

A Report on Public Law 88-204

a Congressman discusses a new act affecting higher education in Oklahoma

By REPRESENTATIVE ED EDMONDSON

LAST YEAR, in the first session of the 88th Congress, three major pieces of legislation authorizing a stepped-up utilization and development of our nation's educational resources were voted into law:

Public Law 88-210 providing for an expansion of vocational education training programs and extension of the National Defense Education Act and the Aid to Impacted Areas Act.

Public Law 88-129 authorizing a three-year program of matching grants to expand the teaching and research facilities of the nation's medical, dental and related-type colleges.

Public Law 88-204—The Higher Education Facilities Act of 1963. President Johnson called this bill "the most significant education bill passed by Congress in the history of the Republic."

Certainly, the importance of Public Law 88-204 to the University of Oklahoma and to every other junior college and four-year institution of higher learning in Oklahoma cannot be denied. It is a well-known fact that industry seeking to expand operations into an area first makes a careful study of the educational standards and opportunities there. It is not coincidence that economic expansion and educational excellence bear a direct relation to each other. It's a proven fact that research and development industries locate adjacent to our great institutions of higher learning, and manufacturing plants soon follow in the wake of research and development. A recent study published by the Department of Defense confirmed that defense production contracts tend to follow the flow of research and development contracts from the Federal government. Furthermore, these research and development contracts tend to go to those areas of the United States where there are strong universities, especially in the critically important scientific and technical fields.

These are among the basic reasons, as pointed out in the Defense Department report, that most of our defense production, with all of the economic expansion and jobs that it represents, goes to the east and west coasts. What is true in the area of defense production is equally true in other fields of business and industry.

The lesson for all of us seems to me to be apparent: If Oklahoma is to realize the full potential in economic benefits which should follow completion of the Arkansas River multi-purpose water program, we must improve

and expand the educational capabilities of our state—especially in the area of higher education and graduate programs.

The Higher Education Facilities Act provides an important tool in this endeavor. The law provides Federal assistance in the forms of grants and loans to public and private institutions of higher education to finance construction or improvement of certain types of academic facilities for undergraduate use and for the expansion of graduate schools and centers. The Act was an outgrowth of the urgent need confronting the nation's institutions of higher education to expand their academic plant capacity in order to meet the rapid growth in our college-age population.

In the floor debate on the bill, it was pointed out that between 1960 and 1962, there was a 17 per cent increase in the enrollment of students in higher education institutions. It is further estimated that by 1965 there will be a 46 per cent increase over the 1960 college population. By 1970, there will be about seven million college students or a 94 per cent increase in 10 years. Oklahoma's present college enrollment of approximately 64,000 is expected to jump to well over 100,000 by 1970, and this projection is based entirely on present population trends without regard for future growth boosts.

Public Law 88-204 authorizes a five-year program with grant and loan funds totalling \$1,195,000,000 provided for the first three years of the program. Title I of the Act authorizes annual appropriations of \$230 million in each of fiscal years 1964, 1965, and 1966 to provide Federal matching grants for construction and improvement of undergraduate academic facilities. Of this total annual amount, at least 22 per cent is reserved for construction of academic facilities for junior colleges and technical institutes.

The allocation to the State of Oklahoma authorized for each of the three fiscal years totals \$3,425,000 under Title I. Of this amount, \$822,000 will be earmarked for public community colleges and technical institutes and the remaining \$2,603,000 will be available to the other higher education institutions in the state, including the University of Oklahoma. Although the Act will be administered by the Office of Education, the initial responsibility for processing grant applications under Title I rests with the various state commissions. In



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Oklahoma, the governor has named the State Regents for Higher Education as the body which will study the grant applications and recommend priorities to the United States Commissioner of Education. In each Title I application, the Federal share may not exceed one-third of the total project cost. However, an institution may also apply for a loan under Title III of the Act in addition to a Title I grant to help meet the cost of classroom, laboratory, and library plant expansion. However, the law specifies that the amount of Federal loans and grants may not exceed three-fourths of the total project cost. In other words, at least one-fourth of the funds must be raised from other sources such as private or state or local government financing.

Title III loans are administered directly by the Office of Education in Washington. The Commissioner of Education may make these loans if he determines that at least one-fourth of the cost of the facility will be financed from non-Federal sources and that the applicant is unable to obtain a loan under equally favorable terms from other sources and that the construction is of reasonable design and will be undertaken in an economical manner. The terms of the loan agreements include an interest rate at least one-fourth per cent greater than the average of all interest-bearing obligations of the United States forming a part of the public debt as computed at the end of the preceding fiscal year. At the end of the fiscal year 1964, the average for such obligations was $3\frac{5}{8}$ per cent. The loan repayment period will be worked out between the applicant and the Commissioner of Education, but in any case the term will not exceed 50 years. As the name of the law indicates, it is intended for the development of academic-type facilities of a public nature. Thus, certain facilities would be excluded from participation under the Act. These would include, for example, facilities for which admission would be charged to the public, and those to be used for religious worship such as a school of divinity.

The remaining major section of the Act—Title II—authorizes a five-year program of construction grants for the establishment of graduate schools and cooperative graduate centers. Congress authorized \$25 million for fiscal year 1964 and \$60 million each for fiscal years 1965 and 1966 to finance the graduate grant program. Hearings on the Higher Education Act showed clearly

the great need for assistance to graduate schools. Testimony proved the geographical diversification that the nation's graduate training sadly lacked. For example, in 1960 there were eleven states in which fewer than ten doctoral degrees were awarded. In four states, no doctorates were awarded. While Oklahoma is not in this category, our state is still far below our pro rata share of graduate school degrees. The state of Oklahoma awards approximately one per cent of the nation's doctoral degrees—about 50 per cent below our proportionate share. As in the case of undergraduate loans, applications for grants for construction of graduate academic facilities should be made directly to the U. S. Office of Education. These grants may not exceed one-third of the total construction cost of the project. A further limitation is added under this title that not more than $12\frac{1}{2}$ per cent of the total graduate funds authorized may be granted to institutions within any one state.

The Higher Education Facilities Act was passed by Congress when it was apparent that many states could not adequately meet the costs of developing their higher education capabilities. However, Federal assistance in this field does not mean Federal control. Section 407 of the Act specifies that no Federal control may be exercised with respect to personnel, curriculum, methods of instruction, or administration of any educational institution.

The next step in making the law operative is the appropriation of funds. The House Appropriations Committee is currently working on a Supplemental Appropriations bill to finance the program for fiscal year 1964. Due to a general cutback in Federal spending, the amounts authorized for 1964 probably will be reduced. However, that portion of the 1964 authorization not appropriated this year can be fully funded in the next two fiscal years.

Public Law 88-204 is not the answer to all of the problems facing higher education in the United States and in Oklahoma. However, it is a significant start. It is a start which—if supported by the University of Oklahoma and the other junior and senior colleges in our state—will permit the academic resources of Oklahoma to keep abreast and move forward with the development of our state's natural resources.