Wednesday

Purpose

Appropriates for HEW's education programs and several educational institutions, a total of \$7,945 million in budget authority of which \$4,917 million is for fiscal year 1976, \$465 million is for the transition quarter, and \$2,563 million is advance funding for fiscal year 1977.

Agency Recommendations

Office of Management and Budget	Disapproval (draft veto statement has been supplied to the White House speech writers)
Department of Health, Education, and Welfare	Disapproval

Background

This is the first of the regular 1976 appropriation bills to be enrolled this session. Appropriations have also been provided throughout the bill for the three-month transition period between the end of fiscal year 1976 and the beginning of fiscal year 1977 (July 1, 1976, to September 30, 1976). In accordance with the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344), fiscal year 1977 will begin on October 1, 1976, instead of July 1, 1976. Inclusion of appropriations for this three-month period will be a feature of all regular appropriation bills for fiscal year 1976.



The inclusion of education appropriations in a bill separate from other Health, Education, and Welfare programs resumes the practice followed for fiscal years 1971 and 1972. Late enactment of authorizing legislation caused the practice to be discontinued for the 1973 through 1975 appropriations.

Summary

The Congress' early action on this year's appropriations bill for education is a "plus." If the bill could be enacted, funds could be made available before the start of the school year in September. The bill also includes, at your request, major 1977 advance funding for several programs. Thus, States and localities could plan use of these funds for the 1976-1977 school year during their regular budget process. Another favorable aspect of congressional action is that the amounts you requested have been appropriated for many items in the bill.

These favorable actions, however, are overshadowed by the total appropriations increase approved by the Congress and by the Congress' failure to adopt reforms you had proposed for several of the major programs in this bill--impact aid, emergency school assistance, vocational education, and assistance for higher education. More specifically:

- ° The appropriations provided by the bill are \$1,542 million above your request of \$6,403 million. Congressional reports have cited the increase as \$1,346 million, but this disregards an increase of \$196 million for the transition quarter.

The \$1.5 billion increase in appropriations will result in increased outlays of \$350 million in 1976, \$125 million in the transition quarter, \$837 million in 1977, and \$230 million in future years.

Another way of viewing the 1976 increase to the bill is by separating congressional response to your proposals from congressional initiatives in the bill. The attached tables give this view in detail. In summary, the Congress made room for its own 1976 initiatives of \$202 million by denying \$364 million of the 1976 increases you had proposed over 1975. The major increase results from congressional denial of virtually all the \$1.3 billion in decreases from 1975 that you had proposed.

The increase in this enrolled bill is one of many potential congressional additions to your budget that--

by congressional scorekeeping and ours--threatens to push the 1976 deficit to more than \$85 billion and to add about \$45 billion to the 1977 deficit.

- ° The bill makes allocations of impact aid to school districts in ways that are inequitable because they do not reflect the true impact of Federal activity, disregards the facts that new court-ordered and voluntary desegregation plans have decreased and progress has been made in this area, fails to consolidate several State grant programs for vocational education, and continues the practice of subsidizing higher education institutions rather than giving aid directly to students in need so they may choose the education they want. Some of these reforms are dependent primarily upon congressional enactment of substantive legislation. Nevertheless, veto of this bill can underline your proposals, perhaps lower the amounts going into the old programs, and encourage the Congress to adopt (as it has in the past) appropriation language to overcome some features of the present impact aid distribution formula prescribed in the authorizing law.

It is on these two grounds--the unacceptable increase and the support of existing programs which need reform--that Secretary Weinberger and I recommend that you veto this enrolled bill.



Congressional Changes to Your Requests

Following, in order of greatest increase, are the major changes made by the Congress to your requests for this bill:

- ° School assistance in Federally affected areas - The Congress added \$404 million for maintenance and operations payments, \$10 million for construction, and \$65 million for the transition quarter--a total increase of \$479 million.

The Congress has not acted on the substantive legislation that would be necessary to implement the reform of this program proposed in the February budget. Instead, in this enrolled bill the Congress has fully funded payments to all local agencies for both "A" children (whose parents live and work on Federal property) and "B" children (whose parents either live or work on Federal property). Thus, the Congress has increased the fiscal year program from 1975 to 1976 by \$24 million rather than cutting it by \$390 million as you had proposed. The reports and debates on the impact aid appropriation

indicate that proponents of the bill believe that the \$680 million provided for 1976 is required by the authorizing law (the Education Amendments of 1974). Vetoing this enrolled bill will open the possibility of the Congress providing, for impact aid, a lesser total amount and substituting language that sets aside some provisions of the authorizing law, thus making possible a distribution of funds that comes closer to reflecting the true impact of Federal activity.

- ° Higher education - Budget authority was increased by \$434 million in total for the various higher education programs.

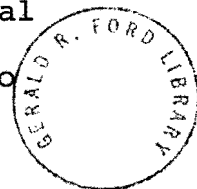
You had proposed increasing the amount of funds granted directly to students (the basic opportunity grant program) and decreasing the amounts made available to institutions through such programs as supplemental opportunity grants and direct loans. The Congress continued the present emphasis on institutions. It approved \$335 million less than requested for basic opportunity grants, citing in reports lack of satisfaction that the "program is as yet operating as well as it should." This decrease would reduce the average grant to a student from more than \$800 this year to \$676 next year, a further step away from meeting the costs at most colleges. Concurrently, the Congress approved last year's levels for supplemental opportunity grants and direct loans, an increase of \$563 million over your requests to terminate the two programs.

The work-study program, which provides aid through specific institutions but was cited in reports as "one of the most effective means of student aid" was increased by \$140 million.

The Congress restored the following higher education programs you had proposed for termination: veterans cost of instruction (\$23.8 million), university community services (\$12.1 million), aid to land-grant colleges (\$9.5 million), public service and mining fellowships (\$7 million), support for State postsecondary education commissions (\$3.5 million), and support for ethnic heritage studies (\$1.8 million). Other changes resulted in a net increase of \$8 million.

- ° Elementary and secondary education - The bill provides \$222 million more in budget authority than your request for 1976 and advance 1977 funding.

Of the total increase, \$161.6 million is for advance 1977 funds. Two programs are to receive this increase:



- grants for education for the disadvantaged are to be increased \$150 million. Your request for this program was virtually the same as last year. The congressional reports explaining the increase justify it as necessary, in light of inflation, to avoid cutting back on the teaching staff presently engaged in the program.
- support and innovation grants were increased by \$11.6 million to ensure that no State would receive less in 1977 than it had in 1974.

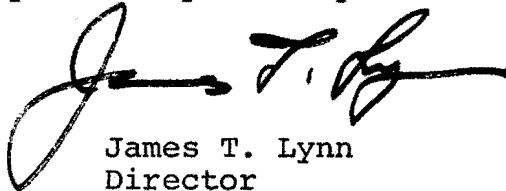
The remaining \$60.8 million of the increase is for 1976 programs, including:

- \$27.8 million for bilingual education. These additional funds would move the program from demonstration projects into ongoing support of activities which are traditionally State and local responsibilities.
 - \$17.5 million for the Follow Through program will continue all 169 existing projects rather than eliminate those for two grade levels and, thereby, begin phase out of this successful demonstration program that can now move into the next stage: regular funding by States and localities.
 - \$10.5 million for reading programs and educational broadcasting facilities.
 - \$5 million for two programs you have proposed be terminated--alcohol and drug abuse education and environmental education.
- o Occupational, Vocational, and Adult Education - The enrolled bill increases your request by \$167 million--\$29 million in 1976, \$134 million in the transition quarter, and \$4 million in 1977. In the budget, you had proposed a major consolidation of the various State grants included in this program. The Congress has not acted upon the substantive legislation necessary to accomplish this consolidation and has made the appropriation in the enrolled bill on the basis of the existing legislation and at approximately the same yearly level as 1975. The proportionately high increase for the transition quarter reflects lack of a request for that period in your budget, pending the enactment of the consolidation.

- ° Emergency school aid - The congressional increase of \$140 million over your budget request maintains the 1975 funding level for this program. You have proposed substantive legislation that would concentrate emergency school aid funds on school districts that are desegregating or voluntarily eliminating racial isolation, thus requiring a smaller appropriation to place the money where the problems are. The Congress has not acted on this proposal, but has provided the appropriation under the existing legislation which makes funds available to States on a formula basis.
- ° Library Resources - The bill increases your request by \$71 million--\$61 million for 1976 and \$10 million for 1977. The increase is mainly in the public library services area. The budget proposed to phase out this program in favor of new legislation. The Congress, however, has not acted upon the new legislation but has funded the program at the 1975 level for an increase of \$42 million over your request.
- ° Education for the Handicapped - Congress added \$58.8 million to your requests for 1976, the transition quarter, and 1977. Nearly all of the increase goes to providing the full amount authorized for 1977 State grants--\$110 million as compared with your request of \$50 million.
- ° Other changes in the bill were decreases, each for less than \$11 million. They amount to \$30 million.

Recommendation

In sum, this bill is much too costly to justify your signature and would continue to require the distribution of excessive funds in ways that prevent concentration on essential purposes. I recommend that you veto the bill and issue a veto message before you leave for your European trip.



James T. Lynn
Director

Attachment



TO THE HOUSE OF REPRESENTATIVES:

I return without my approval H.R. 5901, the Education Division and Related Agencies Appropriation Act, 1976.

Throughout my public life, I believed -- and still believe -- that education is one of the foundation stones of our republic. But that is not the issue in this appropriation bill.

The real issue is whether we are going to impose fiscal discipline on ourselves or whether we are going to spend ourselves into fiscal insolvency.

This is the first regular appropriation bill passed by the Congress this year and it provides \$7.9 billion, \$1.5 billion more than I requested.

Earlier this year, I drew a line on the budget deficit for fiscal year 1976 at \$60 billion. That line is considerably higher than I would like. On May 14, the Congress drew its own line on the deficit at \$69 billion. But now, the Congress' own July 21 budget scorekeeping report estimates a possible deficit this year of \$83.6 billion.

I cannot, in good conscience, support such a deficit, not only because of what it means this year, but next year and the year after. In fact, if this bill were to become law, nearly \$1 billion would be added to next year's deficit.

While I do not insist that my original budget recommendation is the only one acceptable, I do believe major reductions must be made in this bill. The Congress could make a substantial move in that direction by simply accepting my recommendations for impact aid and higher education. In these two areas alone, Congress has added \$913 million to my proposals.

No single program is more bankrupt than the Impact Aid program. Starting with President Eisenhower, every Chief Executive has recommended reform or abolition of impact aid. Yet, the Congress would allocate three quarters of a billion dollars of the taxpayers' money to this program over the next 15 months. This program is a luxury we can no longer afford. If we are to do what must be done, we must stop doing what need not be done.



We must also avoid increasing the funding of other programs unless we have the money to pay for them. In that regard, I urge the Congress to reconsider the \$434 million added to my \$2 billion recommendation for higher education.

The other increases the Congress has added to this bill are a part of the trend over the past several years -- a little more for every program. In this case, "a little more" adds up to nearly \$629 million.

Taken as a whole, this appropriation bill is too much to ask the taxpayers -- and our economy -- to bear.

I urge the Congress to sustain my veto of this bill and then we can work together -- as we have before -- to achieve a responsible compromise.

Ronald R. Ford

THE WHITE HOUSE,

July 25, 1975.



Signed 7/25

THE WHITE HOUSE

WASHINGTON

July 25, 1975

MEMORANDUM FOR THE PRESIDENT

FROM:

JIM CANNON *Jane*

SUBJECT:

Veto Message on HR 5901--The Education
Appropriations Act.

Attached is the veto message on H.R. 5901, The Education Division and Related Agencies Appropriation Act, 1976. It has been reviewed by Max Friedersdorf, the Council's office (Lazarus), and Paul Theis, who has approved the text. OMB has also approved the message.

Recommendation

I recommend that you sign the attached veto message.





THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
WASHINGTON, D. C. 20201

JUL 17 1975

MEMORANDUM FOR THE PRESIDENT

You will soon be receiving for your consideration H.R. 5901, the education appropriations bill for 1976. I would like to take this opportunity to recommend that you veto this bill.

At a time when most indicators show that we are beginning to make some headway against inflation, the Congress has just passed a bill for education totalling \$7.5 billion, an increase of \$1.4 billion in budget authority, or 23 percent, over your 1976 budget request. This would cause an increase of \$360 million in fiscal year 1976 outlays and nearly \$850 million in fiscal year 1977 outlays.

In addition to being inflationary, this bill would perpetuate many marginal and ineffective Federal programs. For example, the amount included in the bill for impact aid alone is nearly three quarters of a billion dollars, and includes funding for the first time for children living in public housing.

The bill would also perpetuate many of the older student assistance programs--including supplemental opportunity grants and direct student loans--while it also provides funds for the new basic educational opportunity grants and guaranteed loan programs which are designed to replace these older programs.

Furthermore, funds for emergency school desegregation assistance have been included at the same levels of past years, although the incidence of problems with court-ordered and voluntary desegregation has decreased substantially. Numerous additional programs, including land grant college aid, college library support, equipment programs, and others, would, under the education bill, continue to dole out marginal amounts of funds to many institutions without regard to their need for support, thereby underscoring the apparent impossibility of terminating or even reducing any Federal program once it gets started.



The veto of this bill is a course of action which I recommend with regret, for one of the reasons for a separate education bill this year was to speed up enactment of appropriations for States' local educational programs. Nevertheless, for the reasons outlined above, I urge this course of action.

Jasper W. Weinberger
Secretary





To Jim Caranagh
7.19.75
MS

Copy sent to Central Files
and

THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
WASHINGTON, D. C. 20201

Copy with bill file. ✓

JUL 17 1975

MEMORANDUM FOR THE PRESIDENT

You will soon be receiving for your consideration H.R. 5901, the education appropriations bill for 1976. I would like to take this opportunity to recommend that you veto this bill.

At a time when most indicators show that we are beginning to make some headway against inflation, the Congress has just passed a bill for education totalling \$7.5 billion, an increase of \$1.4 billion in budget authority, or 23 percent, over your 1976 budget request. This would cause an increase of \$360 million in fiscal year 1976 outlays and nearly \$850 million in fiscal year 1977 outlays.

In addition to being inflationary, this bill would perpetuate many marginal and ineffective Federal programs. For example, the amount included in the bill for impact aid alone is nearly three quarters of a billion dollars, and includes funding for the first time for children living in public housing.

The bill would also perpetuate many of the older student assistance programs--including supplemental opportunity grants and direct student loans--while it also provides funds for the new basic educational opportunity grants and guaranteed loan programs which are designed to replace these older programs.

Furthermore, funds for emergency school desegregation assistance have been included at the same levels of past years, although the incidence of problems with court-ordered and voluntary desegregation has decreased substantially. Numerous additional programs, including land grant college aid, college library support, equipment programs, and others, would, under the education bill, continue to dole out marginal amounts of funds to many institutions without regard to their need for support, thereby underscoring the apparent impossibility of terminating or even reducing any Federal program once it gets started.



The veto of this bill is a course of action which I recommend with regret, for one of the reasons for a separate education bill this year was to speed up enactment of appropriations for States' local educational programs. Nevertheless, for the reasons outlined above, I urge this course of action.

Jasper W. Weinberger
Secretary



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

JUL 25 1975

To: J. Conaway
7-25-75
11:45-9.M.

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 5901 - Education Division and Related Agencies Appropriation Act for 1976 and the transition quarter ending September 30, 1976

Last Day for Action:

July 30, 1975 - Wednesday

<u>Appropriations (in millions):</u>	<u>Administration Request</u>	<u>Enrolled Bill</u>	<u>Congressional Increase</u>
1976.....	\$3,807	\$4,917	\$1,110
Transition Quarter....	268	465	196
1977.....	<u>2,328</u>	<u>2,563</u>	<u>236</u>
Total.....	6,403	7,945	1,542

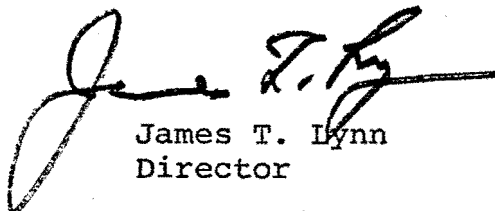
Outlay Increases: \$350 million in 1976; \$125 million in the transition quarter; \$837 million in 1977; and \$230 million in future years.

Highlights:

- The size of the total congressional increase to your requests and congressional support of existing programs that need reform are the two bases for recommending veto of this enrolled bill.
- Significant actions on major program appropriations include:
 - o An increase of \$479 million for impact aid and no action on the revised distribution formula you have proposed.
 - o An increase of \$434 million for higher education without the shifted emphasis you had proposed on aid to students. Aid to institutions receives emphasis in the enrolled bill.

Recommendation:

I recommend that you veto the enrolled bill and issue a veto message before leaving on your European trip.


James T. Lynn
Director



Attachment



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

JUL 25 1975

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled bill H.R. 5901 - Education Division and
Related Agencies Appropriation Act for 1976
and the transition quarter ending
September 30, 1976
Sponsor - Representative Flood (D), Pennsylvania

Last Day for Action

July 30, 1975 - Wednesday

Purpose

Appropriates for HEW's education programs and several educational institutions, a total of \$7,945 million in budget authority of which \$4,917 million is for fiscal year 1976, \$465 million is for the transition quarter, and \$2,563 million is advance funding for fiscal year 1977.

Agency Recommendations

Office of Management and Budget	Disapproval (draft veto statement has been supplied to the White House speech writers)
Department of Health, Education, and Welfare	Disapproval

Background

This is the first of the regular 1976 appropriation bills to be enrolled this session. Appropriations have also been provided throughout the bill for the three-month transition period between the end of fiscal year 1976 and the beginning of fiscal year 1977 (July 1, 1976, to September 30, 1976). In accordance with the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344), fiscal year 1977 will begin on October 1, 1976, instead of July 1, 1976. Inclusion of appropriations for this three-month period will be a feature of all regular appropriation bills for fiscal year 1976.



The inclusion of education appropriations in a bill separate from other Health, Education, and Welfare programs resumes the practice followed for fiscal years 1971 and 1972. Late enactment of authorizing legislation caused the practice to be discontinued for the 1973 through 1975 appropriations.

Summary

The Congress' early action on this year's appropriations bill for education is a "plus." If the bill could be enacted, funds could be made available before the start of the school year in September. The bill also includes, at your request, major 1977 advance funding for several programs. Thus, States and localities could plan use of these funds for the 1976-1977 school year during their regular budget process. Another favorable aspect of congressional action is that the amounts you requested have been appropriated for many items in the bill.

These favorable actions, however, are overshadowed by the total appropriations increase approved by the Congress and by the Congress' failure to adopt reforms you had proposed for several of the major programs in this bill--impact aid, emergency school assistance, vocational education, and assistance for higher education. More specifically:

- ° The appropriations provided by the bill are \$1,542 million above your request of \$6,403 million. Congressional reports have cited the increase as \$1,346 million, but this disregards an increase of \$196 million for the transition quarter.

The \$1.5 billion increase in appropriations will result in increased outlays of \$350 million in 1976, \$125 million in the transition quarter, \$837 million in 1977, and \$230 million in future years.

Another way of viewing the 1976 increase to the bill is by separating congressional response to your proposals from congressional initiatives in the bill. The attached tables give this view in detail. In summary, the Congress made room for its own 1976 initiatives of \$202 million by denying \$364 million of the 1976 increases you had proposed over 1975. The major increase results from congressional denial of virtually all the \$1.3 billion in decreases from 1975 that you had proposed.

The increase in this enrolled bill is one of many potential congressional additions to your budget that--



by congressional scorekeeping and ours--threatens to push the 1976 deficit to more than \$85 billion and to add about \$45 billion to the 1977 deficit.

- The bill makes allocations of impact aid to school districts in ways that are inequitable because they do not reflect the true impact of Federal activity, disregards the facts that new court-ordered and voluntary desegregation plans have decreased and progress has been made in this area, fails to consolidate several State grant programs for vocational education, and continues the practice of subsidizing higher education institutions rather than giving aid directly to students in need so they may choose the education they want. Some of these reforms are dependent primarily upon congressional enactment of substantive legislation. Nevertheless, veto of this bill can underline your proposals, perhaps lower the amounts going into the old programs, and encourage the Congress to adopt (as it has in the past) appropriation language to overcome some features of the present impact aid distribution formula prescribed in the authorizing law.

It is on these two grounds--the unacceptable increase and the support of existing programs which need reform--that Secretary Weinberger and I recommend that you veto this enrolled bill.

Congressional Changes to Your Requests

Following, in order of greatest increase, are the major changes made by the Congress to your requests for this bill:

- School assistance in Federally affected areas - The Congress added \$404 million for maintenance and operations payments, \$10 million for construction, and \$65 million for the transition quarter--a total increase of \$479 million.

The Congress has not acted on the substantive legislation that would be necessary to implement the reform of this program proposed in the February budget. Instead, in this enrolled bill the Congress has fully funded payments to all local agencies for both "A" children (whose parents live and work on Federal property) and "B" children (whose parents either live or work on Federal property). Thus, the Congress has increased the fiscal year program from 1975 to 1976 by \$24 million rather than cutting it by \$390 million as you had proposed. The reports and debates on the impact aid appropriation



indicate that proponents of the bill believe that the \$680 million provided for 1976 is required by the authorizing law (the Education Amendments of 1974). Vetoing this enrolled bill will open the possibility of the Congress providing, for impact aid, a lesser total amount and substituting language that sets aside some provisions of the authorizing law, thus making possible a distribution of funds that comes closer to reflecting the true impact of Federal activity.

- ° Higher education - Budget authority was increased by \$434 million in total for the various higher education programs.

You had proposed increasing the amount of funds granted directly to students (the basic opportunity grant program) and decreasing the amounts made available to institutions through such programs as supplemental opportunity grants and direct loans. The Congress continued the present emphasis on institutions. It approved \$335 million less than requested for basic opportunity grants, citing in reports lack of satisfaction that the "program is as yet operating as well as it should." This decrease would reduce the average grant to a student from more than \$800 this year to \$676 next year, a further step away from meeting the costs at most colleges. Concurrently, the Congress approved last year's levels for supplemental opportunity grants and direct loans, an increase of \$563 million over your requests to terminate the two programs.

The work-study program, which provides aid through specific institutions but was cited in reports as "one of the most effective means of student aid" was increased by \$140 million.

The Congress restored the following higher education programs you had proposed for termination: veterans cost of instruction (\$23.8 million), university community services (\$12.1 million), aid to land-grant colleges (\$9.5 million), public service and mining fellowships (\$7 million), support for State postsecondary education commissions (\$3.5 million), and support for ethnic heritage studies (\$1.8 million). Other changes resulted in a net increase of \$8 million.

- ° Elementary and secondary education - The bill provides \$222 million more in budget authority than your request for 1976 and advance 1977 funding.

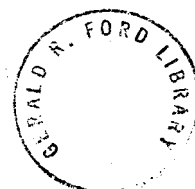
Of the total increase, \$161.6 million is for advance 1977 funds. Two programs are to receive this increase:



- grants for education for the disadvantaged are to be increased \$150 million. Your request for this program was virtually the same as last year. The congressional reports explaining the increase justify it as necessary, in light of inflation, to avoid cutting back on the teaching staff presently engaged in the program.
- support and innovation grants were increased by \$11.6 million to ensure that no State would receive less in 1977 than it had in 1974.

The remaining \$60.8 million of the increase is for 1976 programs, including:

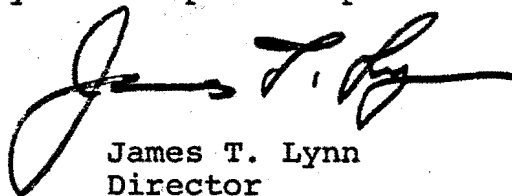
- \$27.8 million for bilingual education. These additional funds would move the program from demonstration projects into ongoing support of activities which are traditionally State and local responsibilities.
 - \$17.5 million for the Follow Through program will continue all 169 existing projects rather than eliminate those for two grade levels and, thereby, begin phase out of this successful demonstration program that can now move into the next stage: regular funding by States and localities.
 - \$10.5 million for reading programs and educational broadcasting facilities.
 - \$5 million for two programs you have proposed be terminated--alcohol and drug abuse education and environmental education.
- o Occupational, Vocational, and Adult Education - The enrolled bill increases your request by \$167 million--\$29 million in 1976, \$134 million in the transition quarter, and \$4 million in 1977. In the budget, you had proposed a major consolidation of the various State grants included in this program. The Congress has not acted upon the substantive legislation necessary to accomplish this consolidation and has made the appropriation in the enrolled bill on the basis of the existing legislation and at approximately the same yearly level as 1975. The proportionately high increase for the transition quarter reflects lack of a request for that period in your budget, pending the enactment of the consolidation.



- Emergency school aid - The congressional increase of \$140 million over your budget request maintains the 1975 funding level for this program. You have proposed substantive legislation that would concentrate emergency school aid funds on school districts that are desegregating or voluntarily eliminating racial isolation, thus requiring a smaller appropriation to place the money where the problems are. The Congress has not acted on this proposal, but has provided the appropriation under the existing legislation which makes funds available to States on a formula basis.
- Library Resources - The bill increases your request by \$71 million--\$61 million for 1976 and \$10 million for 1977. The increase is mainly in the public library services area. The budget proposed to phase out this program in favor of new legislation. The Congress, however, has not acted upon the new legislation but has funded the program at the 1975 level for an increase of \$42 million over your request.
- Education for the Handicapped - Congress added \$58.8 million to your requests for 1976, the transition quarter, and 1977. Nearly all of the increase goes to providing the full amount authorized for 1977 State grants--\$110 million as compared with your request of \$50 million.
- Other changes in the bill were decreases, each for less than \$11 million. They amount to \$30 million.

Recommendation

In sum, this bill is much too costly to justify your signature and would continue to require the distribution of excessive funds in ways that prevent concentration on essential purposes. I recommend that you veto the bill and issue a veto message before you leave for your European trip.


James T. Lynn
Director

Attachment



H.R. 5901 - EDUCATION APPROPRIATIONS, 1976

(Budget authority
in millions of dollars)

Budget request.....	<u>3,686.8</u>
Congressional change.....	+1,110.3
Consisting of:	
Effect of Congressional denial of President's proposed:	
Reductions <u>1</u> /.....	+1,272.9
Increases <u>2</u> /.....	-364.4
Congressional initiatives (increases or decreases beyond Presidential proposals) <u>3</u> /.....	+201.8

1/ 2/ 3/ See attached sheets for detail.



H.R. 5901-EDUCATION APPROPRIATIONS, 1976
1/ PRESIDENTIAL REDUCTIONS DENIED BY THE CONGRESS

Program	(Budget authority in thousands of dollars)		
	President's Proposed Reduction	Amount of Pro- posal Congress Accepted	Effect of Congressional Action
Elementary and secondary.....	-39,420	---	+39,420*
Impact aid.....	-390,016	---	+390,016*
Emergency school aid.....	-140,000	---	+140,000
Occupational, vocational, adult education.....	-33,664	-4,226	+29,438
Higher education:			
Supplemental oppor- tunity grants.....	-240,300	-207	+240,093
Direct loans (Federal capital contributions, Loans to institutions).	-323,000	---	+323,000
Work-study.....	-50,200	---	+50,200*
Library resources.....	-62,224	-1,500	+60,724
Special institutions.....	<u>-10,244</u>	<u>-10,244</u>	<u>---</u>
Total.....	-1,289,068	-16,177	+1,272,891

* Also see congressional initiative section.



H.R. 5901-EDUCATION APPROPRIATIONS, 1976
2/ PRESIDENTIAL INCREASES DENIED BY THE CONGRESS

<u>Program</u>	<u>(Budget authority in thousands of dollars)</u>		
	<u>President's Proposed Increase</u>	<u>Amount of Pro- posal Congress Accepted</u>	<u>Effect of Congressional Action</u>
Education for the handicapped.....	+25,141	+25,141	---*
Higher education:			
Basic opportunity grants.....	+390,000	+55,000	-335,000
Other.....	+21,070	+21,070	---*
Innovative and ex- perimental.....	+20,093	+17,993	-2,100
Salaries and ex- penses.....	+11,896	+4,595	-7,301
National Institute of Education.....	+9,644	---	-9,644*
Assistant Secretary for Education.....	+13,974	+3,640	-10,334
Total.....	+491,818	+127,439	-364,379

* Also see congressional initiative section.



H.R. 5901-EDUCATION APPROPRIATIONS, 1976
3/ CONGRESSIONAL INITIATIVES (INCREASES OR DECREASES)

(Budget authority in thousands of dollars)

	<u>Effect of Congressional Actions</u>
Elementary and secondary.....	+21,350
Impact aid.....	+23,984
Education for the handicapped.....	+1,375
Higher education:	
Work-study.....	+89,800
Other.....	+65,675
National Institute of Education.....	<u>-356</u>
Total.....	+201,828



(O'Neill)RR/PT

July 25, 1975

To the House of Representatives
EDUCATION APPROPRIATION VETO MESSAGE

I return without my approval H.R. 5901, the Education Division and Related Agencies Appropriation Act, 1976.

Throughout my public life, I believed ^{- AND STILL BELIEVE -} that education is one of the foundation stones of our republic. But that is not the issue in this appropriation bill.

The real issue is whether we are going to impose fiscal discipline on ourselves or whether we are going to spend ourselves into fiscal insolvency.

This is the first regular appropriation bill passed by the Congress this year and it provides \$7.9 billion, \$1.5 billion more than I requested.

Earlier this year, I drew a line on the budget deficit for fiscal year 1976 at \$60 billion. That line is considerably higher than I would like. On May 14, the Congress drew its own line on the deficit at \$69 billion. But now, the Congress' own July 21 budget scorekeeping report estimates a possible deficit this year of \$83.6 billion.

I cannot, in good conscience, support such a deficit, not only because of what it means this year, but next year and the year after. In fact, if this bill were to become law, nearly \$1 billion would be added to next year's deficit.



While I do not insist that my original budget recommendation is the only one acceptable, I do believe major reductions must be made in this bill. The Congress could make a substantial move in that direction by simply accepting my recommendations for impact aid and higher education. In these two areas alone, Congress has added \$913 million to my proposals.

No single program is more bankrupt than the Impact Aid program. Starting with President Eisenhower, every Chief Executive has recommended reform or abolition of impact aid. Yet, the Congress would allocate three quarters of a billion dollars of the taxpayers' money to this program over the next 15 months. This program is a luxury we can no longer afford. If we are to do what must be done, we must stop doing what need not be done.

2 / We must also avoid increasing the funding of other programs unless we have the money to pay for them. In that regard, I urge the Congress to reconsider the \$434 million added to my \$2 billion recommendation for higher education.

The other increases the Congress has added to this bill are a part of the trend over the past several years--a little more for every program. In this case, "a little more" adds up to nearly \$629 million.



Taken as a whole, this appropriation bill is too much to ask the taxpayers--and our economy--to bear.

~~Money appropriated by the Congress must be taken from the people--either through higher taxes or inflation or both.~~

Some will argue that the Congress should override my veto of this bill because it is the intent of Congress to shift priorities, to add money for education and other programs. My answer is very simple: There is no sign that the Congress can tighten its belt to keep the deficit under \$60 billion.

I urge the Congress to sustain my veto of this bill and then we can work together--as we have before--to achieve a responsible compromise.



EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATION BILL, 1976

JUNE 18 (legislative day JUNE 6), 1975.—Ordered to be printed

Mr. MAGNUSON, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H.R. 5901]

The Committee on Appropriations, to which was referred the bill (H.R. 5901) making appropriations for the Education Division, the American Printing House for the Blind, the National Technical Institute for the Deaf, Gallaudet College, and Howard University for the fiscal year ending June 30, 1976, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amount of bill as passed by House.....	\$7, 332, 995, 000
Amount of Senate bill over comparable House bill..	+339, 883, 000
Amount added by Senate for items not considered	
by House.....	-----
Total bill as reported to Senate.....	7, 672, 878, 000
Amount of comparable appropriations, 1975.....	6, 919, 768, 000
Budget estimates, 1976.....	6, 134, 339, 000
The bill as reported to the Senate:	
Over the comparable appropriations for 1975..	+753, 110, 000
Over the estimates for 1976.....	+1, 538, 539, 000



TABLE OF CONTENTS
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

EDUCATION DIVISION

TITLE I

	Report page	Bill page
Office of Education:		
Elementary and secondary education.....	5	2
School assistance in federally affected areas.....	8	3
Emergency school aid.....	9	4
Education for the handicapped.....	11	5
Occupational, vocational, and adult education.....	13	5
Higher education.....	15	6
Library resources.....	18	7
Innovative and experimental programs.....	19	7
Educational activities overseas (special foreign currency program).....	21	8
Salaries and expenses.....	21	8
Student Loan Insurance Fund.....	22	8
Higher Education Facilities Loan and Insurance Fund.....	23	9
National Institute of Education.....	24	10
Assistant Secretary for Education, salaries and expenses.....	24	11

TITLE II

Special institutions:		
American Printing House for the Blind.....	25	11
National Technical Institute for the Deaf.....	25	12
Gallaudet College.....	26	12
Howard University.....	26	12

TITLE III

General provisions.....	27	13
-------------------------	----	----

SUMMARY OF ESTIMATES AND APPROPRIATIONS

[The following table compares, on a summary basis, the appropriations for 1975, the estimates for 1976, and the amounts carried in the bill.]

	1975 enacted	1976 estimates	1976 House bill	1976 Senate bill compared with—	
				1976 enacted	1976 estimates
Education Division.....	\$6,790,687,000	6,015,502,000	7,550,341,000	+914,104,000	+836,883,003
Advance for 1977.....	-----	(2,327,718,000)	(2,551,718,000)	(+224,000,000)	(-----)
Transition period.....	-----	258,915,000	436,599,000	+177,684,000	+29,784,000
Related agencies.....	123,081,000	118,837,000	118,837,000	-4,244,000	+3,500,000
Grand total.....	6,919,768,000	6,134,339,000	7,332,995,000	+1,213,656,000	+839,883,000

NOTE.—The detailed tabulation at the end of this report reflects each amount included in the bill for 1976, the corresponding budget estimate, and the amount appropriated for 1975, with appropriate comparisons.

GENERAL STATEMENT

The accompanying bill contains this Committee's recommendations for funding the Education Division and related agencies. In the aggregate, this bill will account for approximately 80 percent of the total Federal dollar effort in the area of education. The bill represents a many-sided approach to bettering the fate and future of mankind through the educational process. Programs funded in the bill cover a wide spectrum, including support to local school districts, aid to individuals attending institutions of higher learning, and special assistance to the needy and the handicapped. In the development and preparation of the bill, the Committee examined with care the President's budget request and the House version of the bill—weighing both against the accomplishments of programs funded in prior years.

For the most part, the Committee found the budget requests to be either unrealistic or insufficient. For example, budget requests reflecting new legislative proposals were submitted and doggedly adhered to even after it became obvious that no new legislation would be enacted. Nearly 40 tried and proven programs—many of which specifically addressed the needs of the disadvantaged—are phased down or eliminated under the President's budget request. The estimates transmitted to the Congress, in the main, appear to underestimate the difficulties now being experienced throughout our educational system. School levy failures; court ruling calling for equal educational opportunities for all; ever-increasing tuition costs; an unbalanced economy and record breaking unemployment; and alarming illiteracy rates among our citizens represent the sorts of issues which must be faced if this nation, through the efforts of a well-educated citizenry, is to continue to grow.

This Committee has repeatedly called attention to the basic and obvious premise that without a strong educational system at all levels, the very foundation of society is weakened. As it is hard for any individual to succeed when burdened with the handicaps of poverty and illiteracy, so, too, it is difficult for a nation to advance when its population is shut off from adequate and equitable educational opportunities. If continued economic growth and prosperity are to be our goals, education programs such as those contained in this bill command our full and unrelenting support. Establishing and maintaining a sound education structure should be our goal—and should be vigorously pursued. In what better fashion could this nation celebrate its Bicentennial Anniversary.

As always, the Committee's examination of programs covered in this bill went deeper than a review of dollar levels. Certainly, the current economic situation and limited budget resources were factors to be carefully considered. The Committee took care to see that funds are recommended only for those programs which offered the maximum return on the taxpayer's dollar. Selected reductions to the President's budget are recommended in programs which, in the Committee's opinion, appear unnecessary, excessive, or of marginal value. In addition, the Committee has criticized ongoing programs whose effectiveness shows signs of being hampered by bureaucratic mishandling, overly-complicated legislative authorities, or shortsighted State and local funding patterns.

TITLE I—EDUCATION DIVISION

OFFICE OF EDUCATION

ELEMENTARY AND SECONDARY EDUCATION

1975 comparable appropriation.....	\$2, 187, 415, 000
1976 budget estimate.....	2, 203, 388, 000
House allowance.....	2, 403, 158, 000
Committee recommendation.....	2, 435, 158, 000

The Committee recommends \$2,435,158,000, an increase of \$231,770,000 over the budget request and \$32,000,000 over the House bill. The Committee bill also represents an increase of \$247,743,000 over the comparable amount available for fiscal year 1975.

Grants for the Disadvantaged (Title I).—The Committee recommends \$2,050,000,000 in advance funding (fiscal year 1977), the same as the House allowance and an increase of \$150,000,000 over the budget request and the level provided for fiscal year 1976. Under the authority of Title I, Part A of the Elementary and Secondary Education Act, grants are made to States and to local school districts to help meet the added costs of educating disadvantaged children. The amount contained in the bill will provide special services to 5.6 million children in local school districts, as well as 900,000 children in State agency schools. Grants are made to assist children residing in areas where there is a high concentration of low-income families, children of migrant families, the handicapped, and institutionalized children.

Under the Part B program, special incentive grants are made to those States whose efforts to educate the disadvantaged are greater than the national effort index. Funds made available through this program are allotted by the States to those school districts which have the greatest need for assistance. The Committee recommends that \$33,000,000 be made available for this purpose, the same as the budget request and an increase of \$16,462,000 over the House amount. The Committee strongly supports those States engaged in special and innovative efforts for needy children and views this program as a principal factor in these efforts.

The Title I program represents the single largest Federal effort to assist needy youngsters. The Committee views the recommended increase over the request in both the long and short-term best interests of the country. By helping to insure greater educational opportunities to all our children and by helping to advance the quality of education, we move closer to reducing the waste of human resources. From an economic standpoint, the Title I program represents a highly labor-intensive program, employing 200,000 teachers and teachers' aides. A standstill budget, in light of inflation, will not only affect the potential productivity of the children served, but will also have immediate effects on those engaged in providing these services.

The Committee wishes to set the record straight with respect to the expenditure of Title I appropriations. It has been stated that no additional funds should be provided for Title I since, in recent years, the States and local school districts have not spent their full allocations. It should be made clear that the blame rests with the Federal government—not the schools. Delays in distributing appropriations, impoundments, and the lack of timely legislation are all contributing

factors to the problem. Hopefully, this sort of confusion will be better understood and averted in the future.

Support and Innovation Grants.—The Committee bill includes \$172,888,000 requested to advance fund (fiscal year 1977) grants to States for support and innovation programs. This is the same amount that was appropriated for fiscal year 1976. The Education Amendments of 1974 (Public Law 93-380) consolidated four programs previously funded on a categorical basis. The consolidation is comprised of: strengthening leadership resources in State departments of education; supplementary educational services; dropout prevention activities; and nutrition and health services. The consolidated approach recognizes that considerable differences in program emphasis exist among the States. Under the new law, States have the flexibility to shift emphasis in order to meet individual needs and priorities. In addition, each State is required to utilize a minimum of 15 percent of its allocation on programs for handicapped children.

The bill provides that no State shall receive less for these programs in fiscal years 1976 or 1977 than it received in 1975.

Bilingual Education.—The Committee recommends \$100,270,000 for bilingual education programs, an increase of \$30,270,000 over the budget request and \$5,000,000 over the House allowance. Funds are provided to assist local educational agencies in responding to the special needs of students with limited or non-English-speaking ability. In 1974 the Supreme Court affirmed the responsibility of local educational agencies to ensure equal educational opportunities for these students. The Committee views this mandate as requiring a mutual effort—not one to be borne by local governments alone. Cooperation and coordination of State, Federal, institutional, and community efforts is required to minimize the difficulties faced by students of limited English-speaking ability. The Federal government should play an active role as agent to encourage and instigate improvements. Paradoxically, the budget request submitted to the Congress represents a reduction of nearly \$15 million below the 1975 appropriation for bilingual education programs.

The maximum of \$6,000 per fellowship awarded under this program was set originally more than 10 years ago. In the light of the decrease in the value of the dollar for both education and cost of living, this level is seen by the Committee as being unrealistic. The Committee recommends that the full fellowship award be given directly to the fellow, with the provision that he pay all education costs including tuition. The Committee further recommends that the fellowships be awarded in the amount of \$7,200 for MA candidates and \$7,800 for Ph. D. candidates.

Of the amount contained in the bill, \$65,000,000 is provided for grants to school districts to support 400 classroom demonstration projects. These projects, while serving as models for other districts, would assist nearly 220,000 students. The Committee recommends that \$25,370,000 be provided for training grants. This amount, which is an increase of \$9,370,000 over the budget request, would support training grants and fellowships to educational personnel directly involved with teaching children. The Committee concurs with the House amounts for curriculum development (\$7,000,000), bilingual training activities (\$2,800,000), and the National Advisory Council (\$100,000).

Reading Programs.—The Committee recommends \$22,000,000 to carry out reading improvement programs. The amount recommended

includes \$12,000,000 for the Right to Read program and \$10,000,000 to fund the Reading Improvement Program, authorized by the Education Amendments of 1974. No funds were requested nor provided by the House for the latter program. This new program is not intended to eliminate or replace the efforts of Right to Read but, rather, to build upon existing activities and expand reading improvement efforts. Of the additional amount provided, \$7,500,000 is recommended for grants for programs designed to overcome reading deficiencies. This amount would support approximately 150 projects serving 75,000 children. The remainder, \$2,500,000, is to establish 45 reading academies focusing on reading instruction to 10,000 out-of-school youths and adults.

Follow Through.—The Committee concurs with the House allowance of \$59,000,000 for Follow Through, an increase of \$3,500,000 over the 1975 appropriation and an increase of \$17,500,000 over the budget request. The recommended amount will enable the continuation of the existing 169 projects, avoiding the elimination of two grade level as proposed in the budget request. The Committee recommends \$2,300,000 for evaluation studies, a decrease of \$3,700,000 from the budget request. This difference is to be used to meet the rising costs of projects operated by local school districts.

Educational Broadcasting Facilities.—The Committee bill includes \$15,000,000 for educational broadcasting facilities, an increase of \$5,000,000 over the House bill and \$8,000,000 over the budget request. Presently, 80 percent of the population is served by educational television, 66 percent by educational radio. The Committee firmly believes that efforts should be continued to promote full coverage. Towards this end the additional funds provided would support 21 new television and radio stations.

Alcohol and Drug Abuse.—The Committee recommends \$2,000,000 for alcohol and drug abuse education, the same as the House allowance. No funds were requested for this program. Four million was provided for this purpose in fiscal year 1975. The amount recommended by the Committee will provide final-year funding for six preservice demonstration projects and for support of 160 to 170 school-based alcohol and drug abuse prevention and early intervention teams with emphasis on impacting large urban school districts and minorities. It is estimated that 2,000 individuals will be directly served, and an additional 20,000 will be indirectly served by these activities.

Environmental Education.—The Committee has also included \$4,000,000 to assist in the development of environmental education programs at all levels of education. No funds were requested for this purpose; the House bill contains \$2,000,000. Grants and contracts are awarded to support materials and personnel development, elementary and secondary education, and community education projects. The Committee cautions the Department to avoid any duplication or overlap in awarding these funds.

Educational Equalization Grants.—Section 842 of the Education Amendments of 1974 authorizes Federal aid to each State for developing or administering plans for equalizing the finances of local educational agencies. No funds are requested, nor did the House include funding for this purpose. Given the financial crunch confronting schools throughout the Nation, the Committee believes \$10,000,000 should be provided. This amount, distributed to States on the basis of population, would serve as an incentive for promoting equalization of the finances of local educational agencies.

The following table shows a detailed comparison of the Committee's recommendations, the budget estimate, and the amounts available for fiscal year 1975:

	1975 appropriation	1976 estimate	1976 House bill	1976 Senate bill
Grants for disadvantaged.....	\$1,876,000,000	¹ (\$1,900,000,000)		
Advance for 1977.....		1,900,000,000	\$2,050,000,000	2,050,000,000
Support and innovation grants.....	141,495,000	¹ (172,888,000)		
Advance for 1977.....		172,888,000	172,888,000	172,888,000
Bilingual education:				
(a) Grants to school districts.....	53,370,000	46,900,000	60,000,000	65,000,000
(b) Training grants.....	21,000,000	16,000,000	25,370,000	25,370,000
(c) Curriculum development.....	7,000,000	7,000,000	7,000,000	7,000,000
(d) Bilingual vocational grants.....	2,800,000		2,800,000	2,800,000
(e) Advisory councils.....	100,000	100,000	100,000	100,000
Subtotal.....	84,270,000	70,000,000	95,270,000	100,270,000
Right to read.....	12,000,000	12,000,000	12,000,000	22,000,000
Follow through.....	55,500,000	41,500,000	59,000,000	59,000,000
Drug abuse education.....	4,000,000		2,000,000	2,000,000
Environmental education.....	1,900,000			2,000,000
Educational broadcasting facilities.....	12,000,000	7,000,000	10,000,000	15,000,000
Equipment and minor remodeling.....	250,000			
Total.....	2,187,415,000	2,203,388,000	2,403,158,000	2,435,158,000

¹ 1975 advance appropriation for 1976.

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

1975 comparable appropriation.....	\$656,016,000
1976 budget estimate.....	266,000,000
House allowance.....	659,000,000
Committee recommendation.....	725,000,000

The Committee recommends \$725,000,000 for school assistance in Federally affected areas. This amount represents an increase of \$66,000,000 over the House amount and \$669,000,000 over the budget request to the Congress. The Education Amendments of 1974 substantially changed the Impact Area Aid program. The new law establishes payment adjustment provisions which become effective when appropriations are insufficient to pay full entitlement levels. These provisions authorize the Commissioner of Education to pay a percentage of total entitlements according to a three-tier payment procedure. Although the payments vary among the different subcategories of eligible children, the pattern of payments closely resembles the distribution adopted by the Committee in previous appropriation bills. In addition, the new law sets up four savings (hold-harmless) provisions. These provisions are aimed at guaranteeing certain minimum levels of payment to school districts adversely affected by the new payment schedules.

The Committee recommends \$700,000,000 for maintenance and operations (Public Law 874), an increase of \$51,000,000 over the House amount of \$649,000,000. In providing this amount, the House, acting on the basis of estimates supplied by HEW, intended to fully fund the first two tiers of the payment schedule. HEW subsequently informed the Committee that "The Office of the General Counsel has informally determined that 'hold-harmless' provisions (dealing with base-closings and out-of-county/out-of-State Category B children) are to be paid from the regular appropriation and must be paid prior to distributing funds among the tiers."

Based on the House allowance of \$649,000,000, HEW estimates that an additional \$51,000,000 would be required to fund these hold-harmless provisions. The Committee, although somewhat skeptical of HEW's ability to accurately estimate actual needs in this area has, therefore, provided \$700,000,000, enough to fully fund the first two tiers of the payment schedule, as well as the hold-harmless provisions (305(b)(2)(B) and 305(b)(2)(C)).

For school construction under Public Law 815, the Committee has provided \$25,000,000, an increase of \$15,000,000 over the request and the House amount and \$5,000,000 over the level appropriated for fiscal year 1975. These additional funds are provided to help relieve the enormous backlog in applications submitted for school construction (many of which have awaited funding for several years). The Committee recommends that the Commissioner make funds available for school construction at Eielson Air Force Base, Alaska which is ranked number one in the HEW's priority list. In addition, the Committee has included bill language which would enable the Commissioner of Education to make payments to local schools surrounding the Trident Support Site in Bangor, Washington. Similar special Federal assistance has been rendered in the past when it became apparent that major government projects would place severe strains on local school systems. Allocations for this purpose are to be made on the basis of most current projections of school enrollments and current school construction costs.

The Committee notes that the new impact aid formula appears to offer little relief, at current appropriation levels, for school districts with large numbers of category 3(b) military dependents. Generally, these districts serve large military installations which heavily impact on local economies and tax bases. The new law will generate a new, more detailed base for classifying students. The Committee urges the Commissioner to review and analyze this new data and, if necessary, recommend formula adjustments or improvements which might be made to the basic law.

For the interim period, the bill includes \$70,000,000 to continue the regular practice of making partial payments to school districts heavily impacted with category A children. These school districts generally have a low tax base and the impact aid payment is needed early in the fiscal year to cover current operating expenses.

	1975 appropriation	1976 budget estimate	House bill	Committee recom- mendation
1. Maintenance and operations:				
(a) Payments for "A" children.....	\$223,900,000	\$162,000,000	\$248,737,758	\$248,737,758
(b) Payments for "B" children.....	354,616,000	40,000,000	341,597,262	341,597,262
(c) Special provisions.....	14,500,000	8,000,000	12,664,980	12,664,980
(d) Payments to other Federal agencies.....	43,000,000	46,000,000	46,000,000	46,000,000
(e) Savings provisions.....				51,000,000
Subtotal.....	636,016,000	256,000,000	649,000,000	700,000,000
2. Construction.....	20,000,000	10,000,000	10,000,000	25,000,000
Total.....	656,016,000	266,000,000	659,000,000	725,000,000
Transition budget.....		5,000,000	70,000,000	70,000,000

EMERGENCY SCHOOL AID

1975 comparable appropriation.....	\$241,700,000
1976 budget estimate.....	101,700,000
House allowance.....	226,700,000
Committee recommendation.....	241,700,000

The bill includes \$241,700,000 for activities authorized by the Emergency School Aid Act and Title IV of the Civil Rights Act. The amount recommended represents an increase of \$15,000,000 over the amount allowed by the House. The Committee remains convinced that the activities carried out through this account should not be phased-out or substantially altered, as proposed in the President's budget. For this reason, the Committee has restored this program to the fiscal year 1975 level of funding.

The budget proposed \$75,000,000 for the Emergency School Aid Act based on legislative language designed to fund only selected provisions of the basic law. Under the budget request, funds would be targeted to special areas of need through project grants. The Committee feels that this approach is not in accord with the intent of the present law and creates much uncertainty about which school districts would receive Federal assistance.

Based on the amount recommended in the bill and the distribution under the various provisions of the basic law, \$27,155,000 would be available for special projects, \$185,588,000 for State apportionment, and \$2,257,000 for evaluation.

For special projects, an amount of \$9,052,000 is included for bilingual education projects to assist local school districts and organizations in meeting the needs of minority children from limited and non-English-speaking backgrounds. Educational television projects in the amount of \$6,794,000 would be supported to develop and produce children's television programs designed to increase understanding and cooperation among racial and ethnic groups. In addition, \$11,309,000 is included for special programs to support a wide range of activity in school districts experiencing particular problems with desegregation. The Committee continues to urge allocation of these funds to those areas, such as the City of Boston, most in need of assistance.

For the State apportionment provisions of the basic law, the bill provides \$185,588,000. No funds were requested in the budget for these provisions. The funds included in the bill would be distributed among the States on the basis of the number of minority children between 5 to 17 years of age. States may use these funds for various activities, including remedial services, supplemental staff, teacher aides, teacher training, guidance counseling, curriculum development, community activities, and minor construction projects.

For Title IV of the Civil Rights Act, a total of \$26,700,000 is included in the bill. These funds would be used to support programs designed to insure adequate response to education problems occasioned by (1) desegregation, (2) unequal access to education of those national-origin minority children who are not fluent in the English language, and (3) sex discrimination. Of the total amount provided, \$5,000,000 will be used for the support of training and advisory services for bilingual education at nine bilingual general assistance centers and through State education agency grants in about 14 States. Ten training institutes will be funded to provide training services for school personnel in dealing with problems of sex discrimination. A total of 221 training and technical assistance grant and contract awards are expected to be made, of which about 88 are expected to be new awards.

The interim budget of \$325,000 for this appropriation has been approved to support technical assistance and training activities occurring during the interim period. Most of this appropriation is used to support programs conducted during school-year 1976-77.

EDUCATION FOR THE HANDICAPPED

1975 comparable appropriation.....	\$199,859,000
1976 budget estimate.....	175,000,000
House allowance.....	235,000,000
Committee recommendation.....	237,750,000

The Committee recommends \$237,750,000, an increase of \$62,750,000 over the budget request and \$2,750,000 over the House allowance.

It is currently estimated that 7 million children in this country have physical, mental, or learning handicaps. Only 2.8 million of these children are receiving the special educational services they need. Perhaps the most shocking fact of all is that one million handicapped children are excluded entirely from the public school system. Over the last few years, court decisions and changes in State laws have reaffirmed the rights of handicapped children to equal educational opportunities. The budget requests \$175,000,000 for programs aimed at helping meet the needs in this area, a reduction of nearly \$25 million below the 1975 level of funding. The Committee fails to see the logic in this proposal. The States and the local governments certainly have primary responsibility for this effort. However, the Federal government cannot and should not ignore the fact that schools are now faced with dramatically increased burdens.

In the role of catalyst, HEW should help provide States and localities with the guidance, direction, and support which is so vitally needed. To this end, the Committee concurs with the House in providing \$110,000,000 for State grants, the full amount authorized in law. These funds will be used during the school year 1976-77. It is estimated that more than 495,000 children will be assisted, 245,000 over the number that would be served under the budget request.

The Committee has also provided funds for special categorical programs directed toward specific groups of handicapped children. For deaf-blind centers \$16,000,000 is included, an increase of \$4,000,000 over the amount appropriated for 1975. The additional funds will be used to enroll an additional 800 children in full time educational services at the 10 deaf-blind centers across the country. Thus, full-time services would be available for a total of 3,600 deaf-blind children.

For severely handicapped children, the bill provides \$3,250,000, the amount requested and an increase of \$424,000 over the 1975 appropriation. Severely handicapped children pose difficult problems for local schools. The funds under this program are used for specialized training and curriculum development designed to increase participation of these children in local educational programs. It is estimated that there are 1.4 million severely handicapped children, of which 1 million are not receiving educational services.

The bill includes \$40,000,000 for innovation and development activities, an increase of \$13,504,000 over the amount appropriated in fiscal year 1975. Activities supported include early childhood projects, for which the Committee recommends \$22,000,000 to expand services to 1 million handicapped preschool children. For specific learning disabilities, the Committee recommends \$5,000,000, an increase of \$750,000 over the budget request and House bill. Recognition of specific learning handicaps, such as the inability to read, has been relatively recent.

The Committee understands that the learning disabled are the largest category of handicapped children not presently served. According to the Department, no more than 25 percent of these children are in an appropriate education setting. It is further estimated that about 30 percent of the handicapped student-aged population have specific learning disabilities. Clearly this is an area of need, and a \$5,000,000 appropriation as against an authorization for the program of \$20,000,000 in 1976 is not excessive. The appropriation of \$5,000,000 will fund a total of 41 model child service demonstration projects, with special emphasis on high-need populations; among these will be at least 6 new projects demonstrating the comprehensive delivery of services to severely learning disabled children through multidisciplinary teams. The program will also encourage successful model replication, and will provide technical assistance to projects and to State education agencies. An amount of \$2,000,000 is included for regional education programs to provide vocational, technical, post-secondary, and adult educational opportunities for the handicapped. Funds are awarded to programs serving large population centers and to those where the need for services is clearly demonstrated.

The Committee has been impressed with the demonstration program for deaf young people offered by Delgado College in Louisiana. In prior years, this program was supported by the Bureau of Education for the Handicapped. Last year, the Congress authorized Regional Programs for the Deaf and Other Handicapped (Section 625 of Public Law 93-380) and stipulated the support of similar demonstration projects in Washington, Minnesota and California. Through an apparent oversight, the program at Delgado College was overlooked. The Committee expects the Commissioner to include Delgado College among the programs supported under this appropriation. The positive results from this demonstration certainly merit continued support.

The bill also provides \$11,000,000 to support research, demonstration, and dissemination activities in early childhood, career education, and personnel development.

For media and resource services the bill includes \$26,750,000, an increase of \$5,913,000 over the 1975 appropriation. These activities include media services and captioned films, for which \$16,250,000 is recommended, to develop specialized learning and media materials needed by classroom teachers. An amount of \$10,000,000 is included for the regional resource center program which assists parents and educators in the identification, screening, evaluation, and provision of appropriate educational services for the handicapped. For recruitment and information, \$500,000 is included for the continued development of coordinated information and referral services in State and local agencies.

For the special education manpower development program, the bill includes \$41,750,000, an increase of \$2,000,000 over the House bill and amount requested. These funds would assist universities and State education agencies in the support of students who are preparing to become teachers and paraprofessional educators of handicapped children. Retraining of regular classroom teachers and design of teacher instructional models are part of this program. The funds provided in the bill would train more than 30,000 persons.

It is generally accepted that there exists an overall surplus of teachers. However, surveys of State departments of education have pointed up serious needs in the area of special education teachers. Eighty percent of the State departments reported shortages in this particular field. The Committee has provided additional funds for training personnel directly involved with teaching the handicapped child. In doing so, the Committee hopes these funds will help alleviate some of the critical needs in this area.

The Committee is aware of complaints about the cost, delivery, and maintenance of systems associated with hearing aids used by hard of hearing children in public schools. Therefore the Committee directs the Office of Education to study the prospects for a hearing aid system in the public schools that will assure proper device upkeep and appropriate professional management.

An amount of \$10,500,000 is included to support projects funded during the interim period. The budget request of \$13,100,000 overstated the need for funds during this period.

OCCUPATIONAL, VOCATIONAL, AND ADULT EDUCATION

1975 comparable appropriation.....	\$669, 876, 000
1976 budget estimate.....	636, 212, 000
House allowance.....	668, 849, 000
Committee recommendation.....	696, 349, 000

The Committee recommends \$696,349,000, an increase of \$27,500,000 over the House bill and \$26,473,000 over the comparable 1975 appropriation. The budget request considered by the Committee includes \$523,000,000 to consolidate existing categorical programs authorized by the Vocational Education Act. The Committee sees no reason why funding for these important programs should be unnecessarily delayed. Obviously, at this late date, there is not sufficient time to enact entirely new legislation. A number of programs funded through this account would normally expire on June 30, 1975. However, section 414 of the General Education Provisions Act automatically extends the authorization for an additional year. The bill provides funds for programs so extended.

Vocational Education.—The purpose of the Vocational Education Act is to insure that “. . . persons of all ages in all communities . . . will have ready access to vocational training or retraining . . .” Over the last decade, Federal funds totaling \$3 billion have been directed to helping provide training for career vocations. Ever-increasing demands are being placed on local vocational and trade schools. For the last several years, enrollments have been growing at an annual rate of about 9 percent. States and local governments recognize the pressing needs in this area and have responded well. On the average, every Federal dollar of support has been matched by five dollars in State and local funds. Enrollments are expected to increase to at least 10.9 million in the upcoming school year, an increase of one million over current enrollment estimates. For these reasons, the Committee recommends \$570,637,000 for vocational education. This amount represents an increase of \$25,000,000 over the House bill and \$47,631,000 over the budget request. The Committee has modified the House bill language with respect to the distribution of funds for basic grants and vocational research. This modification is consistent with appropriations enacted over the last several years.

For basic State grants under Part B of the Vocational Education Act the bill includes \$435,978,000, an increase of \$40,897,800 over the House amount and \$15,000,000 over the 1975 appropriation. Basic grants are designed to assist the States in a variety of activities including institutional support, vocational guidance and counseling, teacher training, curriculum development, construction and equipment. In addition, 40 percent of the Federal allotment must be used for specific purposes: disadvantaged students (15%); handicapped students (10%); and postsecondary programs (15%).

For consumer and homemaking education, the Committee recommends \$45,994,000, an increase of \$10,000,000 over the House bill and last year's level of funding. This program is aimed at preparing and training youths and adults in meeting the needs of today's families. Enrollments in this area are expected to increase to 3.8 million, an increase of 160,000 over 1975 enrollments. This growth, coupled with the burgeoning ranks of unemployed in this country, serves as strong evidence for the need to expand our efforts. One-third of the Federal funds would be used for programs in economically depressed areas or areas of high unemployment. In addition, programs would be equally divided among urban, rural, and suburban areas.

Other State grants for programs for students with special needs, work-study, and cooperative education would continue at the same amounts as available for fiscal year 1975. For State advisory councils, the bill includes funds to pay each State its minimum entitlement under the formula prescribed in the basic law. The Committee has also approved \$16,000,000 for State grants for innovation, \$18,000,000 for research grants, and \$1,000,000 for curriculum development which will continue these programs at their current appropriation levels.

The Committee is concerned that, unlike most other education programs, there is no limit to the amount of Federal funds which may be retained at the State level to cover administrative costs. According to a recent General Accounting Office report, some States are using up to 70 percent of the Federal grant for this purpose. The Committee urges the authorizing committees to review this matter when new legislation is developed.

The Committee notes the critical need for vocational education services and facilities in the City of Cheyenne, Wyoming. Students, many of whom are military dependents or are from lower-income groups, are presently being turned away for lack of adequate facilities. The Committee urges the appropriate Federal, State, and local officials to undertake a mutual effort to see that this need is met without further delay.

Adult Education.—For adult education, the bill includes \$71,500,000, the same as the House bill and \$4,000,000 over the budget request. This amount is available on an advance funding basis for use during school year 1976-77. The amount provided would permit States to maintain training in reading, writing, and speech to about one million adults with less than a high school level of education. Persons participating in these programs seek to benefit from occupational training and to increase their opportunities for more productive and profitable employment. At least \$10,000,000 will be used by the States for special projects demonstrating the use of innovative methods, systems, materials, or programs and for State-funded teacher training opportunities for persons engaged in or preparing to engage in adult education programs.

Educational Personnel.—The Committee recommends \$54,212,000 for teacher training programs. This represents an increase of \$2,500,000 over the House bill and \$8,500,000 over the budget request. This amount includes \$37,500,000 for the Teacher Corps, the amount requested and the same as the House bill. The Teacher Corps is undergoing changes (resulting from the Education Amendments of 1974) which shifted the focus of the program. Projects must now concentrate on retaining of teacher interns for schools serving low-income populations and supporting cooperative efforts among the local school district, a college or university, and the community. The purpose is to demonstrate the effectiveness of various ways to improve the skills of teachers as a means of improving the quality of education.

For other education professions development programs, the bill provides \$16,712,000, an increase of \$2,500,000 over the House bill. Of the increase provided, \$500,000 is for training teachers of Indian children. The remainder, \$2,000,000, is aimed at helping alleviate teacher shortages in the field of vocational and industrial arts education. To the extent possible, these added funds should be directed at retraining teachers who, at present, are unemployed.

The following tabulation shows a comparison of the Committee's recommendation with the budget estimate and the amounts available for fiscal year 1975:

	1975 appropriation	1976 estimate	1976 House bill	1976 Senate bill
Vocational education:				
(a) Grants to States for vocational education:				
(1) Basic vocational education programs	\$420,978,000		\$395,080,200	\$435,978,000
(2) Programs for students with special needs	20,000,000		20,000,000	20,000,000
(3) Consumer and homemaking education	35,994,000		35,994,000	45,994,000
(4) Work-study	9,849,000		9,849,000	9,849,000
(5) Cooperative education	19,500,000		19,500,000	19,500,000
(6) State advisory councils	4,316,000		4,316,000	4,316,000
Subtotal	510,637,000	\$363,000,000	484,739,200	535,637,000
(b) Vocational research:				
(1) Innovation	16,000,000		16,000,000	16,000,000
(2) Curriculum development	1,000,000		1,000,000	1,000,000
(3) Research	18,000,000		43,897,800	18,000,000
Subtotal	35,000,000	\$160,000,000	60,897,800	35,000,000
Adult education	67,500,000	¹ 67,500,000		
Advance for 1977		² (67,500,000)	71,500,000	71,500,000
Educational personnel:				
(a) Teacher Corps				
(b) Other education professions development:				
(1) Elementary and secondary training	8,139,000	5,212,000	5,212,000	5,712,000
(2) Vocational education	9,000,000		9,000,000	11,000,000
(3) Higher education	2,100,000			
(4) Educational leadership		3,000,000		
Subtotal	56,739,000	45,712,000	51,712,000	54,212,000
Total	669,876,000	636,212,000	668,849,000	696,349,000

¹ A total of \$523,000,000 proposed for later transmittal; new legislation.

² 1975 advance appropriation for 1976.

HIGHER EDUCATION

1975 comparable appropriation	\$2,207,971,000
1976 budget estimate	2,005,541,000
House allowance	2,346,184,000
Committee recommendation	2,534,934,000

The Committee bill provides \$2,534,934,000 for higher education programs, an increase of \$529,393,000 over the budget request, \$188,750,000 more than the House bill, and an increase of \$326,963,000 over the comparable 1975 appropriation.

Student Assistance.—The bill includes a total of \$2,262,053,000, an increase of \$457,093,000 over the budget request and \$174,000,000 over the House bill. The budget proposes to fully fund the authorization for basic opportunity grants and to terminate supplementary opportunity grants and contributions to the national direct student loan program. Legislative language is requested to disregard the basic law which requires that supplementary grants and direct loans, as well as college work study, be funded at specified minimum levels before any payments may be made for basic grants. The Committee concurs with the House in denying this approach and is recommending funds for all of the existing student aid programs. The Committee is not satisfied that the basic grants program is as yet operating as well as it should. For this reason, the Committee has allowed \$795,000,000, a reduction of \$255,000,000 below the budget request. Based on current estimates, this amount would permit an average grant of \$592 per student during academic year 1976-77. In the past, the Department's estimates of total students participating have been overstated. Should this situation recur, average grants will be higher. For the last two academic years, surpluses have arisen in the amount of \$60 million and \$135 million, respectively.

The Committee remains convinced that the college work-study program is one of the most effective means of student aid. This program assists financially needy students by meeting a portion of the cost of wages paid to students who wish to earn a portion of their educational costs. The Committee has included \$420,000,000 in the bill for this purpose, an increase of \$60,000,000 over the House bill. This amount would support jobs for 873,000 students, an increase of 125,000 jobs over the amount supported under the House bill.

In addition, the bill includes \$240,093,000 for supplementary grants and \$300,000,000 for Federal capital contributions and loans to institutions under the National Direct Student Loan program. No funds were requested in the budget for these programs. The amount for supplementary grants is the same as the amount contained in the House bill and would support grants to approximately 347,000 exceptionally needy students. The amount provided for direct loans, together with repayments on prior-year loans, will assist approximately 709,000 students. The bill also provides \$452,000,000 to support an estimated 1,100,000 students under the Guaranteed Student Loan program.

The bill includes \$44,000,000, the amount requested for student incentive grants. This amount is more than double the fiscal year 1975 appropriation of \$20,000,000 and will provide 109,200 new awards and 66,800 continuation awards. Since the States must match Federal funds dollar for dollar, the amount recommended will actually support a program level of \$88,000,000. It is expected that this program can play an important role in strengthening the Federal-State partnership in expanding educational opportunity for needy students.

For the special programs for the disadvantaged, the Committee concurs with the House in providing \$70,331,000. Upward Bound, Talent Search, special services and educational opportunities centers

comprise the group of special programs designed to help needy students. Approximately 880 projects and 330,000 students would be assisted.

Institutional Assistance.—The bill includes \$191,250,000, an increase of \$13,000,000 over the House bill and \$63,250,000 over the budget request.

For strengthening developing institutions, authorized by Title III of the Higher Education Act, the Committee recommends \$110,000,000, the amount requested, and the same amount as the 1975 appropriation. Most of the developing institutions are small colleges enrolling large numbers of minority and low-income students. Approximately 165 institutions will receive grants averaging \$315,000 for the purpose of gradually strengthening their academic and management capabilities. In addition, funds are included to provide grants averaging \$2,800,000 to 21 institutions for projects designed to accelerate their transition to fully developed status.

The Committee has recommended \$18,000,000 for foreign language training and area studies, an increase of \$4,000,000 over the House bill. The amount of the increase would support an additional 43 centers, bringing the total number supported to 107. These additional centers would concentrate on small and middle-size institutions, so as to facilitate equitable distribution geographically among types of institutions aided, and to provide additional fellowships to aid the entry of minority and low-income students, as well as those from other professional disciplines. The additional funds would help the centers function at a level of maximum cost-effectiveness.

For university community services, the Committee has provided \$14,250,000, an increase of \$4,250,000 over the House and the same as the 1975 appropriation. This level of funding would continue support to an estimated 646 State grant projects and 15 special projects, the same as in 1975. For cooperative education programs, the Committee recommends \$10,750,000. With this amount, 180 initial-year grants would be awarded to institutions wishing to develop and implement course-studies in conjunction with business and industry.

The Committee has also included \$5,000,000 for State postsecondary commissions, \$9,500,000 for aid to land-grant colleges, and \$23,750,000 for veterans' cost of instruction.

Personnel Development.—The bill includes \$9,500,000, an increase of \$1,750,000 over the House bill and \$7,250,000 over the budget request. The total provided includes: \$2,000,000 for college teacher fellowships; \$500,000 for the Ellender Fellowship program; \$4,000,000 for public service training; and \$3,000,000 for mining and mineral fellowships.

Interim Budget.—Most of this appropriation supports programs and projects conducted in the subsequent academic year. The main exception is the guaranteed student loan program for which funds are required during the interim period to pay interest benefits on loans. An amount of \$124,000,000 is included for this purpose.

The following tabulation shows a comparison of the Committee's recommendation with the budget estimate and the amount appropriated to date for fiscal year 1975:

	1975 appropriation	1976 estimate	1976 House bill	1976 Senate bill
Student assistance:				
(a) Basic opportunity grants	\$660,000,000	\$1,050,000,000	\$660,000,000	\$795,000,000
(b) Supplemental opportunity grants	240,300,000		240,093,000	240,093,000
(c) Work-study	300,200,000	250,000,000	360,000,000	420,000,000
(d) Subsidized insured loans—interest subsidies	382,400,000	452,000,000	452,000,000	452,000,000
(e) Direct loans:				
(1) Federal capital contributions	321,000,000		321,000,000	300,000,000
(2) Loans to institutions	2,000,800		2,000,000	2,000,000
(3) Teacher cancellations	6,440,000	8,960,000	8,960,000	8,960,000
(f) Incentive grants for State scholarships	20,000,000	44,000,000	44,000,000	44,000,000
Subtotal, student aid	1,932,340,000	1,804,960,000	2,088,053,000	2,262,053,000
Special programs for the disadvantaged	70,331,000	70,331,000	70,331,000	70,331,000
Institutional assistance:				
(a) Strengthening developing institutions:				
(1) Basic program	52,000,000	52,000,000	52,000,000	52,000,000
(2) Advanced program	58,000,000	58,000,000	58,000,000	58,000,000
(b) Language training and area studies:				
(1) Centers, fellowships, and research	11,300,000	8,640,000	11,300,000	15,300,000
(2) Fulbright-Hays fellowships	2,700,000	1,360,000	2,700,000	2,700,000
(c) University community services	14,250,000		10,000,000	14,250,000
(d) Aid to land-grant colleges	9,500,000		9,500,000	9,500,000
(e) State postsecondary education commissions	3,000,000		3,000,000	5,000,000
(f) Veterans cost of instruction	31,250,000		23,750,000	23,750,000
(g) Cooperative education	10,750,000	8,000,000	8,000,000	10,750,000
Subtotal, institutional aid	192,750,000	128,000,000	178,250,000	191,250,000
Personnel development:				
(a) College teacher fellowships	4,000,000	1,000,000	1,000,000	2,000,000
(b) Fellowships for disadvantaged	750,000	750,000	750,000	
(c) Ellender fellowships	500,000	500,000		500,000
(d) Public service fellowships	4,000,000		4,000,000	4,000,000
(e) Mining fellowships	1,500,000		1,500,000	3,000,000
Subtotal	10,750,000	2,250,000	7,750,000	9,500,000
Ethnic heritage	1,800,000		1,800,000	1,800,000
Total	2,207,971,000	2,005,541,000	2,346,184,000	2,534,934,000

LIBRARY RESOURCES

1975 comparable appropriation	\$207,804,000
1976 budget estimate	147,330,000
House allowance	209,054,000
Committee recommendation	227,054,000

The Committee recommends \$227,054,000 for library resources, personnel development, and instructional equipment programs. This amount represents an increase of \$18,000,000 over the House allowance and \$79,724,000 over the budget request.

Public Libraries.—The bill includes \$51,749,000 for public library services, as authorized by the Library Services and Construction Act. The amount recommended maintains this program at the 1975 appropriation level. The budget proposed to phase-out this program in favor of new legislation. The Committee sees no reason to delay appropriations while awaiting new legislation which may or may not be enacted. Through this program, grants are made to States to promote the extension and improvement of public library services in areas without such services or in which services are inadequate. In addition, emphasis is placed on providing services to the physically handicapped, institutionalized persons, and the economically disadvantaged. The Committee notes that in some instances, States have lost sight of the fact that funds are to be targeted to areas of need. The Committee would expect that all States allot funds on the basis of need.

Libraries and Instructional Resources.—An amount of \$147,330,000 is included for Title IV-B of the Elementary and Secondary Education Act which authorizes grants to States for school library, instructional equipment, and guidance, counseling, and testing. This activity consolidates into a single authorization those programs which, prior to 1976, were funded on a categorical basis. An amount of \$137,330,000 was appropriated in fiscal year 1975 as advance funding for fiscal year 1976; and the same amount is included in the bill as advance funding for use in 1977. It is expected that these funds will provide the same benefits to children and teachers as the separate categorical programs did in the prior years. The consolidated grant, however, will provide local authorities greater responsibility in determining their own educational priorities and flexibility for focusing on these needs.

The Committee has provided \$9,975,000 to restore the college library program to the current funding level. This amount is sufficient to pay a basic grant of \$5,000 to assist approximately 2,380 institutions with maintaining and updating their library collections.

Training and Demonstrations.—The Committee has also included \$3,000,000 to maintain the librarian training and demonstration program at last year's level. No funds were requested in the budget nor provided by the House. The amount provided would support training of 165 persons through fellowships or traineeships, and 941 participants in training institutes for library personnel. In addition, support would be provided for a small number of projects designed to improve libraries, training methods, and techniques for processing and distributing library information.

Undergraduate Instructional Equipment.—The Committee recommends \$15,000,000 for this program; no funds were requested nor provided in the House bill. The amount provided would allow for about 1,200 grants to 1,000 higher education institutions. Most of these funds will go to junior colleges, community colleges, and vocational/technical centers for the acquisition of basic instructional equipment, consisting primarily of audiovisual equipment and materials and basic laboratory and shop items necessary for lower-division course work. With the rapidly escalating personnel costs, colleges and universities have been forced to greatly reduce the amounts of their own funds being used for instructional equipment and materials. The Committee heard no sound rationale for eliminating support for this program.

INNOVATIVE AND EXPERIMENTAL PROGRAMS

1975 comparable appropriation	\$18,900,000
1976 budget estimate	38,993,000
House allowance	36,893,000
Committee recommendation	36,893,000

The Committee recommends \$36,893,000, the same as the House allowance, and an increase of \$17,993,000 over the amount available for comparable programs in fiscal year 1975.

The Education Amendments of 1974 (Public Law 93-380) authorizes a new Special Projects Act essentially as a replacement for the Cooperative Research Act. The purposes of the Special Projects are to experiment with new educational and administrative methods, techniques, and practices; to meet special or unique educational needs or

problems; and to place special emphasis on national educational priorities. The legislation requires that not less than 50 percent of this appropriation be used for the following seven activities: 1) metric education, 2) education for the gifted and talented; 3) community schools, 4) career education, 5) consumer education; 6) women's educational equity, and 7) the arts in education programs. The remaining amount would be used for priority areas designed by the Commissioner of Education in accordance with the Act.

Metric Education projects would be designed to encourage educational agencies to prepare students in the use of the metric system of measurement. 70 projects would be supported.

The purpose of the gifted and talented children program is to increase the capacity of the States and other administrative systems to initiate, operate, and extend educational opportunities for gifted and talented children. About 25 projects would be supported.

The community schools program will fund projects directed toward providing educational, recreational, cultural, and other related community services in accordance with needs, interests and concerns of the community. A projected 70 programs are anticipated.

The career education program proposes to develop much needed baseline information pertaining to the needs for career education of all children, develop State and local plans for implementing career education, provide for the training and retraining of persons for conducting career education programs, promote a national interest in career education and demonstrate the best of current career education programs and practices. Of the \$10,135,000 included in the bill \$6,135,000 would be used for new projects in career education.

The funds for consumers' education will fund projects at the elementary and secondary, postsecondary, and adult education levels to promote consumer education through research, demonstration and pilot projects. About 250 projects would be supported.

Grants and contracts will be awarded to provide educational equity for women at all levels of education through the improvement and expansion of special and innovative programs. About 60 projects would be supported.

Arts in education involve grants and contracts to encourage and assist State and local education agencies to establish and conduct programs in which the arts are an integral part of elementary and secondary school education through arrangements with the John F. Kennedy Center for the Performing Arts.

The program of packaging and field testing is designed to accelerate the replication of successful educational approaches and products developed and demonstrated in Office of Education supported programs. This activity was funded under the salaries and expenses appropriation of 1975. The Committee has allowed sufficient funding to continue the projects started in prior years.

Educational television programing provides assistance to support the development, production, installation, and utilization of innovative children's education television programs. These are designed to help children learn, especially the disadvantaged, in the school or at home. The Committee has included \$5,400,000 for the continued support of Sesame Street and the Electric Company, and \$1,600,000 for new educational programs.

No funds are included for the interim budget since the project to be supported would be operated subsequent to September 1976.

The Committee acknowledges the promise of the National Diffusion Network in its first year of operation. The purpose of the Network is to provide a means by which school districts across the nation may learn of and adopt successful educational programs developed in other districts. The dissemination of such programs can result in substantial savings in development costs by the districts which adopt them. At present, some 50 to 60 reading, math and other programs validated by an Office of Education review panel as workable have been distributed through the Network, with more awaiting distribution. The Committee is advised that \$7,500,000 has been forward-funded under Title III, Section 306 of the Elementary and Secondary Education appropriation for fiscal 1975 to support Network activities through the 1975-76 school year. Since authority for the Network is shifted to Innovative and Experimental programs, it is the Committee's intention to give full consideration to continue funding this worthwhile effort in future school years. The Department is directed to keep the Committee informed of the work of the Network as well as the Department's plans for future funding of the program.

EDUCATIONAL ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

1975 comparable appropriation.....	\$1,000,000
1976 budget estimate.....	2,000,000
House allowance.....	2,000,000
Committee recommendation.....	2,000,000

The Committee recommends \$2,000,000, the same as the House allowance and budget estimate and \$1,000,000 over the amount appropriated for fiscal year 1975.

This program seeks to improve the quality of foreign language and area studies instruction in the United States primarily by developing or upgrading the technical capabilities of potential teachers, practicing teachers, and others in leadership positions in education. Most of the program participants engage in a variety of research and training activities, develop instructional materials for use in U.S. institutions, and acquire firsthand knowledge of the languages and cultures they expect to teach. The bill authorizes \$2,000,000 in U.S. owned excess foreign currencies to assist American education in providing selected training and research programs abroad in foreign languages, area studies and world affairs. These funds will support approximately 69 projects, or 18 more than in fiscal year 1975.

For the interim period, the bill includes \$200,000 to support projects funded during the period.

SALARIES AND EXPENSES

1975 comparable appropriation.....	\$100,629,000
1976 budget estimate.....	112,525,000
House allowance.....	107,841,000
Committee recommendation.....	105,224,000

The bill includes \$105,224,000, a reduction of \$7,301,000 below the budget request and \$4,595,000 over the comparable 1975 appropriation.

For program administration, the Committee recommends \$96,000,000, a reduction of \$2,000,000 below the House and \$4,684,000 below the budget request. A portion of this reduction is to be applied against payments to GSA for standard level user charges. The Committee notes that, despite cries of anguish when the Congress reduced this account in the fiscal year 1975 bill, the Office of Education recently reported a surplus of \$1,845,000. The Committee would hope that the entire amount provided by the Congress for fiscal year 1976 will be utilized to the maximum extent possible. The Office of Education should redistribute existing staff so as to expedite filling of staff positions for the Guaranteed Student Loan Program, the Office of Bilingual Education, and the Bureau for the Handicapped.

The Committee concurs with the House in reducing the amounts requested for consultants, internal staff training, and travel. The bill includes \$6,383,000 for planning and evaluation activities, the same as the 1975 program level. Funds for evaluation studies are included elsewhere in the bill for elementary and secondary education, emergency school aid, bilingual education, and other education programs. Further, the Committee notes that several of the new studies being proposed appear to be of marginal value. Under the circumstances, these funds could be put to better use elsewhere.

For advisory committees authorized by various education laws, the bill includes \$2,041,000. The Committee directs that the advisory council on extension and continuing education be continued in view of the recommendation under the "Higher education" appropriation to continue the related program activity.

The Committee has also approved the funds requested for general dissemination and information clearing houses.

The Committee would expect that all travel requests be examined carefully so that only absolutely necessary trips are made and that the Education Division continues to work with HEW to develop a more responsive travel reporting system.

For the interim period, the bill includes \$24,643,000, the amount requested for salaries and administrative costs accruing during the period.

STUDENT LOAN INSURANCE FUND

1975 comparable appropriation.....	\$197, 600, 000
1976 budget estimate.....	201, 787, 000
House allowance.....	201, 787, 000
Committee recommendation.....	201, 787, 000

The Committee recommends an appropriation of \$201,787,000, the same as the House allowance and budget request.

This fund was established in 1966 to help manage a program of Guaranteed Student Loans which, in conjunction with other Student assistance programs, seeks to remove financial barriers to postsecondary

education. The program includes loans insured directly by the Federal government and those guaranteed initially by State or non-profit private agencies and reinsured at 80% by the Federal government.

The increasing default rate, especially on loans insured directly by the Federal government, has been a matter of concern for several years. On Federally insured loans, the default rate is expected to reach 19 percent in 1976 compared to 18 percent estimated for 1975. The overall default rate for the entire program including state agencies, is expected to reach 14.1 percent compared to 11.3 percent for 1975. The Office of Education has testified that it has taken action to improve the management of the program and therefore reduce future defaults. Regional Office staffing has been augmented to improve the collections, claims review, and lender and school review functions. In addition, new and revised regulations were published on February 20, 1975, designed to more adequately protect student borrowers by requiring that educational institutions provide prospective students with descriptive information, establish equitable refund policies and comply with other provisions which will improve the administration of the program and reduce defaults. These regulations also establish procedures providing for the suspension, limitation and termination of both schools and certain lenders that violate the provisions of the regulations.

Additional legislative proposals are pending before the Congress that should further reduce defaults. Three important features of these proposals consist of an incentive offered to lenders to encourage the disbursement of loans over the course of a school year, provision to eliminate proprietary schools as eligible lenders, and an amendment to the Bankruptcy Act to make student loans non-dischargeable in bankruptcy during the 5 year period after the first installment thereon becomes due.

HIGHER EDUCATION FACILITIES LOAN AND INSURANCE FUND

1975 comparable appropriation.....	\$2, 701, 000
1976 budget estimate.....	2, 192, 000
House allowance.....	2, 192, 000
Committee recommendation.....	2, 192, 000

The Committee agrees with the House allowance and budget request of \$2,192,000 for the Higher Education Facilities Loan and Insurance Fund to permit payment of participation sales insufficiencies. The \$2,192,000 recommended by the Committee, is for insufficiencies on \$100,000,000 in certificates sold in 1968. Insufficiencies on an additional \$100,000,000 in certificates sold in 1967 are funded by a permanent indefinite appropriation estimated at \$1,500,000 in fiscal year 1975. In both cases, the participation certificates were sold through the Federal National Mortgage association to obtain a part of the Capital lent for construction of academic facilities. The dif-

ference between the higher rates of interest paid to the holders of the certificates and the lower rates of interest received on facilities loans used as collateral for the certificates are called insufficiencies.

NATIONAL INSTITUTE OF EDUCATION

1975 comparable appropriation.....	\$70,356,000
1976 budget estimate.....	80,000,000
House allowance.....	80,000,000
Committee recommendation.....	70,000,000

The bill includes \$70,000,000, a reduction of \$10,000,000 below the House allowance and \$356,000 below the amount appropriated for fiscal year 1975. The authorization for NIE expires June 30, 1975, but will be automatically extended for one additional year under authority provided by section 414 of the General Education Provisions Act.

Prior to this year, NIE's activities seemed to reflect a conglomeration of unnecessary, ambiguous, and marginal research projects. The Committee carefully reviewed the NIE's planned activities for fiscal year 1976. Although no major improvements can yet be cited, NIE does appear to be focusing its efforts on more "goal-oriented" programs which, hopefully, will better address the immediate needs of the states and the local schools districts.

Program activities now include school finance, productivity and management; the teaching, learning and measuring of basic skills, particularly reading; the relationship between education and work; and helping schools provide more adequate education for many students who have been unfairly limited because of their ethnic or language background, sex or poverty.

The Committee urges continued emphasis on the dissemination of results achieved. Research and development results do little good if they do not reach state and local school personnel.

The Committee believes that support should be continued for the educational laboratories and research and development centers. To this end, the Committee has included bill language to allow NIE to make up to \$30,000,000 available to these institutions. The Committee wishes to emphasize, however, that such funding should be on an open and competitive basis and that the products of these awards should be of high quality to benefit local and state school personnel in solving day-to-day education problems.

OFFICE OF THE ASSISTANT SECRETARY FOR EDUCATION

SALARIES AND EXPENSES

1975 comparable appropriation.....	\$28,860,000
1976 budget estimate.....	42,834,000
House allowance.....	35,500,000
Committee recommendation.....	34,500,000

The Committee recommends \$34,500,000, a reduction of \$1,000,000 below the House allowance and \$8,334,000 below the budget request.

The amount recommended by the Committee represents an increase of \$5,640,000 over the 1975 appropriation level. The largest portion of this increase, \$2,435,000, is for the National Center for Education Statistics. The Committee has allowed \$13,000,000 to support the Center in fiscal year 1976. Although this amount represents a reduction of \$3,665,000 below the request, sufficient funds would be available to allow the Center to expand upon its most productive areas of activity. A total of \$13,500,000 is recommended for the fund for the Improvement of Postsecondary Education, a reduction of \$4,000,000 below the budget request. Members of the Committee have some serious concerns over the value of projects financed by the fund. The Committee wishes to be kept fully informed of the outcome of projects funded this year.

The Committee has allowed \$8,000,000 for salaries and expenses, an increase of \$1,205,000 and 20 positions over fiscal year 1975 and a decrease of \$669,000 and 21 positions below the budget request. Ten percent (\$23,550) of the requested increase for GSA standard level user charges has been disallowed; the remaining decrease is associated with disallowance of 21 positions requested for the National Center for Education Statistics.

TITLE II—SPECIAL INSTITUTIONS

AMERICAN PRINTING HOUSE FOR THE BLIND

1975 comparable appropriation.....	\$1,967,000
1976 budget estimate.....	2,408,000
House allowance.....	2,408,000
Committee recommendation.....	2,408,000

The Committee recommends \$2,408,000, the same as the House allowance and the budget request, and an increase of \$441,000 over the 1975 appropriation.

The Printing House was chartered in 1858 to manufacture, on a non-profit basis, books and materials for the education of less than college grade blind children.

The amount recommended will serve an estimated additional 1,500 blind students, for a total of 27,309, at about the same level of services provided over the last several years.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

1975 comparable appropriation.....	\$9,819,000
1976 budget estimate.....	9,836,000
House allowance.....	9,836,000
Committee recommendation.....	9,836,000

The Committee recommends \$9,836,000, an amount equal to the House allowance and the budget request and an increase of \$17,000 over the 1975 appropriation.

The Institute for the Deaf was authorized in 1965 and is supported by federal appropriations and students fees. It is designed to serve three fundamental purposes: (1) to prepare deaf citizens for technical employment and for full community living; (2) to train professional personnel to serve deaf nationally; and (3) to influence education, training and career placement of deaf citizens through applied research.

As a result of the opening of new facilities in this last year the enrollment in 1976 will increase to 960, an increase of 260 over 1975. This bill provides for 29 additional positions, most of which will be used to serve the increased enrollment. The college plans to reach full capacity of 1,255 students in 1978.

GALLAUDET COLLEGE

1975 comparable appropriation.....	\$35,595,000
1976 budget estimate.....	22,435,000
House allowance.....	22,435,000
Committee recommendation.....	22,435,000

The Committee recommends \$22,435,000 the same as the House allowance and the budget request, and a decrease of \$5,108,000 from the 1975 appropriation. The decrease is associated with nonrecurring construction costs including additional facilities for the Model Secondary School for the Deaf and the Kendall Demonstration Elementary School.

This recommendation provides for increases over the fiscal 1975 request for the college, the Model Secondary School for the Kendall School. This will continue to improve academic programs at the college providing for the development of a minimum of 90 academic courses for the Model Secondary Schools in anticipation of an increased enrollment as a result of new facilities and expand the Kendall residence program to serve 30 resident students as well as 170 day students.

Also included is \$2,255,000 for planning a new learning center, field house, dormitory and other capital improvements.

The Committee notes the progress being made in continuing education programs that provide new education and job oriented opportunities for adults with impaired hearing.

HOWARD UNIVERSITY

1975 comparable appropriation.....	\$81,700,000
1976 budget estimate.....	84,158,000
House allowance.....	84,158,000
Committee recommendation.....	84,158,000

The Committee recommends \$84,158,000, the same as the House allowance and the budget request. The increase of \$4,805,000 in the academic program will provide funds to help the University meet ac-

creditation deficiencies in specific schools and colleges, improve its library services, and provide faculty salary increases. The funds provided for construction will allow for the renovations of present facilities such as the old Freedmen's Hospital buildings and the Dunbarton College to help meet Federal and local safety standards and space deficiencies. The new Howard University Teaching Hospital, which is also administered by the University, opened in April, 1975.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

1975 comparable appropriation.....	\$409,000
1976 budget estimate.....	
House allowance.....	not considered
Committee recommendation.....	3,500,000

The Committee bill includes \$3,500,000 to support a White House Conference on Library and Information Services. Public Law 93-568 authorizes the appropriation of funds for a White House Conference, to be held no later than 1976. The purpose of the Conference is to involve a wide spectrum of people in a nationwide reassessment of our library system.

The Committee notes that no budget estimate has yet been submitted for this purpose.

TITLE III—GENERAL PROVISIONS

The so called "busing" provisions were amended by the Committee to agree with bill language previously contained in last years Labor-HEW appropriations act and the Second Supplemental recently signed by the President.

The so called "sex discrimination" provision was deleted by the Senate Committee.

The Committee has modified section 303, the general provision dealing with the availability of funds for obligation beyond the fiscal year. The effect of the Committee's recommendation is to avoid the costly process of closing the accounting record twice—on June 30 and again on September 30 (the end of the transition period).

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following amendments recommended by the Committee in this bill, not made to carry out the provisions of an existing law, are brought to the attention of the Senate in accordance with Senate Rule XVI.

On Page 3, line 5, after "Public Law 93-380": *Provided, That the amount made available to each State from sums appropriated for fiscal year 1976 or from sums appropriated for fiscal year 1977 for Title IV shall not be less than the amount made available for comparable purposes for fiscal year 1975.*

On Page 4, line 7, after the word Act: *"Provided further, That the*

Commissioner of Education is hereby authorized to provide amounts necessary to meet the costs of providing increased school facilities in communities located near the Trident Support Site, Bangor, Washington; notwithstanding section 421A(c)(2)(A) of the General Education Provisions Act, the Commissioner is authorized to approve applications for funds for this purpose on such terms and conditions as he may reasonably require without regard to any provision in law."

On Page 6, line 20, in connection with higher education, the Committee deleted the following language: "reallocation among eligible institutions for"

On Page 13, line 22: "except as provided in section 204 of Public Law 93-554."

Various language provisions and technical modifications are contained in the Committee bill. These bill language changes were contained in previous appropriation bills, and, therefore, are not classified as legislative provisions under Senate Rule XVI. These provisions are contained in the accounts "School Assistance in Federally-Affected Areas" and "Occupational, Vocational, and Adult Education."

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES
FOR 1976**

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL FUNDS

[Becomes available automatically under earlier, or "permanent" law without further, or annual, action by the Congress. Thus these amounts are not included in the accompanying bill]

Agency and Item (1)	New budget (obligational) authority, 1975 (2)	Budget estimate of new (obligational) authority, 1976 (3)	Increase (+) or decrease (-) (4)
Office of Education:			
Payments to States and territories for colleges of agriculture and mechanic arts (act of Mar. 4, 1907).....	\$2,700,000	7,161,000	-4,461,000
Payments to States for promotion of vocational education (act of Feb. 23, 1917).....	7,161,000	1,500,000	5,661,000
Payment of participation sales insufficiencies, indefinite (Independent Offices Appropriation Act, 1987).....	1,500,000	1,500,000	-
Total permanent new budget (obligational) authority, Federal funds.....	11,361,000	8,661,000	-2,700,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976

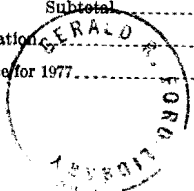
Agency and item	1975 comparable appropriation	1976 budget estimate	House allowance	Committee recommendation	Increase (+) or decrease (-), Senate bill compared with—		
					New budget (obligational) authority, fiscal year 1975, enacted to date	Budget estimates of new (obligational) authority, fiscal year 1976	New budget (obligational) authority recommended in the House bill
EDUCATION DIVISION							
ELEMENTARY AND SECONDARY EDUCATION							
1. Grants for the disadvantaged.....	\$1,876,000,000	(\$1,900,000,000)	(\$1,900,000,000)		-\$1,876,000,000	(\$-1,900,000,000)	(\$-1,900,000,000)
Advance for 1977.....		1,900,000,000	2,050,000,000	\$2,050,000,000	+2,050,000,000	+150,000,000	
2. Support and innovation grants.....	141,495,000	(172,888,000)	(172,888,000)		-141,495,000	(-172,888,000)	(-172,888,000)
Advance for 1977.....		172,888,000	172,888,000	172,888,000	+172,888,000		
3. Bilingual education:							
(a) Grants to school districts.....	53,370,000	46,900,000	60,000,000	65,000,000	+11,630,000	+18,100,000	+5,000,000
(b) Training grants.....	21,000,000	16,000,000	25,370,000	25,370,000	+4,370,000	+9,370,000	
(c) Curriculum development.....	7,000,000	7,000,000	7,000,000	7,000,000			
(d) Bilingual vocational grants.....	2,800,000		2,800,000	2,800,000		+2,800,000	
(e) Advisory councils.....	100,000	100,000	100,000	100,000			
Subtotal.....	84,270,000	70,000,000	95,270,000	100,270,000	+16,000,000	+30,270,000	+5,000,000
4. Right to read/national reading improvement.....	12,000,000	12,000,000	12,000,000	22,000,000	+10,000,000	+10,000,000	+10,000,000
5. Follow through.....	55,500,000	41,500,000	59,000,000	59,000,000	+3,500,000	+17,500,000	
6. Alcohol and drug abuse education.....	4,000,000		2,000,000	2,000,000	-2,000,000	+2,000,000	
7. Environmental education.....	1,900,000		2,000,000	4,000,000	+2,100,000	+4,000,000	+2,000,000
8. Educational broadcasting facilities.....	12,000,000	7,000,000	10,000,000	15,000,000	+3,000,000	+8,000,000	+5,000,000
9. Equipment and minor remodeling.....	250,000				-250,000		
10. Assistance to States for State equalization plans.....				10,000,000	+10,000,000	+10,000,000	+10,000,000
Total.....	2,187,415,000	2,203,388,000	2,403,158,000	2,435,158,000	+247,743,000	+231,770,000	+32,000,000
Interim budget.....							
SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS							
1. Maintenance and operations:							
(a) Payments for "A" children.....	223,900,000	162,000,000	248,737,758	248,737,758	+24,837,758	+86,737,758	
(b) Payments for "B" children.....	354,616,000	40,000,000	341,597,262	341,597,262	-13,018,738	+301,597,262	
(c) Special provisions.....	14,500,000	8,000,000	12,664,980	12,664,980	-1,835,020	+4,664,980	
(d) Payments to other Federal agencies.....	43,000,000	46,000,000	46,000,000	46,000,000	+3,000,000		
(e) Savings provisions.....				51,000,000	+51,000,000	+51,000,000	+51,000,000
Subtotal.....	636,016,000	256,000,000	649,000,000	700,000,000	+63,984,000	+444,000,000	+51,000,000
2. Construction.....	20,000,000	10,000,000	10,000,000	25,000,000	+5,000,000	+15,000,000	+15,000,000
Total.....	656,016,000	266,000,000	659,000,000	725,000,000	+68,984,000	+459,000,000	+66,000,000
Interim budget.....		5,000,000	70,000,000	70,000,000	+70,000,000	+65,000,000	
EMERGENCY SCHOOL AID							
1. Special projects:							
(a) Bilingual education projects.....	9,052,000		8,000,000	9,052,000		+9,052,000	+1,052,000
(b) Educational television.....	6,794,000		6,000,000	6,794,000		+6,794,000	+794,000
(c) Special programs and projects.....	11,309,000	74,250,000	10,000,000	11,309,000		-62,941,000	+1,309,000
Subtotal.....	27,155,000	74,250,000	24,000,000	27,155,000		-47,095,000	+3,155,000
2. State apportionment:							
(a) Pilot programs.....	33,948,000		30,000,000	33,948,000		+33,948,000	+3,948,000
(b) Special programs and projects.....	18,103,000		16,000,000	18,103,000		+18,103,000	+2,103,000
(c) General grants to school districts.....	133,537,000		128,000,000	133,537,000		+133,537,000	+5,537,000
Subtotal.....	185,588,000		174,000,000	185,588,000		+185,588,000	+11,588,000

30

31

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976

Agency and item	1975 comparable appropriation	1976 budget estimate	House allowance	Committee recommendation	Increase (+) or decrease (-), Senate bill compared with—		
					New budget (obligational) authority, fiscal year 1975, enacted to date	Budget estimates of new (obligational) authority, fiscal year 1976	New budget (obligational) authority recommended in the House bill
3. Civil rights advisory services.....	26,700,000	26,700,000	26,700,000	26,700,000			
4. Evaluation.....	2,257,000	750,000	2,000,000	2,257,000		+\$1,507,000	+\$257,000
Total.....	241,700,000	101,700,000	228,700,000	241,700,000		+140,000,000	+15,000,000
Interim budget.....		\$25,000	\$25,000	\$25,000		+\$225,000	
EDUCATION FOR THE HANDICAPPED							
1. State assistance:							
(a) State grant program.....	100,000,000	(100,000,000)	(100,000,000)		-100,000,000	(-100,000,000)	(-100,000,000)
Advance for 1977.....		50,000,000	110,000,000	110,000,000	+110,000,000	+60,000,000	
(b) Deaf-blind centers.....	12,000,000	16,000,000	16,000,000	16,000,000	+4,000,000		
(c) Severely handicapped projects.....	2,826,000	3,250,000	3,250,000	3,250,000	+424,000		
Subtotal.....	114,826,000	69,250,000	129,250,000	129,250,000	+14,424,000	+60,000,000	
2. Innovation and development:							
(a) Early childhood education.....	13,330,000	22,000,000	22,000,000	22,000,000	+8,670,000		
(b) Specific learning disabilities.....	3,250,000	4,250,000	4,250,000	5,000,000	+1,750,000	+750,000	+750,000
(c) Regional vocational, adult and postsecondary programs.....	575,000	2,000,000	2,000,000	2,000,000	+1,425,000		
(d) Research and demonstration.....	9,341,000	11,000,000	11,000,000	11,000,000	+1,659,000		
Subtotal.....	26,496,000	39,250,000	39,250,000	40,000,000	+13,504,000	+750,000	+750,000
3. Media and resource services:							
(a) Media services and captioned films.....	13,250,000	16,000,000	16,250,000	16,250,000	+3,000,000	+250,000	
(b) Regional resource centers.....	7,087,000	9,750,000	10,000,000	10,000,000	+2,913,000	+250,000	
(c) Recruitment and information.....	500,000	1,000,000	500,000	500,000		-500,000	
Subtotal.....	20,837,000	26,750,000	26,750,000	26,750,000	+5,913,000		
4. Special education manpower development.....	37,700,000	39,750,000	39,750,000	41,750,000	+4,050,000	+2,000,000	+2,000,000
Total.....	199,859,000	175,000,000	235,000,000	237,750,000	+37,891,000	+62,750,000	+2,750,000
Interim budget.....		13,100,000	10,500,000	10,500,000	+10,500,000	-2,600,000	
OCCUPATIONAL, VOCATIONAL, AND ADULT EDUCATION							
1. Vocational education:							
(a) Grants to States for vocational education:							
(1) Basic vocational education programs.....	420,978,000		395,080,200	435,978,000	+15,000,000		+40,897,800
(2) Programs for students with special needs.....	20,000,000		20,000,000	20,000,000			
(3) Consumer and homemaking education.....	35,994,000		35,994,000	45,994,000	+10,000,000		+10,000,000
(4) Work-study.....	9,849,000		9,849,000	9,849,000			
(5) Cooperative education.....	19,500,000		19,500,000	19,500,000			
(6) State advisory councils.....	4,316,000		4,316,000	4,316,000			
Subtotal.....	510,637,000	363,000,000	484,739,200	535,637,000	+25,000,000	+172,637,000	+50,897,800
(b) Vocational research:							
(1) Innovation.....	16,000,000		16,000,000	16,000,000			
(2) Curriculum development.....	1,000,000		1,000,000	1,000,000			
(3) Research.....	18,000,000		43,897,800	18,000,000			-25,897,800
Subtotal.....	35,000,000	160,000,000	60,897,800	35,000,000		+125,000,000	-25,897,800
2. Adult education.....	67,500,000	(67,500,000)	(67,500,000)				
Advance for 1977.....		67,500,000	71,500,000	71,500,000	+71,500,000	+4,000,000	



COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976

Agency and item	1975 comparable appropriation	1976 budget estimate	House allowance	Committee recommendation	Increase (+) or decrease (-), Senate bill compared with—		
					New budget (obligational) authority, fiscal year 1975, enacted to date	Budget estimates of new (obligational) authority, fiscal year 1976	New budget (obligational) authority recommended in the House bill
3. Educational personnel:							
(a) Teacher corps.....	\$37,500,000	\$37,500,000	\$37,500,000	\$37,500,000			
(b) Other education professions development:							
(1) Elementary and secondary training.....	8,139,000	5,212,000	5,212,000	5,712,000	-\$2,427,000	+\$500,000	+\$500,000
(2) Vocational education.....	9,000,000		9,000,000	11,000,000	+2,000,000	+11,000,000	+2,000,000
(3) Higher education.....	2,100,000					-2,100,000	
(4) Educational leadership.....		3,000,000				-3,000,000	
Subtotal.....	56,739,000	45,712,000	51,712,000	54,212,000	-427,000	+8,500,000	+2,500,000
Total.....	669,876,000	636,212,000	668,849,000	696,349,000	+26,473,000	+578,821,000	+27,500,000
Interim budget.....		17,000,000	151,000,000	151,000,000	+151,000,000	+134,000,000	

HIGHER EDUCATION

1. Student assistance:							
(a) Basic opportunity grants.....	660,000,000	1,050,000,000	660,000,000	795,000,000	+135,000,000	-255,000,000	+135,000,000
(b) Supplemental opportunity grants.....	240,300,000		240,093,000	240,093,000	-207,000	+240,093,000	

(c) Work-study.....	300,200,000	250,000,000	360,000,000	420,000,000	+119,800,000	+170,000,000	+60,000,000
(d) Subsidized insured loans—interest subsidies.....	382,400,000	452,000,000	452,000,000	452,000,000	+69,600,000		
(e) Direct loans:							
(1) Federal capital contributions.....	321,000,000		321,000,000	300,000,000	-21,000,000	+300,000,000	-21,000,000
(2) Loans to institutions.....	2,000,000		2,000,000	2,000,000		+2,000,000	
(3) Teacher cancellations.....	6,440,000	8,960,000	8,960,000	8,960,000	+2,520,000		
(f) Incentive grants for State scholarships.....	20,000,000	44,000,000	44,000,000	44,000,000	+24,000,000		
Subtotal, student aid.....	1,932,340,000	1,804,960,000	2,088,053,000	2,262,053,000	+329,713,000	+457,093,000	+174,000,000
2. Special programs for the disadvantaged.....	70,331,000	70,331,000	70,331,000	70,331,000			
3. Institutional assistance:							
(a) Strengthening developing institutions:							
(1) Basic program.....	52,000,000	52,000,000	52,000,000	52,000,000			
(2) Advanced program.....	58,000,000	58,000,000	58,000,000	58,000,000			
(b) Construction:							
(1) Subsidized loans.....							
(2) Undergraduate facilities grants.....							
(c) Language training and area studies:							
(1) Centers, fellowships, and research.....	11,300,000	8,640,000	11,300,000	15,300,000	+4,000,000	+6,660,000	+4,000,000
(2) Fulbright-Hays fellowships.....	2,700,000	1,360,000	2,700,000	2,700,000		+1,340,000	
(d) University community services.....	14,250,000		10,000,000	14,250,000		+14,250,000	+4,250,000
(e) Aid to land-grant colleges.....	9,500,000		9,500,000	9,500,000		+9,500,000	
(f) State postsecondary education commissions.....	3,000,000		3,000,000	5,000,000	+2,000,000	+5,000,000	+2,000,000
(g) Veterans cost of instruction.....	31,250,000		23,750,000	23,750,000	-7,500,000	+23,750,000	
(h) Cooperative education.....	10,750,000	8,000,000	8,000,000	10,750,000		+2,750,000	+2,750,000
Subtotal, institutional aid.....	192,750,000	128,000,000	178,250,000	191,250,000	-1,500,000	+63,250,000	+13,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976

Agency and item	1975 comparable appropriation	1976 budget estimate	House allowance	Committee recommendation	Increase (+) or decrease (-), Senate bill compared with--		
					New budget (obligational) authority, fiscal year 1975, enacted to date	Budget estimates of new (obligational) authority, fiscal year 1976	New budget (obligational) authority recommended in the House bill
4. Personnel development:							
(a) College teacher fellowships.....	\$4,000,000	\$1,000,000	\$1,000,000	\$2,000,000	-\$2,000,000	+\$1,000,000	+\$1,000,000
(b) Fellowships for disadvantaged.....	750,000	750,000	750,000		-750,000	-750,000	-750,000
(c) Ellender fellowships.....	500,000	500,000	500,000	500,000			
(d) Public service fellowships.....	4,000,000		4,000,000	4,000,000		+4,000,000	
(e) Mining fellowships.....	1,500,000		1,500,000	3,000,000	+1,500,000	+3,000,000	+1,500,000
Subtotal.....	10,750,000	2,250,000	7,750,000	9,500,000	-1,250,000	+7,250,000	+1,750,000
5. Ethnic heritage.....	1,800,000		1,800,000	1,800,000		+1,800,000	
Total.....	2,207,971,000	2,005,541,000	2,346,184,000	2,534,934,000	+124,000,000	+529,393,000	+188,750,000
Interim budget.....		124,000,000	124,000,000	124,000,000	+326,963,000		
LIBRARY RESOURCES							
1. Public libraries.....	51,749,000	10,000,000	51,749,000	51,749,000		+41,749,000	
2. School libraries and instructional resources.....	135,580,000	(137,330,000)	(137,330,000)		-135,580,000	(-137,330,000)	(-137,330,000)
Advance for 1977.....		137,330,000	147,330,000	147,330,000	+147,330,000	+10,000,000	
3. College library resources.....	9,975,000		9,975,000	9,975,000		+9,975,000	
4. Training and demonstration.....							
3,000,000			3,000,000			+3,000,000	+3,000,000
5. Undergraduate instructional equipment.....							
7,500,000			15,000,000		+7,500,000	+15,000,000	+15,000,000
Total.....	207,804,000	147,330,000	209,054,000	227,054,000	+19,250,000	+79,724,000	+18,000,000
Interim budget.....							
INNOVATIVE AND EXPERIMENTAL PROGRAMS							
1. Metric projects.....		2,090,000	2,090,000	2,090,000	+2,090,000		
2. Gifted and talented.....		2,560,000	2,560,000	2,560,000	+2,560,000		
3. Community schools.....		3,553,000	3,553,000	3,553,000	+3,553,000		
4. Career education.....	10,000,000	10,135,000	10,135,000	10,135,000	+135,000		
5. Consumer education.....		3,135,000	3,135,000	3,135,000	+3,135,000		
6. Women's educational equity.....		6,270,000	6,270,000	6,270,000	+6,270,000		
7. Arts in education programs.....	500,000	750,000	750,000	750,000	+250,000		
8. Packaging and field testing.....	1,400,000	3,500,000	1,400,000	1,400,000		-2,100,000	
9. Educational TV programming.....	7,000,000	7,000,000	7,000,000	7,000,000			
Total.....	18,900,000	38,993,000	36,893,000	36,893,000	+17,993,000	-2,100,000	
Interim budget.....							
STUDENT LOAN INSURANCE FUND.....							
197,600,000	201,787,000	201,787,000	201,787,000		+4,187,000		
Interim budget.....		30,000,000	30,000,000			-30,000,000	-30,000,000
HIGHER EDUCATION FACILITIES LOAN AND INSURANCE FUND.....							
2,701,000	2,192,000	2,192,000	2,192,000		-509,000		
Interim budget.....		548,000	548,000	548,000	(+548,000)		
EDUCATIONAL ACTIVITIES OVERSEAS							
Special Foreign Currency Program.....	1,000,000	2,000,000	2,000,000	2,000,000	+1,000,000		
Interim budget.....		200,000	200,000	200,000	+200,000		

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976

Agency and item	1975 comparable appropriation	1976 budget estimate	House allowance	Committee recommendation	Increase (+) or decrease (-), Senate bill compared with—		
					New budget (obligational) authority, fiscal year 1975, enacted to date	Budget estimates of new (obligational) authority, fiscal year 1976	New budget (obligational) authority recommended in the House bill
SALARIES AND EXPENSES							
1. Program administration.....	\$91,915,000	\$100,684,000	\$98,000,000	\$96,000,000	+\$4,085,000	-\$4,684,000	-\$2,000,000
2. Planning and evaluation.....	6,383,000	9,000,000	7,000,000	6,383,000		-2,617,000	-617,000
3. General dissemination.....	500,000	500,000	500,000	500,000			
4. Advisory committees.....	1,681,000	2,041,000	2,041,000	2,041,000	+360,000		
5. Information clearinghouses.....	150,000	300,000	300,000	300,000	+150,000		
Total.....	100,629,000	112,525,000	107,841,000	105,224,000	+4,595,000	-7,301,000	-2,617,000
Interim budget.....		24,643,000	24,643,000	24,643,000	(+24,643,000)		
Total, Office of Education.....	6,691,471,000	5,892,668,000	7,098,658,000	7,446,041,000	+754,570,000	+1,553,373,000	+347,383,000
NATIONAL INSTITUTE OF EDUCATION							
1. Research and development.....	58,700,000	69,300,000	69,300,000				
2. Program administration.....							
Total.....	70,356,000	80,000,000	80,000,000	70,000,000	-356,000	-10,000,000	-10,000,000
Interim budget.....		20,000,000	20,000,000	20,000,000	+20,000,000		
ASSISTANT SECRETARY FOR EDUCATION							
1. Improvement of postsecondary education.....	11,500,000	17,500,000	13,500,000	13,500,000	+2,000,000	-4,000,000	
2. Salaries and expenses.....	6,795,000	8,669,000	8,000,000	8,000,000	+1,205,000	-669,000	
3. National Center for Education Statistics.....	10,565,000	18,665,000	14,000,000	13,000,000	+2,435,000	-3,665,000	-1,000,000
Total.....	28,860,000	42,834,000	35,500,000	34,500,000	+5,640,000	-8,334,000	-1,000,000
Interim budget.....		5,599,000	5,599,000	5,599,000	+5,599,000		
Total, Education Division.....	6,790,687,000	6,015,502,000	7,214,158,000	7,550,541,000	+759,854,000	+1,535,039,000	+336,383,000
SPECIAL INSTITUTIONS							
AMERICAN PRINTING HOUSE FOR THE BLIND.....							
Total.....	1,967,000	2,408,000	2,408,000	2,408,000	+441,000		
Interim budget.....		602,000	602,000	602,000	+602,000		
NATIONAL TECHNICAL INSTITUTE FOR THE DEAF							
1. Academic program.....	7,838,000	9,836,000	9,836,000	9,836,000	+1,998,000		
2. Construction.....	1,981,000					-1,981,000	
Total.....	9,819,000	9,836,000	9,836,000	9,836,000	+17,000		
Interim budget.....		2,932,000	2,932,000	2,932,000	+2,932,000		
GALLAUDET COLLEGE							
1. Academic program.....	10,591,000	12,155,000	12,155,000	12,155,000	+1,564,000		
2. Model Secondary School.....	4,445,000	5,334,000	5,334,000	5,334,000	+889,000		
3. Kendall School.....	2,328,000	2,691,000	2,691,000	2,691,000	+363,000		
4. Construction.....	18,231,000	2,255,000	2,255,000	2,255,000	-15,976,000		
Total.....	35,595,000	22,435,000	22,435,000	22,435,000	-13,160,000		
Interim budget.....		5,606,000	5,606,000	5,606,000	+5,606,000		

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976

Agency and item	1975 comparable appropriation	1976 budget estimate	House allowance	Committee recom- mendation	Increase (+) or decrease (-), Senate bill compared with—		
					New budget (obligational) authority, fiscal year 1975, enacted to date	Budget esti- mates of new (obligational) authority, fiscal year 1976	New budget (obligational) authority recommended in the House bill
HOWARD UNIVERSITY							
1. Academic program.....	\$49,788,000	\$54,559,000	\$54,559,000	\$54,559,000	+\$4,771,000		
2. Construction.....	12,500,000	10,000,000	10,000,000	10,000,000	-2,500,000		
3. Freedmen's Hospital.....	19,412,000	19,599,000	19,599,000	19,599,000	+187,000		
Total	81,700,000	84,158,000	84,158,000	84,158,000	+2,458,000		
<i>Interim budget</i>		<i>18,728,000</i>	<i>18,728,000</i>	<i>18,728,000</i>	<i>18,728,000</i>		
National Commission on Libraries and Information Sciences.....				3,500,000	+3,500,000	+3,500,000	+3,500,000
Total, Special Institutions	129,081,000	118,837,000	118,837,000	122,337,000	-6,744,000	+3,500,000	+3,500,000
Grand total	6,919,768,000	6,134,339,000	7,332,995,000	7,672,878,000	+753,110,000	+1,538,539,000	+\$339,883,000

¹ A total of \$523 million is proposed for later transmittal: new legislation.

[COMMITTEE PRINT]

NOTICE.—This report is given out subject to release when consideration of the bill which it accompanies has been completed by the whole committee. Please check on such action before release in order to be advised of any changes.

94TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } { No. 94—

EDUCATION DIVISION AND RELATED AGENCIES
APPROPRIATION BILL, 1976

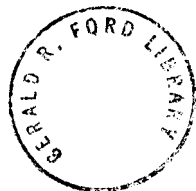
APRIL 10, 1975.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. FLOOD, from the Committee on Appropriations
submitted the following

REPORT

[To accompany H.R. —]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Education Division, the American Printing House for the Blind, the National Technical Institute for the Deaf, Gallaudet College, and Howard University.



INDEX TO BILL AND REPORT

	Bill page	Report page
Title I—Education Division:		
Elementary and Secondary Education.....	2	4
School Assistance in Federally Affected Areas.....	3	6
Emergency School Aid.....	4	8
Education for the Handicapped.....	5	9
Occupational, Vocational, and Adult Education.....	5	10
Higher Education.....	6	12
Library Resources.....	7	16
Innovative and Experimental Programs.....	7	16
Educational Activities Overseas (Special Foreign Currency Program).....	8	18
Salaries and Expenses.....	8	18
Student Loan Insurance Fund.....	8	19
Higher Education Facilities Loan and Insurance Fund.....	9	20
National Institute of Education.....	10	20
Office of the Assistant Secretary for Education, Salaries and expenses.....	11	21
Title II—Related Agencies:		
American Printing House for the Blind.....	11	21
National Technical Institute for the Deaf.....	11	22
Gallaudet College.....	12	22
Howard University.....	12	23
Title III—General Provisions.....	12	-----

SUMMARY OF ESTIMATES AND APPROPRIATIONS

The following table compares, on a summary basis, the appropriations for 1975, the estimates for 1976, and the amounts carried in the bill.

	1975 enacted	1976 estimates	1976 bill	1976 bill compared with—	
				1975 enacted	1976 estimates
Education Division.....	\$6,408,629,000	\$6,065,502,000	\$6,726,658,000	+\$318,029,000	+\$661,156,000
Advance for 1977.....		(2,327,718,000)	(2,377,718,000)		(+50,000,000)
Transition period.....		240,415,000	436,815,000		+196,400,000
Related agencies.....	118,979,000	118,837,000	118,837,000	-142,000	
Transition period.....		27,868,000	27,868,000		
Grand total.....	6,527,608,000	6,184,339,000	6,845,495,000	+317,887,000	+661,156,000
1977 advance.....		(2,327,718,000)	(2,377,718,000)		(+50,000,000)
Transition.....		268,283,000	464,683,000		+196,400,000

The detailed tabulation at the end of this report reflects each amount included in the bill for 1976, the corresponding budget estimate, and the amount appropriated for 1975, with appropriate comparisons.

INTRODUCTION

The accompanying bill provides appropriations for fiscal years 1976 and 1977 for education programs administered within the Education Division of the Department of Health, Education, and Welfare, and for certain private educational institutions which receive direct support from the Federal government. The inclusion of education appropriations in a separate education appropriations bill to be considered and enacted earlier than the appropriations for other Labor and Health, Education and Welfare programs resumes the practice which the Committee followed for fiscal years 1971 and 1972, but which was not feasible in subsequent fiscal years because of the late enactment of authorizing legislation. The Committee's objective is to let students and school officials throughout the Nation know at the earliest possible date how much Federal assistance will be available for the coming year. The bill includes appropriations for fiscal year 1976 totalling \$4,467,777,000 which, combined with advance appropriations already enacted, will provide 1976 appropriations totalling \$6,845,495,000, an increase of \$317,887,000 over the comparable 1975 appropriations enacted to date. In addition, the bill includes advance appropriations for fiscal year 1977 totalling \$2,377,718,000 and appropriations for the three-month transition period between fiscal years 1976 and 1977 totalling \$464,683,000. A large portion of the money in this bill, regardless of whether the funds are to be obligated in fiscal year 1976 or 1977, will actually be used in the school year 1976-77. For those programs which are not forward-funded, early enactment of this bill will permit substantial lead time for the planning of programs for the 1975-76 school year. All of this effort will be vitiated, of course, if the bill becomes embroiled in controversy or if the Office of Education does not move expeditiously to allocate the funds after they are appropriated. The Committee continues to be concerned about the inordinate delays in the allocation of appropriations, and urges the Commissioner of Education to take all possible steps to correct the situation administratively, and, if necessary, to propose legislative changes to simplify the allocation formulas and procedures.

Although the total amount recommended in the bill exceeds the budget request by \$661,156,000 the increases over the budget reflect primarily the amounts necessary to prevent cutbacks below anticipated 1975 funding levels. The Committee was under considerable pressure to further increase the amounts in the bill, but refrained from doing so, in order to avoid a further increase in the large budget deficit now projected for fiscal year 1976. The Committee estimates that the recommended increase of \$661,156,000 in new budget (obligational) authority over the amount requested will increase expenditures projected in the budget for fiscal year 1976 by approximately \$225 million. At the same time, the Committee considers that the bill will have minimal inflationary impact, since it essentially continues current funding levels for most programs.

The 1976 budget estimates for the programs funded in the bill were very unrealistic. Neither the Committee, the Congress, nor the

American people are prepared to accept a cutback in the level of Federal aid to education, which is what the budget proposed. The Committee believes that the uncertainty attending the continuing debate between the Congress and the Executive Branch over the funding levels for education programs has a detrimental effect on the administration of the programs and promotes inefficient use of the funds. The Committee urges the decision-makers at all levels in the Executive Branch to stop trying to strangle these programs and to start concentrating their efforts on making them more productive and effective. The Committee intends to use its oversight powers to promote more effective management of Federal education programs and to point out waste and duplication of effort wherever they occur.

Appropriations have been provided throughout the bill for the three-month transition period between the end of fiscal year 1976 and the beginning of fiscal year 1977. In accordance with the Budget and Impoundment Control Act (P.L. 93-344), fiscal year 1977 will begin on October 1, 1976, instead of July 1, 1976. The one-time three-month appropriation for the period July 1, 1976 to September 30, 1976, will be a feature of most, if not all, regular appropriation bills for fiscal year 1976.

TITLE I—EDUCATION DIVISION

OFFICE OF EDUCATION

ELEMENTARY AND SECONDARY EDUCATION

The bill includes \$2,234,158,000, an increase of \$30,770,000 over the budget request, and \$53,243,000 over the comparable amount available for fiscal year 1975. Of the total amount included in the bill, \$2,072,888,000 is advance funding for fiscal year 1977, the same amount as appropriated in advance funding for fiscal year 1976 on a comparable basis.

The following table shows a detailed comparison of the Committee's recommendations, the budget estimate, and the amounts available for fiscal year 1975:

	1975 appropriation	1976 estimate	1976 bill
Grants for disadvantaged.....	\$1,876,000,000	¹ (\$1,900,000,000)	
Advance for 1977.....		1,900,000,000	\$1,900,000,000
Support and innovation grants.....	141,495,000	¹ (172,888,000)	
Advance for 1977.....		172,888,000	172,888,000
Bilingual education:			
(a) Grants to school districts.....	53,370,000	46,900,000	53,370,000
(b) Training grants.....	21,000,000	16,000,000	21,000,000
(c) Curriculum development.....	7,000,000	7,000,000	7,000,000
(d) Bilingual vocational grants.....	2,800,000		2,800,000
(e) Advisory councils.....	100,000	100,000	100,000
Subtotal.....	84,270,000	70,000,000	84,270,000
Right to read.....	12,000,000	12,000,000	12,000,000
Follow through.....	53,000,000	41,500,000	53,000,000
Drug abuse education.....			2,000,000
Environmental education.....	1,900,000		
Educational broadcasting facilities.....	12,000,000	7,000,000	10,000,000
Equipment and minor remodeling.....	250,000		
Total.....	2,180,915,000	2,203,388,000	2,234,158,000

¹ 1975 advance appropriation for 1976.

For Title I grants for disadvantaged children, the bill includes \$1,900,000,000 in advance funding for fiscal year 1977, the same as the amount available for the previous year. The 1975 appropriation of \$1,900,000,000 for school year 1975-76 placed this program on an advance funded basis for the first time. This level of funding in 1977 will provide compensatory educational services to over 5.6 million children in local school districts, including Bureau of Indian Affairs schools, and over 900,000 children in State agency schools. Under Part A, grants to local educational agencies will continue to be spent for the special needs of educationally deprived public and nonpublic school children living in low income areas, institutionalized and delinquent children supported by local school districts, and Indian children in Bureau of Indian Affairs schools. The funds will be concentrated upon schools most heavily impacted with children from low-income families. Support will also be provided through State administered programs for migrant, neglected and delinquent and handicapped children. Part B provides special incentive grants to those States whose effort index—a figure developed by dividing expenditures for education by total personal income—is greater than the national effort index. The States make these funds available for innovative projects to those local school districts with above average effort indexes which have the greatest need for assistance. An amount of \$16,538,000 is included for this purpose.

As authorized by Section 151 of Public Law 93-380, an amount of \$9,500,000 is included for evaluation of the program and other studies. An amount of \$5 million of these funds as specified under the law will be transferred to the National Institute of Education.

The Committee has approved \$172,888,000 requested for advance funding for fiscal year 1977 for support and innovation programs, the same amount that was appropriated in 1975 to fund school year 1975-76. This is the first year in which all of the funds will be available for consolidated grants. Funds appropriated for this activity will be available for expenditure according to the State's annual program plan based on State priorities. This plan will provide an opportunity whereby a State can shift the emphasis among the programs according to its own needs. States will continue to support programs to strengthen State departments of education, local projects for supplementary educational services, demonstration projects to improve nutrition and health services, and projects designed to reduce the number of children from low income families who fail to complete secondary school. The level of support for each of these activities will be determined by the State. As required by the basic law 15% of the funds appropriated will be used for programs for handicapped children. The bill provides that no State shall receive less for these programs in fiscal years 1976 or 1977 than it received in 1975.

The Committee recommends \$84,270,000 for bilingual education, an increase of \$14,270,000 over the budget. With these funds the Federal government will continue to assist local schools in meeting the additional responsibilities resulting from the 1974 Supreme Court decision on *Lau v. Nichols*. That decision affirmed the responsibility of local educational agencies to develop appropriate programs

to ensure equal educational opportunity for students of limited or non-English speaking ability. Of the total recommended, \$53,370,000 will be used to support approximately 400 classroom demonstration projects, including up to 100 new demonstrations, providing bilingual education instruction in 42 languages. An amount of \$21,000,000 will be provided for training activities to increase the number of trained bilingual teachers. In addition, \$7,000,000 will be used for materials development, assessment and dissemination activities and \$2,800,000 for bilingual vocational grants.

For the right to read program, the bill includes \$12,000,000 to help eliminate functional illiteracy by providing services and resources to stimulate educational institutions, governmental agencies, and private organizations to improve and expand their activities related to reading. The amount recommended will provide support for activities to strengthen reading instruction programs and language arts programs for elementary and preschool children; determine the effectiveness of intensive instruction by reading specialists and reading teachers; and furnish reading assistance and instruction to out-of-school youth and adults in community-based reading academies.

The bill includes \$53,000,000 to continue the Follow Through program at the same level as in fiscal year 1975. The budget proposed to phase out the program over a three year period. The amount allowed by the Committee is to continue 169 existing projects and to maintain the same level of participants as are currently enrolled. The budget request includes \$6,000,000 for evaluation studies. The Committee has reduced this amount to \$2,300,000, the same amount as available for fiscal year 1975. The reduction of \$3,700,000 should be used to meet the rising costs of projects operated by local school districts.

The bill includes \$2,000,000 for alcohol and drug abuse education programs, for which the budget requested no funding. The amount allowed is designed to continue existing projects in elementary and secondary schools. It is expected that the alcohol and drug abuse programs administered by the Alcohol, Drug Abuse and Mental Health administration will become the main source of support of this effort in future years.

The Committee recommends \$10,000,000, an increase of \$3,000,000 over the budget estimate for educational broadcasting facilities. Non-commercial television and radio for educational purposes should be available to the greatest number of people and in as many areas of the country as possible. With the amount included in the bill, about 50 educational radio and television projects would be supported.

As requested in the budget, no funds are included in the bill for the environmental education program. Support for these programs is available from the consolidated grants for support and innovation.

For the interim budget no funds were requested because the programs either are advance funded or operate on a project period beginning after September 30, 1976.

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

The bill includes \$563,000,000, an increase of \$297,000,000 over the budget estimate, but a decrease of \$93,016,000 from the amount available for 1975.

The President's budget for Public Law 874, maintenance and operations, included a request of \$46,000,000 to fully fund entitlements under section 6 relating to Federally operated schools. The budget also indicated that a request of \$210,000,000 would be submitted later, upon enactment of proposed legislation. As explained to the Committee, the proposed legislation looks very similar to previous proposals from the administration to reform the impact aid program—all of which have been repeatedly rejected by the Congress. Although the latest proposal contains some new twists, it is readily apparent that the net effect will practically eliminate category B payments, most of which involve children whose parents work on Federal property but live in the community.

The Education Amendments of 1974 (Public Law 93-380) substantially change the entitlement and payment distribution effective in 1976. The legislation deliberately delayed the effective date of the new provisions to allow sufficient time for the Office of Education and the local schools to get ready to implement the new law. The Committee is therefore proceeding with an appropriation to carry out the new impact aid provisions enacted by the Congress last year and urges the Office of Education to proceed as quickly as possible to notify school districts of their entitlements and payments based on the new provisions and the appropriations recommended in the bill. The Committee sees no reason to sit and wait for the Administration's legislative proposal to be considered or for a possible delay in the effective date of the new provisions. To do so would defeat the whole purpose of enacting a separate appropriation bill for education.

Among the major changes made by the 1974 legislative amendments perhaps the most significant relates to the payment provisions which come into play when appropriations are insufficient to pay full entitlement. These provisions authorize the Commissioner of Education to pay a percentage of total entitlements according to a three step payment procedure. Although the payments vary among the different subcategories of eligible children, the pattern of payments closely resembles the distribution adopted by the Committee in previous appropriation bills.

The Committee recommends \$553,000,000 for impact aid under Public Law 874. The distribution of payments would provide full funding of category A children where such children comprise 25 percent or more of the school districts' total enrollment. Other school districts with category A children would receive payments at 90 percent of entitlement for such children. Payments for category B would not exceed 60 percent of entitlement. As in previous years, no payments would be provided for children residing in low rent public housing. The bill also provides assurance that no school district would receive less than 80 percent of the amount it received in 1974 under the P.L. 874 impact aid program.

For school construction under P.L. 815, the Committee has approved the request of \$10,000,000. The funds would be used to relieve the impact caused by military installations in overcrowding the school facilities of local school districts. A portion of the funds would also provide school construction for children residing on Indian lands. About 15 projects would be supported to take care of about 3,500 pupils in 130 classrooms and related facilities. The amount recom-

mended includes funds for emergency repairs in over 150 Federally-owned school facilities.

For the interim period, the bill includes \$70,000,000 to continue the regular practice of making partial payments to school districts heavily impacted with category A children. These school districts generally have a low tax base and the impact aid payment is needed early in the fiscal year to cover current operating expenses.

EMERGENCY SCHOOL AID

The bill includes \$151,700,000, an increase of \$50,000,000 over the budget request. Of the total amount, \$125,000,000 relates to programs authorized by the Emergency School Aid Act and \$26,700,000 relates to programs authorized by Title IV of the Civil Rights Act. The increase allowed by the Committee is entirely for the Emergency School Aid Act.

The budget proposed \$75,000,000 for the Emergency School Aid Act based on legislative language designed to fund only selected provisions of the basic law, the theory being that "targeting" funds to areas of greatest need would be a more efficient procedure than that provided in the present law. The Committee feels that this approach is not in accord with the intent of the present law and creates much uncertainty about which school districts would receive Federal assistance. The bill includes \$125,000,000 which according to Administration witnesses is the minimum amount required for an adequate distribution of funds based on the formula in the present law.

Based on the amount recommended in the bill and the distribution under the various provisions of the basic law, \$15,000,000 would be available for special projects, \$108,750,000 for State apportionment, and \$1,250,000 for evaluation.

For special projects, an amount of \$5,000,000 is included for bilingual education projects to assist local school districts and organizations in meeting the needs of minority children from non-English speaking backgrounds. Educational television projects in the amount of \$3,750,000 would be supported to develop and produce children's television programs designed to increase understanding and cooperation among racial and ethnic groups. In addition, \$6,250,000 is included for special programs to support a wide range of activity in school districts experiencing particular problems with desegregation.

For the State apportionment provisions of the basic law, the bill provides \$108,750,000. No funds were requested in the budget for these provisions. The funds included in the bill would be distributed among the States on the basis of the number of minority children between 5 to 17 years of age. States may use these funds for various activities including remedial services, supplemental staff, teacher aides, teacher training, guidance/counseling, curriculum development, community activities, and minor construction projects.

For Title IV of the Civil Rights Act, a total of \$26,700,000 is included in the bill. These funds would be used to support programs designed to insure adequate response to education problems occasioned by (1) desegregation, (2) unequal access to education of those national

origin minority children who are not fluent in the English language, and (3) sex discrimination. Of the total amount provided, \$5,000,000 will be used for the support of training and advisory services for bilingual education at nine bilingual general assistance centers and through State education agency grants in about 14 States. Ten training institutes will be funded to provide training services for school personnel in dealing with problems of sex discrimination. A total of 221 training and technical assistance grant and contract awards are expected to be made, of which about 88 are expected to be new awards.

The interim budget of \$325,000 for this appropriation has been approved to support technical assistance and training activities occurring during the interim period. Most of this appropriation is used to support programs conducted in the subsequent school year.

EDUCATION FOR THE HANDICAPPED

The bill includes \$225,000,000, an increase of \$50,000,000 over the budget request and \$25,391,000 over the amount appropriated for fiscal year 1975.

The increase over the budget relates to the State formula grant program for which the Committee has included \$100,000,000 compared with \$50,000,000 proposed in the budget. The funds in this bill provide an advance appropriation for school year 1976-77. The funding for school year 1975-76 in the amount of \$100,000,000 was appropriated in fiscal year 1975 placing the State grant program on an advance funding basis for the first time. The Committee feels that the Federal government has a responsibility to help the States meet the additional cost required to provide adequate education for all handicapped children. Recent court decisions and changes in State laws reaffirm the rights of handicapped children to public educational services. The needs of handicapped children cannot be ignored and some additional Federal aid is required to meet this problem. The State grant program is one vehicle for providing such aid. These grants assist States in the initiation, expansion, and improvement of programs for educating handicapped children at the preschool, elementary and secondary school levels.

The Committee has also provided funds for special programs directed toward specific groups of handicapped children. To support deaf-blind centers, \$16,000,000 is included—an increase of \$4,000,000 over the amount appropriated for 1975. The additional funds will be used to enroll an additional 800 children in full time educational services at the 10 deaf-blind centers across the country. Thus full time services would be available for a total of 3,600 deaf-blind children.

For severely handicapped children, the bill provides \$3,250,000, the amount requested and an increase of \$427,000 over the 1975 appropriation. Severely handicapped children pose difficult problems for local schools. The funds under this program are used for specialized training and curriculum development designed to increase participation of these children in local educational programs. It is estimated that there are 1.4 million severely handicapped children, of which 1 million are not receiving educational services.

The bill includes \$39,250,000 for innovation and development activities, an increase of \$12,754,000 over the amount appropriated

for 1975. These activities include early childhood education projects for which the bill provides \$22,000,000 to expand state services to 1 million preschool-aged handicapped children. For children with specific learning disabilities, \$4,250,000 is provided to support 35 child service demonstration centers serving 34,500 children. An amount of \$2,000,000 is included for regional education programs to expand postsecondary and vocational opportunities for handicapped persons. The bill also provides \$11,000,000 to support research, demonstration, and dissemination activities in early childhood, career education, and personnel development.

For media and resource services the bill includes \$26,750,000, an increase of \$6,163,000 over the 1975 appropriation. These activities include media services and captioned films, for which \$16,250,000 is recommended, to develop specialized learning and media materials needed by classroom teachers. An amount of \$10,000,000 is included for the regional resource center program which assists parents and educators in the identification, screening, evaluation, and provision of appropriate educational services for the handicapped. For recruitment and information, \$500,000 is included for the continued development of coordinated information and referral services for State and local agencies.

For the special education manpower development program, the bill includes \$39,750,000 to assist universities and State education agencies in the support of students who are preparing to become teachers and paraprofessional educators of handicapped children. Retraining of regular classroom teachers and design of teacher instructional models are part of this program. The funds provided in the bill would train about 30,000 persons.

The Committee is aware of complaints about the cost, delivery, and maintenance of systems associated with hearing aids used by hard of hearing children in public schools. Therefore the Committee directs the Office of Education to study the prospects for a hearing aid system in the public schools that will assure proper device upkeep and appropriate professional management.

An amount of \$10,500,000 is included to support projects funded during the interim period. The budget request of \$13,100,000 overstated the need for funds during this period.

OCCUPATIONAL, VOCATIONAL, AND ADULT EDUCATION

The bill includes \$658,849,000, an increase of \$22,637,000 over the budget, and \$11,027,000 below the comparable amount available for 1975. The budget request considered by the Committee includes \$523 million which is proposed for later transmittal under proposed legislation to consolidate the present categorical programs authorized by the Vocational Education Act. It is very doubtful that such legislation will be enacted by the beginning of fiscal year 1976. The Committee believes that it is important to enact appropriations for all education programs as early as possible. Therefore the bill includes funds for the existing programs authorized by the Vocational Education Act. Certain of these programs normally expire June 30, 1975, but are automatically extended for one additional year on the basis of authority contained in section 414 of the General Education Provisions Act.

The following tabulation shows a comparison of the Committee's recommendation with the budget estimate and the amounts available for fiscal year 1975:

	1975 appropriation	1976 estimate	1976 bill
Vocational education:			
(a) Grants to States for vocational education:			
(1) Basic vocational education programs.....	\$420,978,000	-----	\$420,978,000
(2) Programs for students with special needs.....	20,000,000	-----	20,000,000
(3) Consumer and homemaking education.....	35,994,000	-----	35,994,000
(4) Work-study.....	9,849,000	-----	9,849,000
(5) Cooperative education.....	19,500,000	-----	19,500,000
(6) State advisory councils.....	4,316,000	-----	4,316,000
Subtotal.....	510,637,000	¹ \$363,000,000	510,637,000
(b) Vocational research:			
(1) Innovation.....	16,000,000	-----	16,000,000
(2) Curriculum development.....	1,000,000	-----	1,000,000
(3) Research.....	18,000,000	-----	18,000,000
Subtotal.....	35,000,000	¹ 160,000,000	35,000,000
Adult education.....	67,500,000	² (67,500,000)	67,500,000
Advance for 1977.....	-----	67,500,000	-----
Educational personnel:			
(a) Teacher Corps.....			
	37,500,000	37,500,000	37,500,000
(b) Other education professions development:			
(1) Elementary and secondary training.....	8,139,000	5,212,000	5,212,000
(2) Vocational education.....	9,000,000	-----	3,000,000
(3) Higher education.....	2,100,000	-----	-----
(4) Educational leadership.....	-----	3,000,000	-----
Subtotal.....	56,739,000	45,712,000	45,712,000
Total.....	669,876,000	636,212,000	658,849,000

¹ A total of \$523,000,000 proposed for later transmittal; new legislation.
² 1975 advance appropriation for 1976.

For basic State grants under Part B of the Vocational Education Act the bill includes \$420,978,000, the same amount available for fiscal year 1975. Enrollments in basic vocational education are expected to increase from 9.9 million in fiscal year 1975 to more than 10.9 million in the next fiscal year. Federal funds account for less than 20 percent of the total cost of vocational education. Basic grants assist the States in a variety of activities including institutional support, vocational guidance and counseling, teacher training, curriculum development, construction and equipment. Forty percent of the Federal allotment must be used for specific purposes: disadvantaged students (15%); handicapped students (10%); and postsecondary programs (15%).

Other State grants for programs for students with special needs, consumer and homemaking, work study, and cooperative education would continue at the same amounts as available for fiscal year 1975. For State advisory councils, the bill includes funds to pay each State its minimum entitlement under the formula prescribed in the basic law.

The Committee has approved \$16,000,000 for State grants for innovation, \$18,000,000 for research grants, and \$1,000,000 for curriculum development which will continue these programs at their current appropriation levels.

For adult education, the bill includes \$67,500,000 on an advance funding basis for use in school year 1976-77. These funds will allow the States to provide skill training in reading, writing, and speaking to about 1,000,000 adults with less than a high school level of education. Persons participating in these programs seek to benefit from occupational training and to increase their opportunities for more productive and profitable employment. At least \$10,000,000 will be used by the states for special projects demonstrating the use of innovative methods, systems, materials, or programs and for State funded teacher training opportunities for persons engaged in or preparing to engage in adult education programs.

The bill includes \$37,500,000 for the Teacher Corps, the amount requested and the same as the 1975 level. The Teacher Corps is undergoing changes resulting from the Education Amendments of 1974 which shifted the focus of the program. Previously, the main effort was directed toward recruitment and training of teacher interns for schools serving low income populations, with some retraining of experienced teachers. Now, projects concentrate major retraining efforts around smaller intern groups serving the same populations and involving cooperative efforts among the local school district, a college or university, and the local community. The purpose is to demonstrate the effectiveness of various ways to improve the skills of teachers in those schools as a means of improvement in the quality of education. The change in program direction is shown in the following figures: in 1974, there were 2,430 interns and 951 experienced teachers inservice and receiving training. In 1975, there are 1,873 interns and 2,154 experienced teachers and in 1976, there will be 950 interns and 3,770 regular teachers.

For other education professions development the bill includes \$8,212,000, the same amount as the budget request, but \$11,027,000 below the amount available for fiscal year 1975. The Committee recommendation shifts \$3 million requested for educational leadership to vocational education training. There continues to be a need for training and retraining personnel in vocational education and the emerging field of career education.

For the interim period, the bill includes \$151,000,000 which is the estimated amount required for programs in operation during this period. The budget included no estimate for vocational education pending the enactment of a legislative proposal.

HIGHER EDUCATION

The bill includes \$2,233,684,000, an increase of \$228,143,000 over the budget request, and an increase of \$100,613,000 over the enacted appropriation for fiscal year 1975. Supplemental appropriations for 1975 are now pending for college work study (\$119,800,000) and for the guaranteed student loan program (\$67,400,000).

The following tabulation shows a comparison of the Committee's recommendation with the budget estimate and the amount appropriated to date for fiscal year 1975:

	1975 appropriation	1976 estimate	1976 bill
Student assistance:			
(a) Basic opportunity grants.....	\$660,000,000	\$1,050,000,000	\$660,000,000 ¹
(b) Supplemental opportunity grants.....	240,300,000	-----	130,093,000 ²
(c) Work-study.....	300,200,000	250,000,000	360,000,000 ²
(d) Subsidized insured loans—interest subsidies.....	315,000,000	452,000,000	452,000,000 ²
(e) Direct loans:			
(1) Federal capital contributions.....	321,000,000	-----	321,000,000
(2) Loans to institutions.....	2,000,000	-----	2,000,000
(3) Teacher cancellations.....	6,440,000	8,960,000	8,960,000
(f) Incentive grants for State scholarships.....	20,000,000	44,000,000	44,000,000
Subtotal, student aid.....	1,864,940,000	1,804,960,000	1,978,053,000
Special programs for the disadvantaged.....	70,331,000	70,331,000	70,331,000
Institutional assistance:			
(a) Strengthening developing institutions:			
(1) Basic program.....	52,000,000	52,000,000	52,000,000
(2) Advanced program.....	58,000,000	58,000,000	58,000,000
(b) Language training and area studies:			
(1) Centers, fellowships, and research.....	11,300,000	8,640,000	11,300,000
(2) Fulbright-Hays fellowships.....	2,700,000	1,360,000	2,700,000
(c) University community services.....	14,250,000	-----	10,000,000
(d) Aid to land-grant colleges.....	9,500,000	-----	7,000,000
(e) State postsecondary education commissions.....	3,000,000	-----	3,000,000
(f) Veterans cost of instruction.....	23,750,000	-----	23,750,000
(g) Cooperative education.....	10,750,000	8,000,000	8,000,000
Subtotal, institutional aid.....	185,250,000	128,000,000	175,750,000
Personnel development:			
(a) College teacher fellowships.....	4,000,000	1,000,000	1,000,000
(b) Fellowships for disadvantaged.....	750,000	750,000	750,000
(c) Ellendar fellowships.....	500,000	500,000	500,000
(d) Public service fellowships.....	4,000,000	-----	4,000,000
(e) Mining fellowships.....	1,500,000	-----	1,500,000
Subtotal.....	10,750,000	2,250,000	7,750,000
Ethnic heritage.....	1,800,000	-----	1,800,000
Total.....	2,133,071,000	2,005,541,000	2,233,684,000

¹ Excludes \$119,800,000 approved by House in Emergency Employment Appropriations Act.

² Excludes proposed supplemental of \$67,400,000 currently pending.

Student aid programs.—The bill includes a total of \$1,978,053,000, an increase of \$173,093,000 over the budget request, and an increase of \$113,113,000 over the enacted appropriations. The budget proposes to fully fund the authorization for basic opportunity grants and to terminate supplementary opportunity grants and contributions to the national direct student loan program. Legislative language is requested to disregard the basic law which requires that supplementary grants and direct loans, as well as college work study, be funded at specified minimum levels before any payments may be made for basic grants. The Committee has not approved this approach and is recommending funds for all of the existing student aid programs.

The budget request for basic opportunity grants is \$1.05 billion based on full entitlement. In last year's budget, the amount estimated for full entitlement was \$1.3 billion. In one year the estimate of full entitlement declined by \$250 million which raises some question about the reliability of the funding estimates for this program. In addition, for the first year (1973) of the program, almost 50 percent of the

appropriation was not used. In the second year (1974) about 30 percent or \$135 million of the appropriation may not be used. Further, numerous legislative amendments to the basic law are being considered. In view of all of these uncertainties about the basic opportunity grant program, the Committee feels that the program is not ready for a massive infusion of additional funds and is recommending \$660 million the same amount as appropriated for fiscal year 1975.

For college work study, the bill includes \$360 million, an increase of \$110 million over the budget request. In the pending Emergency Employment Appropriations bill (H.R. 4481) as passed by the House, an additional amount of \$119.8 million is included for college work study. These additional funds would provide an annual program level of \$360 million for academic year 1975-76. The Committee recommendation is based on continuing this level for the ensuing academic year (1976-77). In addition, the bill includes \$130,093,000 for supplementary grants and \$323,000,000 for Federal capital contributions and loans to institutions under the national direct student loan program. No funds were requested in the budget for these programs. The amount for supplementary grants is based on the minimum funding specified in the basic law. The amount for direct loans is based on the amount appropriated for fiscal year 1975.

The bill includes \$44,000,000, the amount requested for student incentive grants. This amount is more than double the fiscal year 1975 appropriation of \$20,000,000 and will provide 109,200 new awards and 66,800 continuation awards. Since the states must match federal funds dollar for dollar, the amount recommended will actually support a program level of \$88,000,000. It is expected that this program can play an important role in strengthening the federal-state partnership in expanding educational opportunity for needy students.

For the special programs for the disadvantaged, the Committee has approved the budget request of \$70,331,000. In addition to lack of money, the disadvantaged are also often hampered by inadequate elementary and secondary education, lack of career counseling and a lack of self-confidence which inhibits them from seeking a post-secondary education. Upward bound, talent search, special services, and educational opportunities centers comprise the group of special programs designed to help needy students. About 880 projects and 330,000 students would be assisted.

Institutional aid programs.—The bill includes \$175,750,000, an increase of \$47,750,000 over the budget request, and a decrease of \$9,500,000 from the amount available for 1975. The Committee has restored funding to the current level for language training and area studies, State postsecondary commissions, and veterans cost of instruction. The bill also continues support for university community services and land grant colleges but at amounts below current funding levels.

For strengthening developing institutions authorized by Title III of the Higher Education Act, the Committee recommends \$110,000,000, the amount requested, and the same amount as the 1975 appropriation. Most of the developing institutions are small colleges enrolling large numbers of minority and low income students. The basic law requires that 24 percent of the amount appropriated must be designated for two-year colleges. Approximately 165 institutions will receive grants

averaging \$315,000 for the purpose of gradually strengthening their academic and management capabilities. In addition, funds are included to provide grants averaging \$2,800,000 to about 21 institutions to support projects designed to accelerate their transition to fully developed status.

The bill includes \$14,000,000 for foreign language training and area studies, an increase of \$4,000,000 over the budget request and the same amount as appropriated for fiscal year 1975. These funds would support 65 language centers, 50 exemplary projects, 900 fellowships, and 25 group training projects. For university community services, \$10,000,000 is recommended, a decrease of \$4,250,000 from the amount appropriated for 1975. No funds were requested in the budget. The amount provided will allow every State to support projects in colleges and universities aimed toward the solution of community problems.

Aid to land grant colleges would be continued at \$7,000,000, a decrease of \$2,500,000 from the 1975 appropriation. In addition, \$2,700,000 in permanent appropriations would be available to help these institutions. Support for state postsecondary commissions would be continued at \$3,000,000, the same amount as the 1975 appropriation. Also included in the bill is \$23,750,000 for veterans cost of instruction payments to institutions which increase their enrollment of veterans by 10 percent over the preceding academic year or whose veteran enrollments constitute 10 percent or more of their total undergraduate enrollment.

For cooperative education, the Committee has approved the budget request of \$8,000,000. Although \$2,750,000 less than the current funding level, the amount provided would support 100 new projects. Over 200 institutions will reach the statutory limit of 3 year's participation in the program in fiscal year 1975, thus allowing more funds for new projects. There are now about 800 colleges and universities with cooperative education programs.

Personnel development programs.—The Committee recommends \$7,750,000 an increase of \$5,200,000 over the budget request, but a decrease of \$3,000,000 from the amount available for these programs for fiscal year 1975. The increase over the budget relates to public service and mining fellowships, restoring these programs to current funding levels. The amount allowed reflects a decrease of \$3,000,000 for college teacher fellowships and continues the phaseout of this program. Sufficient funds are included to allow veterans to resume college teacher fellowships interrupted by military service.

Ethnic heritage studies.—The Committee has included \$1,800,000 to provide support for about 35 projects operated through universities, local schools and other educational organizations. These projects serve to give a greater understanding of ethnic cultures and backgrounds among the diverse population groups.

Interim budget.—Most of this appropriation supports programs and projects conducted in the subsequent academic year. The main exception is the guaranteed student loan program for which funds are required during the interim period to pay interest benefits on loans. An amount of \$124,000,000 is included for this purpose.

LIBRARY RESOURCES

The bill includes \$194,054,000, an increase of \$46,724,000 over the pending budget request, and a decrease of \$13,750,000 from the comparable amount appropriated for fiscal year 1975. The budget proposes a later request of \$20,000,000 for proposed new library legislation.

For public libraries the Committee recommends \$46,749,000, a reduction of \$5,000,000 from the amount appropriated for fiscal year 1975. The budget proposes to phase out this program in favor of a different kind of Federal support through proposed new legislation. The status of this legislation is too uncertain and any delay in appropriations will only cause confusion about the level of funding for fiscal year 1976. The Committee feels that Federal support is needed to help improve public library services in areas without such services or with inadequate services. Most rural areas of the country are without adequate public library services.

An amount of \$137,330,000 is included for Title IV-B of the Elementary and Secondary Education Act which authorizes grants to States for school library and instructional resources, including guidance, counseling, and testing. This activity consolidates into a single authorization the school library resources program, equipment and minor remodeling, and the guidance, counseling and testing portion of the supplementary services program. An amount of \$137,330,000 was appropriated in fiscal year 1975 as advance funding for fiscal year 1976; and the same amount is included in the bill as advance funding for use in 1977. This amount is the minimum amount required for consolidation as specified by the basic law. It is expected that these funds will provide the same benefits to children and teachers as the separate categorical programs did in the prior years. The consolidated grant however, will provide local authorities greater responsibility in determining their own educational priorities and flexibility for focusing on these needs.

The Committee has provided \$9,975,000 to restore the college library program to the current funding level. This amount is sufficient to pay a basic grant of \$5,000 to assist approximately 2,380 institutions with maintaining and updating their library collections.

For undergraduate instructional equipment and library training and demonstration programs, no funds were requested and none are included in the bill. Other agencies, such as the National Institute of Education and the National Science Foundation, can provide similar kinds of support.

No funds were requested for the interim period because none of the funds under this appropriation would be required for obligation during this period.

INNOVATIVE AND EXPERIMENTAL PROGRAMS

The bill includes \$36,893,000, a reduction of \$2,100,000 from the budget request, and an increase of \$18,493,000 over the amount available for comparable programs in fiscal year 1975.

The following table provides a comparison of the Committee recommendation with the budget estimate and the amounts available for fiscal year 1975:

	1975 appropriation	1976 estimate	1976 bill
Metric projects.....		\$2,090,000	\$2,090,000
Gifted and talented.....		2,560,000	2,560,000
Community schools.....		3,553,000	3,553,000
Career education.....	\$10,000,000	10,135,000	10,135,000
Consumer education.....		3,135,000	3,135,000
Women's educational equity.....		6,270,000	6,270,000
Arts in education programs.....		750,000	750,000
Packaging and field testing.....	1,400,000	3,500,000	1,400,000
Educational TV programming.....	7,000,000	7,000,000	7,000,000
Total.....	18,400,000	38,993,000	36,893,000

The Education Amendments of 1974 (Public Law 93-380) authorizes a new Special Projects Act essentially as a replacement for the Cooperative Research Act. The purposes of the Special Projects are to experiment with new educational and administrative methods, techniques, and practices; to meet special or unique educational needs or problems; and to place special emphasis on national educational priorities. The legislation requires that not less than 50 percent of this appropriation be used for the following seven activities: 1) metric education, 2) education for the gifted and talented, 3) community schools, 4) career education, 5) consumer education, 6) women's educational equity, and 7) the arts in education programs. The remaining amount would be used for priority areas designed by the Commissioner of Education in accordance with the Act.

Metric education projects would be designed to encourage educational agencies to prepare students in the use of the metric system of measurement. About 70 projects would be supported.

The purpose of the gifted and talented children program is to increase the capacity of the States and other administrative systems to initiate, operate, and extend educational opportunities for gifted and talented children. About 25 projects would be supported.

The community schools program will fund projects directed toward providing educational, recreational, cultural, and other related community services in accordance with needs, interests and concerns of the community. About 70 projects would be supported.

The career education program proposes to develop information about the needs for career education of all children, develop State and local plans for implementing career education, provide for the training and retraining of persons for conducting career education programs, promote a national interest in career education and demonstrate the best of current career education programs and practices. Of the \$10,135,000 included in the bill, \$6,135,000 would be used for new projects in career education.

The funds for consumers' education will fund projects at the elementary and secondary, postsecondary, and adult education levels to promote consumer education through research, demonstration and pilot projects. About 250 projects would be supported.

Grants and contracts will be awarded to provide educational equity for women at all levels of education through the improvement and expansion of special and innovative programs. About 60 projects would be supported.

Arts in education involve grants and contracts to encourage and assist State and local education agencies to establish and conduct programs in which the arts are an integral part of elementary and secondary school education through arrangements with the John F. Kennedy Center for the Performing Arts.

The program of packaging and field testing is designed to accelerate the replication of successful educational approaches and products developed and demonstrated in Office of Education-supported programs. This activity was funded under the salaries and expenses appropriation of 1975. The Committee has allowed sufficient funding to continue the projects started in prior years.

Educational television programming provides assistance to support the development, production, installation, and utilization of innovative children's educational television programs. These are designed to help children learn, especially the disadvantaged, in the school or at home. The Committee has included \$5,400,000 for the continued support of Sesame Street and the Electric Company, and \$1,600,000 for new educational programs.

No funds are included for the interim budget since the projects to be supported would be operated subsequent to September 1976.

EDUCATIONAL ACTIVITIES OVERSEAS

(SPECIAL FOREIGN CURRENCY PROGRAM)

The bill includes \$2,000,000, the amount requested and \$1,000,000 over the amount appropriated for fiscal year 1975.

This program seeks to improve the quality of foreign language and area studies instruction in the United States primarily by developing or upgrading the technical capabilities of potential teachers, practicing teachers, and others in leadership positions in education. Most of the program participants engage in a variety of research and training activities, develop instructional materials for use in U.S. institutions, and acquire firsthand knowledge of the languages and cultures they expect to teach. The bill authorizes \$2,000,000 in U.S. owned excess foreign currencies to assist American education in providing selected training and research programs abroad in foreign languages, area studies and world affairs. These funds will support approximately 69 projects, or 18 more than in fiscal year 1975.

For the interim period, the bill includes \$200,000 to support projects funded during the period.

SALARIES AND EXPENSES

The bill includes \$107,841,000, a reduction of \$4,684,000 from the budget request, and an increase of \$9,557,000 over the comparable appropriation for 1975.

The Committee has reduced the request for new positions from 167 to 100 with the understanding that most of the new positions allowed are for administering the guaranteed student loan program. Hopefully

the positions for this program will pay for themselves through cost savings in reducing student loan defaults. Grant consolidation of several categorical education programs is also expected to reduce the need for staff during fiscal year 1976. The new positions requested for administering the Special Projects Act have been reduced with the expectation that staff can be redeployed from other programs to carry out the new Act.

The Committee has reduced the amounts requested for consultants, internal staff training, and travel. The increase requested for payment to GSA of standard level user charges has been reduced by 10 percent consistent with a general policy adopted by the Committee. The bill includes \$7,000,000 for planning and evaluation, a reduction of \$2,000,000 from the budget request but \$617,000 over the amount available for fiscal year 1975. Funds for evaluation studies are included elsewhere in the bill for elementary and secondary education, emergency school aid, bilingual education, and other education programs.

For advisory committees authorized by various education legislation, the bill includes \$2,041,000. The Committee expects that the advisory council on extension and continuing education will be supported in view of the recommendation under the "Higher education" appropriation to continue the related program activity.

The Committee has approved the funds requested for general dissemination and information clearing houses.

For the interim period, the bill includes \$24,643,000, the amount requested for salaries and administrative costs accruing during the period.

STUDENT LOAN INSURANCE FUND

The bill includes \$201,787,000, the amount requested to pay for defaults on student loans insured and reinsured by the Federal Government. The amount in the bill is an increase of \$86,787,000 over the appropriation enacted to date for fiscal year 1975. There is currently pending a supplemental appropriation for 1975 in the amount of \$82,600,000 to cover additional estimated requirements for loan defaults.

The fund was authorized to enable the Commissioner of Education to pay claims for defaults on federally insured and federally reinsured student loans out of insurance premiums, collections on defaulted loans, and other receipts, as well as from funds appropriated for this purpose.

The amount included in the bill, together with an estimated \$34,650,000 in other receipts, will be needed to cover obligations amounting to an estimated \$236,437,000. Claims for 146,000 loans insured directly by the federal government account for \$146,437,000, while 90,000 claims by guarantee agencies against the reinsurance program account for the other \$90 million. Loans outstanding at the end of 1976 are expected to amount to an estimated \$6.1 billion. The program involves 19,000 lenders and 8,700 schools. More than 8 million loans will have been made by the end of 1976.

Recent new regulations and proposed legislation—both designed to improve the administration of the program and reduce defaults—may help bring the default problem under some degree of control. Also the expansion of collection efforts in the regional offices with

increases in staff provided for 1976 is expected to result in an increase in collections on defaulted loans in the federal insurance program. It is estimated that \$17.1 million will be collected in fiscal year 1976 compared to an estimated \$7.0 million in 1975. The guarantee agencies are expected to collect \$13.8 million under the federal reinsurance program.

An amount of \$30,000,000 is included in the bill to cover the payment of default claims during the interim period.

HIGHER EDUCATION FACILITIES LOAN AND INSURANCE FUND

The bill includes \$2,192,000, the amount requested and a decrease of \$509,000 from the amount appropriated for fiscal year 1975.

The Participation Sales Act of 1966 established a revolving fund for loans made under title III of the Higher Education Facilities Act, now subsumed by title VII, part C, of the Higher Education Act, and authorized the pooling of such loans as collateral for participation certificates sold to the private credit market. Since the interest received on these loans is less than the interest paid on the participation certificates, appropriations are needed each year to cover the difference. In fiscal year 1976, the amount needed is \$3,692,000 of which \$1,500,000 is covered by a permanent indefinite appropriation for sales authorized in fiscal year 1967.

The bill includes \$548,000 for interest expenses accruing during the interim period.

NATIONAL INSTITUTE OF EDUCATION

NATIONAL INSTITUTE OF EDUCATION

The bill includes \$80,000,000, the amount requested and an increase of \$10,000,000 over the amount available for fiscal year 1975. The authorization for this agency expires June 30, 1975, but can be automatically extended for one additional year under authority provided by Section 414 of the General Education Provisions Act.

This agency was established in 1972 to strengthen and improve educational practice in formal and informal learning situations through the conduct of research and development activities. By law, the agency must expend a minimum of 90 percent of its appropriated funds through grants and contracts with qualified public or private agencies and individuals. These awards may involve basic and applied research, planning, surveys, evaluations, experiments and demonstrations in the field of education.

In response to concerns expressed by the Committee last year, the budget proposes a significant increase in dissemination activities—from \$5.9 million in fiscal year 1975 to \$18.3 million in fiscal year 1976. Past efforts to make research and development results widely available to teachers and school administrators have not been too successful. The increase provided for dissemination activities would support projects involving 40 States, 450 local school districts and 2,500 educational personnel who can provide dissemination services.

The Committee understands that \$30 million will be required to maintain the educational laboratories and centers program at the current funding level. The budget proposes funding at \$13 million with an additional \$7 million anticipated from other contracts. If these contracts fail to materialize, the budget may result in a reduction

of as much as \$17 million. The Committee feels that the laboratories and centers are successful and should be continued at the current funding level.

Other activities planned for 1976 include research in the area of reading comprehension to develop improved teaching methods and instructional materials; projects to prepare students with information and skills for choosing a career, including improved methods of guidance, counseling and placement; and studies designed to help schools and school systems develop better approaches to planning, decision-making, and management relating to the fiscal resources available for education.

The bill includes \$20,000,000, the amount requested, for administrative costs and project support required during the interim period.

OFFICE OF THE ASSISTANT SECRETARY FOR EDUCATION

SALARIES AND EXPENSES

The bill includes \$85,500,000, a reduction of \$7,334,000 from the budget request, and an increase of \$6,640,000 over the amount available for fiscal year 1975 on a comparable basis.

The amount recommended includes \$13,500,000 for projects relating to the improvement of postsecondary education. This is a reduction of \$4,000,000 from the budget request but an increase of \$2,000,000 over the amount appropriated for 1975. The amount in the bill would support 125 projects, of which 80 are continuation of existing projects and 45 are new awards. The Committee feels that the number of projects in operation at any given time should be limited so that adequate supervision may be exercised to minimize the possibility of overlap and duplication with experiments administered by other offices within the Department.

The Committee has allowed 20 new positions instead of the 41 requested in the budget. The new positions together with the 171 currently authorized for the national center for educational statistics should be adequate to carry on the planned activities for 1976 including the new surveys and reports required by the Education Amendments of 1974 (Public Law 93-380). The Committee has reduced by 10 percent the increase requested for rental payments to GSA.

The bill includes \$14,000,000 for the national center for educational statistics. These funds are used for contracts with State and local organizations in conducting surveys and studies in the field of education. Also included are funds to permit a reasonable expansion for special studies, common core of data, and the national assessment project, but at a rate below that requested in the budget.

For the interim period, \$5,599,000 is included to meet the costs of administration and certain projects occurring during the period.

TITLE II—RELATED AGENCIES

AMERICAN PRINTING HOUSE FOR THE BLIND

The bill includes \$2,408,000, the amount requested and an increase of \$441,000 over the amount appropriated for fiscal year 1975.

The Printing House was chartered in 1858 to manufacture, on a nonprofit basis, books and materials for the education of blind children. Over the years the original charter has been broadened so that at the present time the Printing House serves all blind pupils of less than college grade including those attending private non-profit educational institutions.

The amount included in the bill when taken together with the \$10,000 permanent appropriation will supply an estimated additional 1,500 blind students and all current pupils (25,809) with educational materials. The estimated 1976 per capita rate of \$85.61 represents a 16.5 percent increase over 1975 and will serve 27,309 eligible blind children at about the same level of services provided during the past few years. An amount of \$80,000 for expenses of advisory committees and field representatives is the same amount available for 1975 and will make it possible for these committees to continue to evaluate and recommend to the Board of Trustees, for approval on an annual basis, the necessary educational materials and aids to be produced.

The bill includes \$602,000, the amount requested to provide continuous services to blind pupils during the interim period.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

The bill includes \$9,836,000, the amount requested and an increase of \$1,998,000 over the amount available for fiscal year 1975 for the academic program. For fiscal year 1975, a non-recurring appropriation of \$1,981,000 was provided for furnishings and equipment related to new construction.

This Institute was authorized in 1965 by Public Law 89-36 and is supported by federal appropriations and student fees. It is designed to serve three fundamental purposes: (1) to prepare deaf citizens for direct technical employment and for full participation in community living; (2) to train professional personnel to serve the deaf nationally; and (3) to influence education, training and career placement of deaf citizens through applied research.

The amount provided in the bill would support an additional 29 positions for technical education, personal and social development, communication skills, and administration. Most of the additional positions are related to increased enrollment which is estimated to grow from 700 this year to 960 in fiscal year 1976. Approximately 200 students will graduate from the Institute in fiscal year 1975. About 84 percent of those students will enter the job market immediately, and the remaining 16 percent will pursue further education. Of those who enter the job market, 85 percent will enter business and industry, 10 percent government and 5 percent education.

The bill includes \$2,932,000, the amount requested to support the academic program during the interim period.

GALLAUDET COLLEGE

The bill includes \$22,435,000, the amount requested and a decrease of \$5,108,000 from the amount available for fiscal year 1975. The decrease results from several major construction projects supported

in fiscal year 1975 which are non-recurring items. Included under this appropriation heading are the Model Secondary School for the Deaf and the Kendall Demonstration Elementary School.

For the academic program of Gallaudet College, the bill provides \$12,155,000, an increase of \$1,806,000 over the amount available for fiscal year 1975. The increase relates to the opening of the new food service, health service, central receiving and utility buildings; faculty salary increases; and various improvements in the undergraduate and graduate instructional programs.

The bill includes \$5,334,000 for the Model Secondary School for the Deaf, an increase of \$919,000 over the amount available for fiscal year 1975. This facility is nearly 60 percent completed and construction will soon begin on the residence halls. The increase will provide for faculty salary increases, rising costs for food service and transportation, and 45 additional staff to meet the increased enrollment expected during fiscal year 1976.

The bill provides \$2,691,000, an increase of \$377,000 over the 1975 appropriation for the Kendall School. The additional funds relate to faculty salary increases; increased cost of food and transportation; and expanded family education, speech, and audiological services.

An amount of \$2,255,000 is included for planning a new learning center, field house, dormitory, the conversion of an old dining hall for student use and other capital improvement projects.

The bill includes \$5,606,000, the amount requested to continue the academic program during the interim period.

HOWARD UNIVERSITY

The bill includes \$84,158,000, the amount requested and an increase of \$4,508,000 over the amount available for fiscal year 1975.

For the academic program, the bill includes \$54,559,000, an increase of \$5,854,000 over the 1975 funding level. The additional funds relate to faculty salary increases, the library system, and 97 new positions for liberal arts, communications, business, medicine, dentistry and other divisions of the university.

The bill includes \$10,000,000, the amount requested for construction projects including partial payment for renovation of the Dunbarton College campus (\$4,000,000); renovation of Freedmen's Hospital buildings to be converted to academic use (\$3,000,000); renovation of power plant smokestack (\$1,000,000); acquisition and renovation of property for the school of business (\$1,000,000), and repairs in various campus buildings (\$1,000,000).

In examining patient fees, the Committee found that the rates at the new Howard University hospital are well below the rates charged by other hospitals in the metropolitan area. The basic law authorizing the construction of the new hospital provides that the cost of operating the hospital should be on a self-supporting basis. The Committee urges that fees be revised more in line with rates at comparable hospitals.

The bill includes \$18,728,000, the amount requested to continue support for the academic program and Freedmen's Hospital during the interim period.

CHANGES IN EXISTING LAW

Pursuant to Clause 3, Rule XXI of the House of Representatives, the following statements are submitted describing the effect of provisions in the accompanying bill which directly or indirectly change the application of existing law.

1. In most cases, the Committee has recommended appropriations which are less than the maximum amounts authorized for the various programs which are funded in the bill. Whether these actions constitute a change in the application of existing laws is subject to individual interpretation but the Committee felt this fact should be mentioned. Full funding of all education programs which have specific dollar authorizations would require the appropriation of approximately \$9 billion over and above the amounts included in this bill.

2. As mentioned in the introduction to this report, the bill includes a number of special, one-time appropriations for the three-month period from July 1, 1976 to September 30, 1976.

3. The bill provides that appropriations shall remain available for more than one year for a number of programs for which the basic authorizing legislation does not presently authorize such extended availability. These programs include educational broadcasting facilities, college work-study grants, educational activities overseas, and construction of facilities for Gallaudet College and Howard University.

4. The bill contains limitations on payments for school assistance in Federally affected areas under the various sections of Public Law 815 and 874 which are identical with limitations which have been carried in previous appropriation bills. In addition, the bill provides that none of the sums appropriated are available for entitlements under section 403(1)(c) of P.L. 874, which is the section of the law providing for payments on account of children who reside in public housing.

5. On page 2 of the bill the Committee has included a provision that amounts appropriated for carrying out title I of the Elementary and Secondary Education Act in the fiscal year 1976, shall be available for carrying out section 822 of Public Law 93-380.

6. A proviso has been inserted on page 3 of the bill to assure that the allocation to each State under title IV, part C of the Elementary and Secondary Education Act for fiscal years 1976 and 1977 does not fall below the amount allocated to that State for comparable purposes for fiscal year 1975.

7. On page 10 of the bill is language requiring that none of the funds appropriated for the National Institute of Education may be used to award a grant or contract to any educational laboratory, research and development center, or any other project if any employee of said laboratory, center or project is compensated, directly or indirectly, in whole or in part from Federal funds at an annual salary in excess of the salary paid to the Commissioner of Education or the Director of the National Institute of Education.

8. Title III of the bill contains a number of general provisions, all of which have been carried in previous appropriation acts, which place limitations on the use of funds in the bill and which might, under some circumstances, be construed as changing the application of existing law.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried in connection with any appropriation bill are recommended:

On pages 2 and 3 in connection with "Elementary and secondary education": *Provided further, That amounts appropriated for carrying out title I of the Elementary and Secondary Education Act in the fiscal year 1976, shall be available for carrying out section 822 of Public Law 93-380: Provided further, That the amount made available to each State from the sum heretofore appropriated for the fiscal year 1976 or from the sum appropriated herein for the fiscal year 1977 for title IV, part C of the Elementary and Secondary Education Act shall not be less than the amount made available for comparable purposes for fiscal year 1975.*

On page 4 in connection with "School assistance in Federally affected areas": *Provided further, That the amount made available to each local educational agency under said Act of September 30, 1950 shall not be less than 80 per centum of the amount made available for that purpose for fiscal year 1974: Provided further, That none of the sums appropriated herein shall be available for entitlements under section 403(1)(c) of said Act of September 30, 1950.*

INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(1)(4), Rule XI of the House of Representatives, the Committee estimates that enactment of this bill would have minimal overall inflationary impact on prices and costs in the operation of the national economy.

The total amount recommended in the bill exceeds the budget request by \$661 million; however the increase relates to programs and activities which the budget proposes to reduce *below* the anticipated funding level for fiscal year 1975. The recommended increase over the budget occurs primarily in the impact aid and student aid programs (supplemental opportunity grants and direct student loans) where the budget proposes cutbacks or terminations. The Committee's recommendations would not create a demand for additional goods or services, but, in general would merely serve to maintain the present level of output.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES
FOR 1976**

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL FUNDS

[Becomes available automatically under earlier, or "permanent" law without further, or annual, action by the Congress. Thus these amounts are not included in the accompanying bill]

Agency and item (1)	New budget (obligational) authority, 1975 (2)	Budget estimate of new (obligational) authority 1976 (3)	Increase(+) or decrease (-) (4)
Office of Education:			
Payments to States and territories for colleges of agriculture and mechanic arts (act of Mar. 4, 1907)-----	\$2, 700, 000	-----	-\$2, 700, 000
Payments to States for promotion of vocational education (act of Feb. 23, 1917)-----	7, 161, 000	\$7, 161, 000	-----
Payment of participation sales insufficiencies, indefinite (Independent Offices Appropriation Act, 1967)-----	1, 500, 000	1, 500, 000	-----
Total, permanent new budget (obligational) authority, Federal funds-----	11, 361, 000	8, 661, 000	-2, 700, 000

26

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976**

Agency and item (1)	New budget (obligational) authority, fiscal year 1975 (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period (3)	New budget (obligational) authority recom- mended in the bill (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975 (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period (6)
TITLE I—EDUCATION DIVISION					
OFFICE OF EDUCATION					
Elementary and secondary education--	¹ \$2, 255, 675, 000	² \$2, 340, 718, 000	² \$2, 371, 488, 000	+\$115, 813, 000	+\$30, 770, 000
Advance appropriation for 1977-----	-----	(2, 072, 888, 000)	(2, 072, 888, 000)	-----	-----
School assistance in federally affected areas-----	656, 016, 000	266, 000, 000	563, 000, 000	-93, 016, 000	+297, 000, 000
Transition period-----	-----	5, 000, 000	70, 000, 000	-----	+65, 000, 000
Emergency school aid-----	(1)	101, 700, 000	151, 700, 000	+151, 700, 000	+50, 000, 000
Transition period-----	-----	325, 000	325, 000	-----	-----
Education for the handicapped-----	199, 609, 000	² 225, 000, 000	² 225, 000, 000	+25, 391, 000	-----
Transition period-----	-----	13, 100, 000	10, 500, 000	-----	-2, 600, 000
Advance appropriation for 1977-----	-----	(50, 000, 000)	(100, 000, 000)	-----	(+50, 000, 000)
Occupational, vocational, and adult education-----	681, 676, 000	² 636, 212, 000	² 658, 849, 000	-22, 827, 000	+22, 637, 000
Transition period-----	-----	17, 000, 000	151, 000, 000	-----	+134, 000, 000
Advance appropriation for 1977-----	-----	(67, 500, 000)	(67, 500, 000)	-----	-----
Higher education-----	¹ 2, 131, 271, 000	2, 005, 541, 000	2, 233, 684, 000	+102, 413, 000	+228, 143, 000
Transition period-----	-----	124, 000, 000	124, 000, 000	-----	-----
Library resources-----	167, 474, 000	10, 000, 000	56, 724, 000	-110, 750, 000	+46, 724, 000
Advance appropriation for 1977-----	-----	(137, 330, 000)	(137, 330, 000)	-----	-----
Innovative and experimental programs-----	-----	38, 993, 000	36, 893, 000	+36, 893, 000	-2, 100, 000

See footnotes at end of table.

27

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued

Agency and item (1)	New budget (obligational) authority, fiscal year 1975 (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period (3)	New budget (obligational) authority recommended in the bill (4)	Bill compared with--	
				New budget (obligational) authority, fiscal year 1975 (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period (6)
TITLE I—EDUCATION DIVISION					
OFFICE OF EDUCATION					
Educational activities overseas (special foreign currency program)-----	1,000,000	2,000,000	2,000,000	+1,000,000	-----
Transition period-----	-----	200,000	200,000	-----	-----
Salaries and expenses-----	114,400,000	112,525,000	107,841,000	-6,559,000	-4,684,000
Transition period-----	-----	24,643,000	24,643,000	-----	-----
Student loan insurance fund-----	¹ 115,000,000	201,787,000	201,787,000	+86,787,000	-----
Transition period-----	-----	30,000,000	30,000,000	-----	-----
Higher education facilities loan and insurance fund-----	2,701,000	2,192,000	2,192,000	-509,000	-----
Transition period-----	-----	548,000	548,000	-----	-----
Subtotal, Office of Education-----	¹ 6,324,822,000	² 5,942,668,000	² 6,611,158,000	+286,336,000	+668,490,000
Transition period-----	-----	214,816,000	411,216,000	-----	+196,400,000
NATIONAL INSTITUTE OF EDUCATION					
National Institute of Education-----	70,000,000	80,000,000	80,000,000	+10,000,000	-----
Transition period-----	-----	20,000,000	20,000,000	-----	-----

OFFICE OF THE ASSISTANT SECRETARY FOR EDUCATION					
Salaries and expenses-----	13,807,000	42,834,000	35,500,000	+21,693,000	-7,334,000
Transition period-----	-----	5,599,000	5,599,000	-----	-----
Total, Education Division-----	¹ 6,408,629,000	² 6,065,502,000	² 6,726,658,000	+318,029,000	+661,156,000
Transition period-----	-----	240,415,000	436,815,000	-----	+196,400,000
TITLE II—RELATED AGENCIES					
American Printing House for the Blind-----	1,967,000	2,408,000	2,408,000	+441,000	-----
Transition period-----	-----	602,000	602,000	-----	-----
National Technical Institute for the Deaf-----	9,819,000	9,836,000	9,836,000	+17,000	-----
Transition period-----	-----	2,932,000	2,932,000	-----	-----
Gallaudet College-----	¹ 27,543,000	22,435,000	22,435,000	-5,108,000	-----
Transition period-----	-----	5,606,000	5,606,000	-----	-----
Howard University-----	¹ 79,650,000	84,158,000	84,158,000	+4,508,000	-----
Transition period-----	-----	18,728,000	18,728,000	-----	-----
Total, related agencies-----	¹ 118,979,000	118,837,000	118,837,000	-142,000	-----
Transition period-----	-----	27,868,000	27,868,000	-----	-----
Grand total, new budget (obligational) authority-----	¹ 6,527,608,000	² 6,184,339,000	² 6,845,495,000	+317,887,000	+661,156,000
Transition period-----	-----	268,283,000	464,683,000	-----	+196,400,000
Advance appropriation for 1977-----	-----	(2,327,718,000)	(2,377,718,000)	-----	(+50,000,000)

¹ Excludes the following currently pending supplemental appropriations for fiscal year 1975, as reported by the House Committee on Appropriations:

Elementary and secondary education-----	\$4,000,000
Emergency school aid-----	125,000,000
Higher education-----	187,200,000
Student loan insurance fund-----	82,600,000
Gallaudet College-----	8,052,000
Howard University-----	2,050,000
Total-----	408,902,000

² Includes advance appropriations for 1976, appropriated in the Supplemental Appropriations Act, 1975 (Public Law 93-554), as follows:

Elementary and secondary education-----	\$2,210,218,000
Education for the handicapped-----	100,000,000
Occupational, vocational, and adult education-----	67,500,000
Total, advance appropriation for 1976-----	2,377,718,000



Ninety-fourth Congress of the United States of America

AT THE FIRST SESSION

*Begun and held at the City of Washington on Tuesday, the fourteenth day of January,
one thousand nine hundred and seventy-five*

An Act

Making appropriations for the Education Division and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Education Division and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, namely:

TITLE I—EDUCATION DIVISION

OFFICE OF EDUCATION

ELEMENTARY AND SECONDARY EDUCATION

For carrying out, to the extent not otherwise provided, title I, part A (\$2,023,981,000), title I, part B (\$24,769,000), title IV, part C (\$172,888,000), and title VII of the Elementary and Secondary Education Act (\$97,770,000); title VII of the Education Amendments of 1974; the Environmental Education Act (\$3,000,000); section 417(a) (2) of the General Education Provisions Act; part J of the Vocational Education Act; part IV of title III of the Communications Act of 1934; the Alcohol and Drug Abuse Education Act; and part B of the Headstart-Follow Through Act (\$59,000,000), \$2,414,158,000, of which \$12,500,000 shall be for educational broadcasting facilities and shall remain available until expended: *Provided*, That of the amounts appropriated above the following amounts shall become available for obligation on July 1, 1976, and shall remain available until September 30, 1977: title I, part A (\$2,023,981,000), title I, part B (\$24,769,000), title IV, part C (\$172,888,000) of the Elementary and Secondary Education Act and section 417(a) (2) of the General Education Provisions Act (\$1,250,000): *Provided further*, That amounts appropriated for carrying out title I of the Elementary and Secondary Education Act in the fiscal year 1976, shall be available for carrying out section 822 of Public Law 93-380. For carrying out title IV of the Elementary and Secondary Education Act an additional \$11,633,852 for fiscal year 1977: *Provided*, That none of such funds may be paid to any State for which the allocation for fiscal year 1977 exceeds the allocation for comparable purposes for fiscal year 1974.

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), \$660,000,000 of which \$46,000,000 shall be for payments under section 6, \$603,000,000 shall be for payments under sections 2, 3, and 4 in accordance with subsection 5(c) of said Act, and \$11,000,000 shall be for payments under subparagraphs (B) and (C) of section 305 of the Education Amendments of 1974. For carrying out the Act of September 23, 1950, as amended (20 U.S.C., ch. 19),



H. R. 5901—2

\$20,000,000, which shall remain available until expended, shall be for providing school facilities as authorized by said Act of September 23, 1950: *Provided*, That, with the exception of up to \$5,000,000 for repairs for facilities constructed under section 10, none of the funds contained herein for providing school facilities shall be available to pay for any other section of the Act of September 23, 1950, until payment has been made of 100 per centum of the amounts payable under section 5 and subsections 14(a) and 14(b): *Provided further*, That of the funds provided herein for carrying out the Act of September 23, 1950, no more than 47.5 per centum may be used to fund section 5 of said Act: *Provided further*, That the Commissioner of Education is hereby authorized to provide amounts necessary to meet the costs of providing increased school facilities in communities located near the Trident Support Site, Bangor, Washington; notwithstanding section 421A (c)(2)(A) of the General Education Provisions Act, the Commissioner is authorized to approve applications for funds for this purpose on such terms and conditions as he may reasonably require without regard to any provision in law. For "School assistance in federally affected areas" for the period July 1, 1976, through September 30, 1976, \$70,000,000.

EMERGENCY SCHOOL AID

For carrying out title IV of the Civil Rights Act of 1964 and the Emergency School Aid Act, \$241,700,000. For carrying out title IV of the Civil Rights Act of 1964 and the Emergency School Aid Act, for the period July 1, 1976, through September 30, 1976, \$325,000.

EDUCATION FOR THE HANDICAPPED

For carrying out, to the extent not otherwise provided, the Education of the Handicapped Act, \$236,375,000: *Provided*, That of this amount, \$110,000,000 for part B shall become available for obligation on July 1, 1976, and shall remain available until September 30, 1977. For "Education for the handicapped" for the period July 1, 1976, through September 30, 1976, \$10,500,000.

OCCUPATIONAL, VOCATIONAL, AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, section 102 (b) (\$20,000,000), parts B and C (\$433,529,100), D, F (\$40,994,000), G (\$19,500,000), H (\$9,849,000) and I of the Vocational Education Act of 1963, as amended (20 U.S.C. 1241-1391), and parts B-1, D, and F of the Education Professions Development Act, and the Adult Education Act of 1966, \$669,650,100, including \$16,000,000 for exemplary programs under part D of said 1963 Act of which 50 per centum shall remain available until expended and 50 per centum shall remain available through June 30, 1977, and not to exceed \$18,000,000 for research and training under part C of said 1963 Act: *Provided*, That of this amount \$71,500,000 for the Adult Education Act shall become available for obligation on July 1, 1976, and shall remain available until September 30, 1977. For "Occupational, vocational, and adult education" for the period July 1, 1976, through September 30, 1976, \$151,000,000.

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, titles I, III, IV, and parts A, B, C, and D of title IX and section 1203 of the Higher Education Act, the Emergency Insured Student Loan Act of 1969,



H. R. 5901—3

as amended, section 207 and title VI of the National Defense Education Act, the Mutual Educational and Cultural Exchange Act of 1961, section 22 of the Act of June 29, 1935, as amended (7 U.S.C. 329), section 421 of the General Education Provisions Act, title IX of the Elementary and Secondary Education Act, and Public Law 92-506, \$2,439,309,000, of which \$240,093,000 for supplemental educational opportunity grants and amounts available for work-study grants and for incentive grants shall remain available through September 30, 1977, \$23,750,000 shall be for veterans cost-of-instruction payments to institutions of higher education, \$715,000,000 shall be for basic opportunity grants (including not to exceed \$11,500,000 for administrative expenses) of which \$703,500,000 shall remain available through September 30, 1977, and \$452,000,000 for subsidies on guaranteed student loans shall remain available until expended. For "Higher education" for the period July 1, 1976, through September 30, 1976, \$124,000,000, to remain available until expended.

LIBRARY RESOURCES

For carrying out, to the extent not otherwise provided, titles I (\$49,155,000) and III (\$2,594,000) of the Library Services and Construction Act (20 U.S.C., ch. 16); titles II and VI (\$7,500,000) of the Higher Education Act; and title IV, part B (\$147,330,000) of the Elementary and Secondary Education Act, \$218,054,000: *Provided*, That the amount appropriated above for title IV, part B of the Elementary and Secondary Education Act shall become available for obligation on July 1, 1976, and shall remain available until September 30, 1977.

INNOVATIVE AND EXPERIMENTAL PROGRAMS

For carrying out the Special Projects Act (Public Law 93-380), \$36,893,000.

EDUCATIONAL ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Office of Education, as authorized by law, \$2,000,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations to such office, for payments in the foregoing currencies.

For "Educational activities overseas (special foreign currency program)" for the period July 1, 1976, through September 30, 1976, \$200,000, to remain available until expended.

SALARIES AND EXPENSES

For carrying out, to the extent not otherwise provided, the General Education Provisions Act, and the Education Amendments of 1974, including rental of conference rooms in the District of Columbia, \$105,224,000.

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$24,643,000.

STUDENT LOAN INSURANCE FUND

For the Student Loan Insurance Fund authorized by the Higher Education Act of 1965, \$201,787,000, to remain available until expended.



H. R. 5901—4

For the "Student Loan Insurance Fund" for the period July 1, 1976, through September 30, 1976, \$30,000,000, to remain available until expended.

HIGHER EDUCATION FACILITIES LOAN AND INSURANCE FUND

For the payment of such insufficiencies as may be required by the trustee on account of outstanding beneficial interest or participations in assets of the Office of Education authorized by the Department of Health, Education, and Welfare Appropriation Act, 1968, to be issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(c)), \$2,192,000, to remain available until expended, and the Secretary is hereby authorized to make such expenditures, within the limits of funds available in the Higher Education Facilities Loan and Insurance Fund, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 849) as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such fund.

For "Higher Education Facilities Loan and Insurance Fund" for the period July 1, 1976, through September 30, 1976, for the payment of such insufficiencies as may be required by the trustee on account of outstanding beneficial interest or participations in assets of the Office of Education authorized by the Department of Health, Education, and Welfare Appropriation Act, 1968, to be issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(c)), \$548,000, to remain available until expended, and the Secretary is hereby authorized to make such expenditures, within the limits of funds available in the Higher Education Facilities Loan and Insurance Fund, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 849) as may be necessary in carrying out the program for the current fiscal period for such fund.

NATIONAL INSTITUTE OF EDUCATION

NATIONAL INSTITUTE OF EDUCATION

For carrying out section 405 of the General Education Provisions Act, including rental of conference rooms in the District of Columbia, \$70,000,000, of which up to \$30,000,000 shall be made available by the Institute to the educational laboratories and research and development centers: *Provided*, That none of the funds appropriated under this heading may be used to award a grant or contract to any educational laboratory, research and development center, or any other project if any employee of said laboratory, center, or project is compensated, directly or indirectly, in whole or in part from Federal funds at an annual salary in excess of the salary paid to the U.S. Commissioner of Education or the Director of the National Institute of Education.

For "National Institute of Education" for the period July 1, 1976, through September 30, 1976, \$20,000,000.



H. R. 5901—5

OFFICE OF THE ASSISTANT SECRETARY FOR EDUCATION

SALARIES AND EXPENSES

For necessary expenses to carry out sections 402, 404, and 406 of the General Education Provisions Act, \$32,500,000, of which not to exceed \$1,500 may be for official reception and representation expenses.

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$5,599,000, of which not to exceed \$400 may be for official reception and representation expenses.

TITLE II—RELATED AGENCIES

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101-105), \$2,408,000.

For "American Printing House for the Blind" for the period July 1, 1976, through September 30, 1976, \$602,000.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For carrying out the National Technical Institute for the Deaf Act (20 U.S.C. 681, et seq.), \$9,836,000.

For "National Technical Institute for the Deaf" for the period July 1, 1976, through September 30, 1976, \$2,932,000.

GALLAUDET COLLEGE

For carrying out the Model Secondary School for the Deaf Act (80 Stat. 1027) and for the partial support of Gallaudet College authorized by the Act of June 18, 1954, \$22,435,000, of which \$2,255,000 shall be for construction and shall remain available until expended: ~~Provided~~ That if requested by the college, such construction shall be supervised by the General Services Administration.

For "Gallaudet College" for the period July 1, 1976, through September 30, 1976, \$5,606,000.

HOWARD UNIVERSITY

For the partial support of Howard University, \$84,158,000, of which \$10,000,000 shall be for construction and shall remain available until expended: *Provided*, That if requested by the university, such construction shall be supervised by the General Services Administration.

For "Howard University" for the period July 1, 1976, through September 30, 1976, \$18,728,000.

TITLE III—GENERAL PROVISIONS

Sec. 301. Appropriations contained in this Act, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18.

Sec. 302. Appropriations contained in this Act available for salaries and expenses shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

SEC. 303. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein except as provided in section 204 of Public Law 93-554.

SEC. 304. No part of any appropriation contained in this Act shall be used to finance any Civil Service Interagency Board of Examiners.

SEC. 305. No part of the funds appropriated under this Act shall be used to provide a loan, guarantee of a loan, a grant, the salary of or any remuneration whatever to any individual applying for admission, attending, employed by, teaching at, or doing research at an institution of higher education who has engaged in conduct on or after August 1, 1969, which involves the use of (or the assistance to others in the use of) force or the threat of force or the seizure of property under the control of an institution of higher education, to require or prevent the availability of certain curriculum, or to prevent the faculty, administrative officials, or students in such institution from engaging in their duties or pursuing their studies at such institution.

SEC. 306. The Secretary of Health, Education, and Welfare is authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: *Provided*, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 307. Funds contained in this Act used to pay for contract services by profitmaking consultant firms or to support consultant appointments shall not exceed the fiscal year 1973 level: *Provided*, That obligations made from funds contained in this Act for consultant fees and services to any individual or group of consulting firms on any one project in excess of \$25,000 shall be reported to the Senate and House of Representatives at least twice annually.

SEC. 308. No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 309. No part of any appropriation contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 percent of the standard level user charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

SEC. 310. None of the funds provided herein shall be used to pay any recipient of a grant for the conduct of a research project an amount equal to as much as the entire cost of such project.

SEC. 311. None of the funds contained in this Act shall be used for any activity the purpose of which is to require any recipient of any project grant for research, training, or demonstration made by any



H. R. 5901—7

officer or employee of the Department of Health, Education, and Welfare to pay to the United States any portion of any interest or other income earned on payments of such grant made before July 1, 1964; nor shall any of the funds contained in this Act be used for any activity the purpose of which is to require payment to the United States of any portion of any interest or other income earned on payments made before July 1, 1964, to the American Printing House for the Blind.

SEC. 312. Funds appropriated in this Act to the American Printing House for the Blind, Howard University, the National Technical Institute for the Deaf, and Gallaudet College shall be awarded to these institutions in the form of lump-sum grants and expenditures made therefrom shall be subject to audit by the Secretary of Health, Education, and Welfare.

SEC. 313. None of the funds contained in this Act shall be available for additional permanent Federal positions in the Washington area if the proportion of additional positions in the Washington area in relation to the total new positions is allowed to exceed the proportion existing at the close of fiscal year 1966.

SEC. 314. No part of the funds contained in this Act may be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to force on account of race, creed, or color the abolishment of any school so desegregated; or to force the transfer or assignment of any student attending any elementary or secondary school so desegregated to or from a particular school over the protest of his or her parents or parent.

SEC. 315. (a) No part of the funds contained in this Act shall be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to require the abolishment of any school so desegregated; or to force on account of race, ~~creed, or color~~ the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district, or school.

(b) No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

This Act may be cited as the "Education Division and Related Agencies Appropriation Act, 1976".

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

REMARKS OF THE PRESIDENT
UPON VETOING
H.R. 5901
EDUCATION APPROPRIATION ACT, 1976

THE CABINET ROOM

1:55 P.M. EDT

I am today returning without my approval H.R. 5901, the Education Appropriation Act, 1976.

Throughout my public life, I have believed -- and still believe -- that education is one of the strong foundation stones of our Republic. But that is not the issue in this appropriation bill.

The real issue is whether we are going to impose fiscal discipline on ourselves or whether we are going to spend ourselves into fiscal insolvency. This is the first regular appropriation bill passed by the Congress this year. It would provide \$7.9 billion -- \$1.5 billion over the budget which was submitted in January.

Earlier this year, I drew a line on the budget deficit for fiscal year 1976 at \$60 billion. Even that deficit is far too high. But on May 14, the Congress drew its own line at the even higher deficit level of \$69 billion. Today, the Congress' own July 21 budget scorekeeping report estimates a possible deficit this year of over \$83 billion.

I cannot, in good conscience, support such a huge deficit of that magnitude. Nor can the people of this country afford the inflation that would inevitably result, this year, next year and the year after. Money appropriated by the Congress inevitably is taken from the people -- either through higher taxes, or by inflation, or both.

This appropriation bill is too much to ask the American people -- and our economy -- to bear. I urge the Members of the House and the Senate to sustain my veto of this bill and then we can work together -- as we have before -- to achieve a responsible compromise.

END (AT 1:59 P.M. EDT)



Office of the White House Press Secretary

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I return without my approval H.R. 5901, the Education Division and Related Agencies Appropriation Act, 1976.

Throughout my public life, I believed -- and still believe -- that education is one of the foundation stones of our republic. But that is not the issue in this appropriation bill.

The real issue is whether we are going to impose fiscal discipline on ourselves or whether we are going to spend ourselves into fiscal insolvency.

This is the first regular appropriation bill passed by the Congress this year and it provides \$7.9 billion, \$1.5 billion more than I requested.

Earlier this year, I drew a line on the budget deficit for fiscal year 1976 at \$60 billion. That line is considerably higher than I would like. On May 14, the Congress drew its own line on the deficit at \$69 billion. But now, the Congress' own July 21 budget scorekeeping report estimates a possible deficit this year of \$83.6 billion.

I cannot, in good conscience, support such a deficit, not only because of what it means this year, but next year and the year after. In fact, if this bill were to become law, nearly \$1 billion would be added to next year's deficit.

While I do not insist that my original budget recommendation is the only one acceptable, I do believe major reductions must be made in this bill. The Congress could make a substantial move in that direction by simply accepting my recommendations for impact aid and higher education. In these two areas alone, Congress has added \$913 million to my proposals.

No single program is more bankrupt than the Impact Aid program. Starting with President Eisenhower, every Chief Executive has recommended reform or abolition of impact aid. Yet, the Congress would allocate three quarters of a billion dollars of the taxpayers' money to this program over the next 15 months. This program is a luxury we can no longer afford. If we are to do what must be done, we must stop doing what need not be done.

We must also avoid increasing the funding of other programs unless we have the money to pay for them. In that regard, I urge the Congress to reconsider the \$434 million added to my \$2 billion recommendation for higher education.

The other increases the Congress has added to this bill are a part of the trend over the past several years -- a little more for every program. In this case, "a little more" adds up to nearly \$629 million.

more



Taken as a whole, this appropriation bill is too much to ask the taxpayers -- and our economy -- to bear.

I urge the Congress to sustain my veto of this bill and then we can work together -- as we have before -- to achieve a responsible compromise.

GERALD R. FORD

THE WHITE HOUSE,

July 25, 1975.

#



July 18, 1975

Dear Mr. Director:

The following bills were received at the White House on July 18th:

S. J. Res. 102 ✓

H. R. 4035 ✓

H. R. 5901 ✓

Please let the President have reports and recommendations as to the approval of these bills as soon as possible.

Sincerely,

Robert D. Linder
Chief Executive Clerk

The Honorable James T. Lynn
Director
Office of Management and Budget
Washington, D.C.

