DOWNSIZING GOVERNMENT AND SETTING PRIORITIES OF FEDERAL PROGRAMS

...ARINGS

BEFORE

SUBCOMMITTEES OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTH CONGRESS

FIRST SESSION

PART 2

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THURSDAY, JANUARY 12, 1995.

DEPARTMENT OF HEALTH AND HUMAN SERVICES DOWNSIZING

WITNESS

HON. DONNA E. SHALALA, SECRETARY

Mr. PORTER. Good afternoon. I want to welcome everyone to this hearing today.

We begin a series of hearings to reassess the broad scope of programs in the Departments of Labor, Health and Human Services, Education, and Related Agencies to see how we can responsibly downsize the government in these areas.

The scope of programs before us is considerable. The largest of the 13 appropriation bills is ours, over $250 billion in total and $70 billion in discretionary spending.

I want to make clear my determination on two points. This subcommittee will contribute substantially to the governmentwide downsizing effort and we will do so responsibly, not mindlessly. Obviously, the decisions we make on this subcommittee will dramatically affect the way business is done at the three Departments, Labor, Health and Human Services and Education.

In order to assist us in making responsible decisions, we have invited each of the three cabinet Secretaries to present their perspectives on downsizing. As the Chairman, I want to make clear that I have not prejudged any of the programs before us. I have no hit list. However, I am determined that we on this panel do our part to eliminate the deficit spending and huge burden of debt that we are passing along to future generations.

We have hundreds of worthy programs before us. Many good arguments can be made in their behalf. Yet, we must also keep in mind the bottom line. On this subcommittee, we must maintain funding for priority programs, but we must also make the tough choices to contribute to deficit reduction and take responsibility for the future fiscal health of the Nation so that our children and grandchildren will not be saddled with a crushing burden of Federal debt. As Chairman, I place eliminating deficits and getting our fiscal house in order as our number-one priority.

I believe it is useful to consider our tasks in terms of that fiscal house. As a Nation, we have been living in a house under the same management for the past 40 years. During that time, we have collected a great many things in all the rooms of our house. Some of those things are things we really don't need or use anymore. Some of them are duplicative of others that we already have. Some are broken beyond repair. Others are in need of it. The purpose of these hearings is to examine all of these things in all of the rooms of America's budgetary house that fall under the subcommittee's jurisdiction.

This process must lead us to an uncluttered house efficiently run that works for the people who live in it, the American people. We must determine what to keep and support, what to trim back, and what to get rid of altogether. It is my intent that we do this in a thoughtful, rational, and comprehensive way.

We are very pleased to be joined this afternoon by the Chairman of the full Appropriations Committee, Mr. Livingston of Louisiana, and I would call on him for any remarks he might have.

Mr. LIVINGSTON. Thank you very much, Mr. Chairman. You stated the case very well.

Secretary Shalala, we want to welcome you and all of the future witnesses that will appear this afternoon and in the future hearings. Chairman Porter has indeed put his finger on the problem. We are looking at the fact that over the years, we have compounded deficit after deficit, ranging on the average of $250 billion for the last several years.

The end of those deficits doesn't seem to be anywhere near in sight. Interest on the debt that has accumulated from one year's deficit after another amounts to the point that we are now consuming roughly 15 percent, a growing portion of our Federal budget every year going just to pay interest.

It is not going to really help people, as so many of the programs that are encompassed in the matters before this subcommittee do. But that interest just accumulates, gets greater and has to be paid before any of the rest of the bills can be paid. So if we hope to have some long-term viability for the economy of this Nation, if we hope to leave our children anything beyond a mountain of debt and a legacy of extraordinarily high mortgage payments, then we must rid ourselves of the duplication and excess and redundancy and unnecessary and wasteful programs that exist in every sector of the discretionary budget, as well as to try to trim down the waste and inefficiencies of the entitlement programs that exist.

Our job here is exclusively those discretionary programs, and in fact, Secretary Shalala, you are about to testify about a whole raft of programs which are under your jurisdiction. We look forward to hearing you. We look forward to hearing that the administration has on tap a plan for downsizing the scope of government, trying to economize. And then we look forward to building on what you have to say towards assuring the American taxpayer that their money is going to be well spent and that, as Chairman Porter has pointed out, those people who need help receive it as efficiently and inexpensively as possible, but that the waste is actually cut from the budget. If we can do that, we will be living up to our commitment that we have made in recent months to get government under control.

I look forward to these hearings and others to make sure that can be done.

Thank you, Mr. Chairman.

Mr. PORTER. I thank the Chairman of the Appropriations Committee for being with us and for his remarks.

We are delighted to welcome today one of the most able Members of the President's cabinet, Secretary Donna Shalala of Health and Human Services. But first I want to yield to my colleague, the Ranking Member on our subcommittee, Mr. Obey, also the Ranking Member on the full committee.

Mr. OBEY. Mr. Chairman, let me say that I am always happy to see Chancellor Shalala here. I recognize she is Secretary and in Washington that may be a more important title, but in Wisconsin, Chancellor Shalala is a far more important title. And so I am always happy to see her here discussing anything that she wants or is free to discuss.

And I obviously agree with the comments of both gentlemen who have just spoken to the point that we always want to be on the lookout for places where we can eliminate duplication, eliminate marginal spending, and focus resources where they need to be focused. But I do not think that we should pretend that this is a rescission hearing today.

I notice that the sheet is entitled HHS rescissions. There are no HHS rescissions before us and there should not be until the President submits his budget, and I think we all understand that while it is always nice to have a breezy conversation about the subject, that we will not, in fact, be able to discuss with any degree of specificity potential rescissions, at least on the part of the administration, until we actually have the President's budget.

I think any President is entitled to present his budget before it is prejudged by anybody, and I hope that we will recognize that today and other days in this and other committees.

I would also say that I agree with Chairman Livingston that we ought to be looking at all or at every sector of discretionary spending for possible savings. I hope that does include what is known in jargon around here as the 050 category, the military budget.

Experience is a wonderful quality. It enables you to recognize a mistake when you make it again. And I remember back in 1980 when we were sitting in Bob Byrd's office under the Carter administration and we were told by Paul Volker that we had to cut $16 billion out of the budget because if we didn't, the deficit was going to rise to over $40 billion.

And so we sat around for 3 weeks. Every single agency of government was asked to accept reductions. But when it got to the military budget, they were not even subjected to the same process that everyone else was subjected to. And I hope we don't make that same mistake this time.

I am certainly willing any time to discuss reductions in programs that don't meet their goals, that don't fulfill the need they were designed to, which may be of lower priority than some others. But we have to remember that most of these programs are aimed at expanding opportunity for middle-class working people in this country. And while I am willing to take a look even at those in order to save money and build public confidence on the part of the taxpayer that we are carefully husbanding their tax dollars, I am not much interested, frankly, in making severe reductions in programs like that in order to finance a significant additional tax reduction for rich people.

I do believe in equal opportunity, and I think that the programs under the jurisdiction of this subcommittee, more than any other in the government, are designed to assure that equal opportunity and that is one thing we have to doggone never forget.

Mr. PORTER. Madam Secretary, we are delighted that you can join us. The floor is yours.

OPENING STATEMENT

Secretary SHALALA. Thank you very much, Mr. Chairman, Chairman Porter, Chairman Livingston, Members of the committee, my old friend, Congressman Obey. I am honored to be here today to discuss the Department of Health and Human Services.

As Mr. Obey noted, the President has not yet submitted his budget, but I am always happy to discuss HHS programs and what we have tried to do over the last couple of years, from basic research at the National Institutes of Health to disease control and prevention at the CDC, from giving young Americans a head start, to fixing our welfare system so that it sends people back to work.

We provide services that touch the lives of every single American. That is why the discussion we begin today is so important. We are talking about how the Department can best serve our customers, the American people. And in a moment, I will tell you about some of the most impressive gains we have made through good stewardship of the money you have appropriated to the Department.

In 3 weeks, the President will submit to the Congress our third annual budget. I know that you understand that I am not at liberty to discuss the details of the 1996 budget. But I will be happy to return and answer any questions you may have once the budget is delivered to Congress.

Rest assured that we will continue to make the tough choices to eliminate unnecessary government programs and to cut back on others. We will maintain the President's commitment to helping hard-working Americans. We will continue to exercise bold leadership to reduce the deficit and provide tax relief to the middle class.

And we will continue to promote efforts to improve government efficiency and enhance the lives of all Americans.

I am here to say that we are committed to a vigorous and comprehensive process on our budget. We will sometimes disagree, but we will be responsive to your questions and concerns. Because, as the President said in his speech on the middle-class bill of rights, it is not about moving left or right, but moving forward. And that is what we have done.

When the President took office, he promised to restore fiscal responsibility to the Federal Government and invest in our shared future as Americans. In the last 2 years, we have made good on that promise. The President's bold economic policies have helped to create more than 5 million new jobs. We worked to enact the largest deficit reduction bill in history, a tough program designed to reduce projected deficits by $500 billion over 5 years. Because the economy is responding, experts now predict that we will reach a full $700 billion in deficit reduction during that same period.

As a result of these savings, we can take the next step in fulfilling the President's promise to cut taxes for hard-working, middle-class Americans. And because of the targeted investments we have made here in the Department, we have a great story to tell about the last 2 years, a rich legacy of real accomplishments that will enhance the lives of millions of people.

Let me tell you about a few of the specific gains that we have made.

I spent a lot of time talking to this committee about our ambitious preschool immunization initiative, which has taken great strides in protecting all children against deadly infectious diseases, such as polio and measles. When we started the first term, the President's first term, we had the same immunization rate as third-world countries. Working in partnership with States, with private doctors, with business leaders and with communities, we have helped raise immunization rates for the most basic vaccinations for 2-year-olds a full 12 percent in one year, from 55 percent in 1992 to 67 percent in 1993. These are the highest immunization rates ever in the United States of America.

On another front, children will reap the benefits of our new family-centered approach to Head Start. In our historic measures to improve the quality of the program, with overwhelming bipartisan support, we passed the most comprehensive Head Start reform agenda in history last year. We expanded Head Start to serve families with children ages zero to three.

We stepped up our efforts to involve parents in their children's education. We made the program more responsive to the special needs of working families, and we created stronger links with local elementary schools.

We have also had great success in women's health. For example, we have made gains in breast cancer research, in prevention and treatment, including the landmark implementation of the National Action Plan on Breast Cancer. From 1989 to 1992, we reported yesterday, breast cancer mortality rates declined by 5 percent among all women, by 18 percent since 1987 among women in their thirties. Breast cancer screening rates are at their highest levels in history, due in part to increased funding for the CDC National

Breast and Cervical Cancer Program and the National Cancer Institute's education and outreach efforts.

To ensure that women get safe and reliable mammography in their communities, the FDA has implemented regulations to certify mammography facilities and trained inspectors to be certain that all these important facilities operate to uniform standards.

The Public Health Service's Office on Women's Health has been working to apply imaging technologies from the defense, space, and intelligence communities to improve the early detection of breast cancer. The NIH has made major breakthroughs in breast cancer, including the discovery of the BRAC–1 gene, which is linked to breast cancer.

In addition, clinical studies using Tomoxifen have decreased breast cancer recurrence by as much as 50 percent.

For older Americans who depend on Medicare for their health care, we have increased managed care choices and improved customer service.

Working with the States, we have expanded choice and controlled costs by doubling the number of Medicaid participants in managed care. And in both Medicare and Medicaid, we are implementing state-of-the-art quality assurance systems to guarantee the best possible care for all Americans. At the same time, across the Department we have stepped up our fight against waste, fraud, and abuse.

In 1994, we achieved almost 1,200 successful prosecutions and more than 1,300 administrative sanctions, resulting in more than $8 billion in fines, penalties, and savings for the American people.

These are great accomplishments that we can all be proud of. But we need to do even more.

To continue to reduce the deficit, to create jobs, and to address the needs of middle-class Americans, we will have to work in a truly bipartisan fashion to cut wasteful spending and create a Federal Government that better serves the American people. That means passing a line-item veto to give the President more control over spending, and it means continuing the historic work of the administration's National Performance Review.

Both the NPR and our Department's Continuous Improvement Program are integral parts of our budget planning. Through these efforts, we have enhanced our services while reducing our costs. Every agency in my Department has convened teams to develop innovative approaches for getting our work done faster, smarter, and better.

To give you just one example, HCFA is overhauling its claims processing system for Medicare. The new system will answer questions more quickly and more accurately, and it will reduce regional inconsistencies in the acceptance and denial of claims.

Once this project is completed, we will provide more effective service and we will cut administrative costs. Some of these innovations will produce dramatic immediate savings, which you will see in our 1986 budget submission; and others will produce longer-term savings.

But let me emphasize that these savings are real. Since 1993, we have worked to decrease the Department's size by more than 2,400 full-time employees. And from 1995 to the end of the century, we will reduce our work force by more than 4,500 employees, not including employees from our current work force who will have moved to the new independent Social Security Administration beginning March 31, 1995.

These projections reflect real progress in cutting red tape, in putting customers first, and providing better services at a lower cost.

Clearly, all of us face a big challenge, but I am confident that we will succeed if we all work together in a renewed spirit of bipartisanship.

As the President has said, this country works best when it works together. We are ready to work with this committee and this Congress and the American people to move forward and get the job done.

Thank you very much, Mr. Chairman. I would be happy to answer any questions you or the committee may have.

Mr. PORTER. Thank you, Madam Secretary.

[The prepared statement and biography of Secretary Shalala follows:]

Testimony
Donna E. Shalala
Secretary of Health and Human Services
at
The House Appropriations Committee
January 12, 1995

Good afternoon, Mr. Chairman and members of the committee.

I am honored to be here today to discuss the Department of Health and Human Services the "People's Department."

From basic research at the NIH to disease control and prevention at the CDC, from giving a Head Start to our youngest Americans to fixing our welfare system so that it sends people back to work, we provide services that touch the lives of every single American.

That's why the discussion we begin today is so important. We are talking about how HHS can best serve our customers: the American people.

And, in a moment, I will tell you about some of the most impressive gains we've made through good stewardship of the money you have appropriated to our Department.

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And, that's what we have done.

When President Clinton took office, he promised to restore fiscal responsibility to the Federal government go invest in our shared future as Americans.

In the last two years, we have made good on that promise.

The President's bold economic policies have helped to create more than 5 million new jobs.

We worked to enact the largest deficit reduction bill in history, a tough program designed to reduce projected deficits by $500 billion over five years. Because the economy is responding, experts now predict that we will reach a full $700 billion in deficit reduction during that same period.

As a result of these savings, we can take the next step in fulfilling the President's promise to cut taxes for hard-working middle-class Americans.

And, because of the targeted investments we have made here at HHS, we have a great story to tell about the last two years -a rich legacy of real accomplishments that will enhance the lives of millions of people.

Let me just tell you about a few of the specific gains that we have made.

Our ambitious preschool immunization initiative has taken great strides in protecting all children against deadly infectious diseases such as polio and measles.

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With overwhelming bipartisan support, we passed the most comprehensive Head Start agenda in history last year.

We expanded Head Start to serve families with children ages 0-3.

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Let me emphasize that these savings are real: Since 1993, HHS has worked to decrease its size by more than 2,400 full-time employees.

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As the President has said, "This country works best when it works together."

We are ready to work with this committee, this Congress, and the American people to move forward and get the job done.

Thank you very much, Mr. Chairman. I would be pleased to answer any questions that you may have.

DONNA E. SHALALA

Secretary of Health and Human Services

It is no coincidence the Washington Post chose a sports metaphor when it wrote that HHS Secretary Donna E. Shalala has assembled "the best team since the 1927 Yankees."

Shalala is both a fine athlete and energetic competitor who, as the first woman to lead a Big 10 University, took a losing football team at the University of Wisconsin at Madison and turned it into a Rose Bowl champion.

At HHS, the "people's department," she has adhered to the same management philosophy.

"I pick the best people, give them the support they need and hold them accountable for results," she says.

The future Secretary entered public life in 1975 as treasurer of the Municipal Assistance Corp., which rescued New York City from the brink of bankruptcy.

She was an assistant HUD secretary in the Carter Administration and, in 1980, became the youngest woman to lead a major U.S. college as president of Hunter College in New York. In 1988, she became Chancellor of the University of Wisconsin-Madison, the nation's largest public research university.

An acknowledged scholar of state and local government and finance, Shalala earned her Ph.D. from the Maxwell School of Citizenship and Public Affairs at Syracuse University in 1970. She has also served as a Peace Corps volunteer in Iran and taught political science at Syracuse, Columbia, Hunter and Wisconsin.

Shalala succeeded Hillary Rodham Clinton as chair of the Children's Defense Fund in 1992.

Like her mother, Edna, the national 80-year-old women's tennis champion, Shalala plays a competitive game of tennis. In her spare time, she also reads, golfs, hikes and climbs mountains, among them the Himalayas.

Undoubtedly, however, the biggest mountain she's climbed is HHS, the Cabinet department responsible for 250 health, welfare, food, drug safety and income-assistance programs.

There, Shalala has won plaudits for her leadership on health care and welfare reform, and for refocusing and re-energizing such programs as Head Start, women's health, childhood immunization, biomedical research and AIDS prevention.

April 1994/S

Mr. PORTER. Because he has other commitments, without objection, I want to begin the questioning with the Chairman of the Appropriations Committee, Mr. Livingston.

BREAST CANCER RESEARCH

Mr. LIVINGSTON. Thank you, Mr. Chairman. I will try to be brief and not take up too much committee time. I have several questions and I will introduce most of them for the record.

I want to again welcome you, Madam Secretary. I am reminded of your testimony about breast cancer research. I spoke a couple years ago with some advocates for additional research, and they told me as of that time when we spoke, and it was almost 2 years ago, that more women die of breast cancer in America in a single year than all of the people who had ever died in America of AIDS at the time we spoke.

Is that an accurate comparison, first of all?

Secretary SHALALA. I would have to compare the numbers for you. I will provide it for the record.

In FY 1993, 44,060 Americans died of breast cancer. As of December 1993, 361,164 cumulative deaths from AIDS were reported in the United States.

Secretary SHALALA. One of the things that I just reported to you is that mortality for breast cancer is coming down because this country has made an enormous investment not simply in research on breast cancer, but in early detection of breast cancer, in upgrading mammography machines, in getting the information out to women, in increasing the number of women that are doing self-examinations.

So I can give you the total numbers on the number of people who have died of AIDS over the last 10 years, which I believe is 360,000, and last year 44,000 women died from breast cancer.

Mr. LIVINGSTON. So the comparison over the last 10 years with the figures really would not validate that claim, then?

Secretary SHALALA. Both are terrible diseases.

Mr. LIVINGSTON. Of course they are. And the result is often the same.

Secretary SHALALA. Let me make——

Mr. LIVINGSTON. A situation from which there is no appeal.

Secretary SHALALA. If you don't mind, Mr. Livingston.

Mr. LIVINGSTON. Surely.

Secretary SHALALA. Let me make one other point about that. The committee is going to go out and visit the National Institutes of Health and you are going to meet Dr. Harold Varmus, the Nobel Laureate who heads the National Institutes of Health. And one of the points he and his colleagues will make is research on breast cancer or research on AIDS is helpful to other diseases.

Dr. Varmus had members of his close family die of breast cancer. So he invested his career in breast cancer. He won the Nobel prize not for doing research on breast cancer, but for a finding that had nothing to do with breast cancer. It had to do with the development of the brain. Meanwhile, down the hall from him was a colleague who was doing research on the brain who had a finding that was related to breast cancer.

So as we talk about disease research, particularly about our investment in the National Institutes of Health, I think it is important to see the relationship when you are doing basic science research. Research on immunology, which is funded through the AIDS investment, clearly helps us on another set of diseases. So I think that remembering that as we talk about what is essentially the politics of diseases that both you and I must manage, it is very important to keep in mind that these basic science investments help each of our commitments.

Mr. LIVINGSTON. Well, one would hope that all of these researchers will be successful, will find a cure to each of these terrible diseases. My question really, though, is one which pertains to resources.

Could you tell me what percentage of the research budget of your Department goes to researching a cure for AIDS versus how much goes to a cure for breast cancer, and then perhaps all cancers?

Secretary SHALALA. In 1993, the spending in the Public Health Service was slightly higher for cancer than it was for HIV/AIDS. But again, my——

Mr. LIVINGSTON. What does that mean, slightly?

Secretary SHALALA. Let's see whether I have got the individual numbers; $2 billion for cancer and $1.3 billion for HIV/AIDS research. That does not add in——

Mr. LIVINGSTON. All cancer, not just breast cancer, is that correct?

Secretary SHALALA. It is all cancer. It is all cancer.

Mr. LIVINGSTON. Right. I just wanted to get an idea and thank you very much. Later today the General Accounting Office will testify on opportunities to realize savings in Health and Human Services. Their testimony reveals that, and I quote, HHS currently does not have the tools—an adequate program evaluation strategy or modern information systems—to determine whether its programs work.

Now, it raises the question, why should the subcommittee continue to provide billions of dollars for the same programs over and over again if we don't know that the programs work?

Secretary SHALALA. I am afraid, Mr. Chairman, it is too broad of a question for me and I want to see what GAO is talking about. And since my total budget is $600 billion, I want to see what specific programs they are saying don't work, whether they are talking about the Medicare program or the Medicaid program, whether they are talking about the National Institutes of Health, which would be a long-term investment in basic science, whether they are talking about the CDC that tracks diseases across the country. I just need to see how they are using the word "work" and how they are defining it.

Mr. LIVINGSTON. I think that is very fair. Obviously, you have jurisdiction over so many programs, it is difficult to fully know which ones have been properly evaluated or not.

But are you undertaking a process to evaluate each and every program? And do you believe that that evaluation is up to par and that you are on top of these programs and are properly and fully capable of knowing whether or not they work?

Secretary SHALALA. I believe that for more than a decade, we have disinvested in the research and evaluation capacity of the Department and in our ability to do proper oversight and to develop the sophisticated and new techniques for outcome measures.

Over the last two years, almost the only part of the Department where I have been able to add FTEs and make an investment has been in the policy and evaluation piece. I also believe that we are getting some breakthroughs with the help of the private sector in outcomes measures, for example in health care, and we are on the verge of being able, both in the private sector and the public sector, to better manage our investments in huge health care programs.

GRANT PROGRAMS

Mr. LIVINGSTON. Can you tell me how many separate grant programs your Department operates?

Secretary SHALALA. Two hundred fifty. But most of the money, is in the programs of Social Security, Medicare and Medicaid, and in the AFDC program. So we are really talking about other targeted grant programs that may be for drugs or the CDC's tracking system.

Mr. LIVINGSTON. And are you convinced that as those other programs, in a number of them there is no duplication or overlap or perhaps outright waste of funds?

Secretary SHALALA. No, sir. I am convinced that we need to continue to make progress, to continue to review the programs to make sure there is no overlap. Both in our 1995 budget, where we did make some recommendations, and certainly in our 1996 budget, you will see us addressing precisely that issue.

Mr. LIVINGSTON. Getting back to the GAO, they outline how multiple agencies within HHS and other Departments are devoting scarce resources to separately administer and monitor similar programs. Now I think that the key here is so much money goes into administration, and if they are duplicative programs providing similar services and yet you are putting money mostly into administration——

Secretary SHALALA. Right.

Mr. LIVINGSTON [continuing]. Then the people that really need the help and the assistance don't get it because it is funneled off into an enormous bureaucracy.

For example, HHS administers 14 programs of the 163 federally funded employment training programs for a cost of $1.9 billion. Seven programs fund the delivery of health services for pregnant women and children. Worthy programs, good, great purposes, but seven?

Thirty different programs deal with the supply and distribution of health professionals. It seems that there is some duplication there. So my question is, why shouldn't the subcommittee appropriate funds into single accounts for each of these functions and require HHS to consolidate the programs?

Secretary SHALALA. Well, first of all, I hope you don't need to require us to consolidate programs where we have overlaps. We ought to be submitting those ourselves. As part of our reinventing government process, we are asking exactly those kinds of questions. Since I haven't seen the GAO report, I have trouble responding.

But let's look at breast cancer, for example. If all you do is look at the titles of the programs, you would have no idea that the FDA, which is responsible for the Quality Standards Act under the legislation, is giving certifications and going out and taking a look and making sure that the machines themselves are of high quality. You might not know that prevention programs in the Department are located in the CDC and have been consolidated in the CDC. But having breast cancer activities in FDA and CDC does not mean that the NIH research on breast cancer should be moved to the FDA or the CDC.

So I need to take a look at what the GAO has said, and you need to take a hard look when I submit both the budget and our later reorganization plans, to see whether we are being tough-minded enough. But you will have no problem with me about overlapping or consolidation of appropriate programs. The last thing we need is to trip over ourselves when we are trying to deal with what are some of the most serious issues in this country.

Mr. LIVINGSTON. Well, I genuinely appreciate your response, and I look forward to working with the members of the subcommittee and with you to see to it that we can exact as much of a savings as we can from the administrative sector so that we actually do get the money down to the folks for which each of these programs is intended. Because I think that is what the American people want.

So again, thank you again for your testimony. I have a number of other questions and I would like to tender them for the record. But I thank you for your indulgence, Mr. Chairman.

Mr. PORTER. Thank you, Mr. Chairman.

Mr. Obey.

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM

Mr. OBEY. Thank you, Mr. Chairman.

Madam Secretary, I would like to ask a couple questions about a program which I got the money to start a long time ago and which has been the subject of much speculation in the papers recently; namely, the low-income energy assistance program.

Last month, this committee was told that there was about $572 million of unobligated funds in that account. My information is that there is now about $1.1 billion which has already been obligated. Is that correct?

Secretary SHALALA. Let's see. I have got just over a billion that has been obligated to the States, which is the normal pattern for the program.

Mr. OBEY. Right. Would you clarify how much of the 1995 appropriation has already been spent or committed by the States?

Secretary SHALALA. Well, I think that most of it has been spent. What happens with this program is the States send in their bills to be reimbursed and we hold the money. So some States may have already obligated most of their allocation. For instance, Maine and New Mexico have obligated most of their allocation. Your own State of Wisconsin—our State of Wisconsin—and Michigan get most of their allocation in the third and the fourth quarter. The explanation for that is the way the States run their own finances.

Mr. OBEY. Let me get to that because we only have five minutes.

Secretary SHALALA. Okay.

Mr. OBEY. So you are saying that around $1.1 billion has been obligated by the States, that the States, in many instances, pay those bills ahead of time relying on the good faith of the Federal Government, and then when they get their third and fourth quarter allocations they are reimbursed.

Can you tell us how much is likely to be committed by the States prior to March 1 if we assume that is the earliest date that the rescission could become law?

Secretary SHALALA. I am not sure that we know the answer to that, Congressman Obey. But the important point is that the States have probably spent the money and that they are in the process of sending us the bills. So I certainly would not want to take that risk. It is not an even distribution across the States.

Mr. OBEY. Is it true in fact because of the peculiarity that each State has with its budget process that some States will have already gotten all of their money and other States will still be expecting a good share of it and will have already shelled out, in many instances, the dollars on the expectation they will get that money?

For example, it is my understanding that Illinois will get 15 percent of their money in the third and fourth quarters, and that Florida is expecting 49 percent of their money in the last two quarters.

Secretary SHALALA. That is correct.

Mr. OBEY. Texas, 50 percent. California, 36 percent. Mississippi, 10 percent. Wisconsin, 36 percent. Ohio, 11 percent, and Maryland, 15 percent.

Secretary SHALALA. Exactly.

Mr. OBEY. It just seems to me that indicates that were we to, after the horse is out of the barn, try to selectively rescind those funds that the impact of that action would fall inequitably on a number of States including a number of States represented by Members of this subcommittee on both sides of the aisle.

Secretary SHALALA. That is exactly right. And it really does have to do with their fiscal accounting systems, with their weatherization plans and whether they run cooling programs, as some of the southern States do. So it would be very uneven and they would be very upset.

Mr. OBEY. Emphasizing again, of the $1.3 billion provided in this account, roughly $1.1 billion has already been obligated?

Secretary SHALALA. That is right.

Mr. OBEY. And the States have already been paying the bills beyond that number?

Secretary SHALALA. Exactly.

Mr. OBEY. I thank you.

Mr. PORTER. Madam Secretary, I want to also visit this same question that Mr. Obey has raised with you. Last year, the President, in his 1995 budget, obviously I would assume in part at your suggestion, suggested halving the budget, cutting in half the budget for low-income energy assistance from roughly $1.4 billion to $700 million. And of the proposed cut that exactly was at $745 million, the Congress approved a cut of only $156 million.

Now, you have just told Mr. Obey that you believe the unobligated funds are at roughly $300 million; is that correct?

I wonder if you could provide the exact level of that to us as quickly as possible and also for the record so that we know exactly what has not yet been obligated?

Secretary SHALALA. I would be happy to. I have the exact number with me so I would be happy to provide that.

Mr. PORTER. Oh, do you have it now?

Secretary SHALALA. Yes, sir.

Mr. PORTER. What is it?

Secretary SHALALA. $1,056,351,757.

Mr. PORTER. Has been obligated?

Secretary SHALALA. That is the first and second quarter obligation.

Mr. OBEY. How many cents?

Mr. PORTER. How much does that leave unobligated?

Secretary SHALALA. Well, the third quarter is what we expect. This is our estimated obligations; $158,031,717 for the third quarter. In the fourth quarter we expect to obligate, $51,900,460.

And I can tell you by State, if you would each like to know how much your States would be out if we didn't.

Mr. PORTER. Let me ask this question before you go to that. Given the fact that in real terms energy costs are far below what they were in 1980 when LIHEAP was created, are you prepared to tell us that we should not now go ahead and adopt your previous proposal to downsize the LIHEAP program to the extent that the 1995 funds remain unobligated? In other words, has the Department, have you changed your view?

Secretary SHALALA. Well, we certainly changed our view based on congressional discussions last year when the money was put back in after we submitted it as part of our budget process. And I must say, it was a bipartisan view that was discussed with us. Both Republicans and Democrats from across this country made it very clear that they thought that we were dead wrong in our proposal. They told us that the program was critical to the needs of the States in providing for low-income households. This helps in providing a supplement, particularly with very tough winters and some problems in the South with the need for cooling, particularly among the elderly.

So essentially, the program was restored out of a conversation with the Congress, and as I noted, with both Democratic and Republican Members of Congress. The marks are still on my back from those conversations. And I think I learned a lot about how serious and how passionate not only the Congress but the States themselves and their constituents feel about the usefulness of the program.

Mr. PORTER. So we can assume from your comments that the President isn't going to suggest any cuts in this area?

Secretary SHALALA. You can't assume that from my comments. I am simply reflecting on the discussion last year. The President's decisions, which are not final yet, will be presented as part of his budget submission.

Mr. PORTER. Well, Madam Secretary, you probably realize that I have long been an opponent of forward funding of programs. Mr. Hoyer has been a great opponent, also. We consider it a gimmick which simply allows us to spend our future allocation in order to appear to provide more funding for a given program than we really are. And fortunately, we have largely eliminated, though not entirely eliminated, this practice.

I am concerned that we not continue to advance funds to certain accounts, including LIHEAP, the only program in HHS that is so funded. I believe LIHEAP ought to be funded on a current basis so it competes with other worthy programs on a level playing field.

Would there be any adverse impact on the program if the subcommittee rescinded the 1996 advance appropriation for LIHEAP?

Secretary SHALALA. Well, the adverse impact would be on the States themselves that are obviously planning next year to have this program in place. They are making an assumption of what the Congress will do and what the President will recommend. And I am certain that there are States from one end of the country to the other that have this built in as part of their own strategy to deal with the very real energy needs of their low-income population.

Mr. PORTER. Am I correct that we have only forward funded this account for several of the last few years?

Secretary SHALALA. I think that is true.

Mr. PORTER. Previously the States did not have forward funding and they seemed to live with it pretty well. Am I correct?

Secretary SHALALA. I think you would have to ask them to comment on that.

COMMUNITY SCHOOLS PROGRAM

Mr. PORTER. Another subject. The subcommittee appropriated $27 million in 1995 appropriations for the Department as a result of the crime bill. Have any of these funds been obligated to date? Can you tell us?

Secretary SHALALA. That is the Community Schools Program, I assume. The funding announcement for these programs will be issued next month. We already have extensive letters from schools around the country that indicate their intention of participating. These funds come from the Violent Crime Trust Fund. And, for the new Members of the committee, it is a community-based strategy built around schools to develop a community strategy to curb violence and to provide positive incentives for young people in the community. It is one of the models that has been successful in parts of the country. And in the Crime Bill, Congress put in about $27 million to get this program on a much more widespread basis across the country.

Mr. PORTER. It is a new program?

Secretary SHALALA. It is a new program.

Mr. PORTER. Would you think that there would be a terribly negative impact if we were to rescind these appropriations since we have to find places to save some money?

Secretary SHALALA. I think that it would be terribly unfortunate not to keep our commitment on the Crime Bill. Whether it is the women in violence initiative or this school-based initiative, it is part of a new commitment supported by the American people and by this Congress to make a real effort to strengthen community strategies in the area of violent crime. And I think that this, in particular, is one of those places where some glue money from the national government will get local community strategies built around their schools to make a real effort in relationship to their youth.

And I think there are people around the country in communities that feel very strongly that this is exactly the direction that we ought to go in. It has been financed within the context of the Crime Bill, and I think that we ought to go ahead and get it off the ground.

Mr. PORTER. Well, Madam Secretary, since you are unable to share with us the areas where the President is going to suggest savings, we are left to try to pose questions that might hit on those areas.

Secretary SHALALA. Right.

Mr. PORTER. So far we have not posed any because you have defended all the cuts that we are suggesting. Perhaps we will be able to find some with you.

Mr. Stokes.

DOWNSIZING

Mr. STOKES. Thank you, Mr. Chairman. At the outset, so that Mr. Obey doesn't get all the credit for you, the record ought to reflect the fact that you are from Cleveland.

Let me start with your formal testimony, Madam Secretary, where you make reference to the process of downsizing, which the Department has undertaken on its own. You tell us that since 1993, HHS has worked to decrease its size by more than 2,400 full-time employees. You note that the only areas in which you have added employees have been policy and evaluation. And, you tell us further that from 1995 through 1999, you contemplate reducing your work force by more than 4,500 additional employees.

Tell us, firstly, how does this set of reductions compare with the reductions in other Federal agencies?

Secretary SHALALA. Well, the set of reductions that I was reporting on in that testimony are part of the first reinventing government effort of our first budgets. The numbers are approximately what other cabinet-level departments were doing.

The second phase has been reported by the President for five Departments or programs: HUD, Energy, Treasury, GSA and OPM. The HHS part of that RE–GO effort has not yet been reported.

I should say that in policy and evaluation we are talking about a reallocation of 12 positions, so we are not talking about a huge addition. What you see is our first cut at reducing administrative costs, a layer of middle and upper-level managers. This is going in the direction of modern management and trying to reduce the overhead of the Department. Most of that, of course, is being done by attrition or buyouts. But it is stage one of the Clinton administration's reinventing government effort, and stage two will come later this spring.

RESCISSIONS

Mr. STOKES. Now, in terms of rescissions, did you propose rescissions last year?

Secretary SHALALA. No. The answer is no. And the decision on rescissions for the President now is not something I could report on because there have not been final decisions on whether he will or he won't.

Mr. STOKES. I understand that.

Primarily, I want to know if you had proposed rescissions.

In light of the fact that your Department falls within the category that the former Chairman, the late Bill Natcher, used to refer to as the people's bill: education, health, human services and labor programs, I would shudder to think what this country was like 40 years ago—in comparison with where we are today as a result of the programs enacted over the last 40 years.

I would imagine in any type of program evaluation that you have a very difficult task in trying to ascertain where there may be waste, fraud, abuse, or duplication. One of my concerns would be how will you approach it from this perspective? There have to be certain areas in which you take great pride. In fact, we have made great progress as a result of the kind of programs that have been enacted by the Congress through this Committee?

For instance, you mentioned immunization rates. You mentioned what is happening in women's health today. Those things have to make all of us, I think, proud. Where do you feel that the greatest progress has been made as a result of the kind of programs that we have enacted here in the Congress.

Secretary SHALALA. I think that if one looked at the progress and the importance of this country's investment in social programs, some of our greatest progress would be in Social Security and Medicare.

One would begin with the fact that we have lifted millions of elderly Americans out of poverty and ensured that they have the basic necessities in terms of health care. That is a magnificent achievement that no country on earth can celebrate the way this country can.

In addition to that, the entire health investment, the National Institutes of Health, is an investment of such enormous importance for the world. We compete with no one on earth in our scientific expertise, and its relationship to the economic health of this country is very dynamic.

The basic science investment of the government has contributed to the fundamental economic health of our business and industries. Businesses have spun off and taken advantage of these investments, as well as having a very healthy work force. Our investments in basic science have led to better health for all Americans.

In addition to that, in the 1960s, the Department initiated in another set of careful investments in children. Head Start has been a successful program for 30 years, though not as successful as we would like it to be. And as Mr. Hoyer knows, I have made a commitment to Head Start, and insisted two years ago that Head Start not stay the way it was before.

Head Start does a great deal to improve opportunities for very young, poor children, but it needed a complete rethinking. And we did that with a bipartisan commission a year ago which made a series of recommendations to us on the management and on the quality investment and on the targeting of the program. We are moving, for example, to work with younger children in the program.

We are moving to strengthen the role of parents as part of the Head Start program. We have built in far more professional management systems and business systems to manage money better.

The program is going to be responsive to working parents. Head Start, for a long time, has been three hours a day. Many low-income parents work, and need their children in longer day programs. And the program needs to fit with our goal for welfare, which is to get parents to work.

So from the elderly, to our investments in science, to our investments in children, we have made progress. You can also look to the fundamental role of the Centers for Disease Control to both track diseases around the world, and to design and implement our prevention programs as part of our overall national commitment to health. The fact is that diseases don't know whether they are Republicans or Democrats, or what State they are in. It requires a national effort to both track and administer programs to prevent diseases. And the immunization program is the basis for that.

We started this administration with immunization rates that were so low that in this hemisphere, only Bolivia and Haiti had lower immunization rates for their children than the United States. We will end this century with immunization rates that are the highest in our history, and we will basically have all of our children immunized. That is an unbelievable accomplishment given the fact that we have a complex public-private health care system. To deliver something as simple as getting all the kids immunized sounds like something easy. I can tell you, after two years struggling with vaccines and vaccine strategies, it is much more complicated when you don't have a single delivery system and you deal with a complex public-private system. So our programs are fundamental.

I started my academic career thinking about what the Federal Government ought to do, what the State government ought to do, what the local government ought to do, what the private sector ought to do. Much of what my Department does, the big programs, are in fact national issues: fundamental health, investments in science, tracking diseases. Those programs that aren't national issues are going to go through the most rigorous kind of reviews. We are going to look very hard at the range of categorical programs, but you can be assured of our commitment both these national investments which have made such an impact, as well as to a very rigorous review of everything we are doing.

Mr. STOKES. Thank you, Mr. Chairman.

Mr. PORTER. I think we are going to charge you.

Secretary SHALALA. Sorry for the long answer.

Mr. PORTER. We are going to charge you on the second round.

Secretary SHALALA. You should charge me.

Mr. PORTER. Mr. Bonilla.

Mr. BONILLA. Thank you, Mr. Chairman, Madam Secretary. I had to be at the Pentagon to make a bid for a base that is going to be on the base closure list. We are hoping that will turn out fine. Thank you for being here. It is good to see you again.

Secretary SHALALA. Thank you.

Mr. BONILLA. I would like to start out by remembering Chairman Natcher. He would always start out oftentimes with a history lesson. So before I begin my questions, I don't know if any of my colleagues are aware, you are making history today because it is the first time since 1954 when the first Secretary, Oveta Culp Hobby was Secretary, then Secretary of Health & Human Services, has ever seen this many Republicans at a subcommittee hearing and we are reflecting on this occasion. I found out that in 1954 the Dow was at——

Mr. HOYER. Such a service.

Mr. BONILLA. The Dow was at 404 back then. Strom Thurmond was only 52, and in honor of Secretary Shalala and my friend, Mr. Stokes, the Cleveland Indians were champions of the American League.

Secretary SHALALA. I was going to say that. He didn't say that. I remember that.

Mr. BONILLA. There was no such thing as the Dallas Cowboys.

Ms. PELOSI. And there won't be on Sunday.

Mr. BONILLA. Touché.

Mr. OBEY. Can you name the four starting pitchers in the rotation?

Secretary SHALALA. I can.

Mr. BONILLA. Go ahead.

Secretary SHALALA. Bob Feller, Bob Lemon, Early Wynn, and——

Mr. OBEY. Mike Garcia.

Secretary SHALALA. Mike Garcia, right.

Mr. BONILLA. Very good.

Mr. MILLER. She had help.

PACIFIC BASIN INITIATIVE

Mr. BONILLA. We begin anew today to tackle some tough issues to make tough choices in the coming year. The first question I have today relates to some programs that are specifically directed toward the State of Hawaii. It receives earmark funds for health care, treatment of Hansen's disease.

Can you discuss why the Pacific Basin Initiative is needed? Is there something unique in the State of Hawaii for example, that they should be given an earmark? Why shouldn't they compete like everyone else in the country has to?

Secretary SHALALA. I think that that is a very good question. And it is one of several programs that is specifically targeted to Native Americans—Native Hawaiians.

And we have a variety of different programs in different places. We have put those programs in particular under our RE–GO review, our reinventing government review. While I can't tell you how we are going to come out now, it is on the table. That is the kind of program targeting that we are reviewing as part of our reinventing government process.

I am sorry I can't talk about the outcomes of our reviews. But wherever we have multiple programs, we need to look and see whether it makes sense for them to be categorical as opposed to being part of a larger program so we don't have overlap.

Mr. BONILLA. It sounds, then, for starters we might have some common ground in agreeing that those programs need to be looked at.

Secretary SHALALA. I have a feeling we are going to have a lot of common ground as we, together, in a bipartisan manner, review our programs.

Mr. BONILLA. And speaking of multiple programs that could possibly be consolidated, are there any attempts at HHS to streamline the nearly 100 separate child care programs? Let me elaborate.

An article published in *The Washington Post* by an American Enterprise scholar noted Federal funding for child care services has risen sharply, more than doubling to $8 billion in the past four years alone. That increase has given rise to no fewer than 93 different Federal programs administered out of 11 agencies and 20 separate offices.

According to the GAO, one disadvantaged child could be eligible for as many as 13 programs, but for some reason or another these agencies cannot or will not pool their funds to serve one child.

So what is your opinion about consolidating these particular programs into a more customer-service oriented program?

Secretary SHALALA. Well, first of all, the customer service piece is extremely important to us and we already have administratively moved to simplify access to child care, both to the block grant program as well as to the multiple programs that we have in this area. And we will again, as part of our discussions on welfare reform and as part of our submission, be reflecting our own internal views on child care programs.

Mr. BONILLA. That is good to hear because, again, we may have, for starters, common ground.

Secretary SHALALA. I apologize. You are catching me before we have submitted our budget. Obviously, we have gone through an internal process on reviewing our programs and we ought to be able to justify for you in that budget why we are doing what we are doing.

Mr. BONILLA. Thank you. Being respectful to time limits, I yield back.

Mr. PORTER. Mr. Hoyer.

Mr. HOYER. Thank you very much, Mr. Porter.

Madam Secretary, welcome.

Secretary SHALALA. Thank you.

IMMUNIZATION

Mr. HOYER. Let me join my colleague, Mr. Stokes. I think all of us, as a Nation, as Members of Congress, as people who care very much about the health of our children, have got to be very, very pleased about the dramatic, essentially 20 percent increase in the number of children immunized in this country from 1992 to 1993. We have now over 55 percent of our children.

What is our target? Assuming our target is 100 percent, obviously. But that is such a dramatic increase in such a short period of time. What is our target?

Secretary SHALALA. Congressman Hoyer, I have promised the President that by 1996, 90 percent of the preschool children in the United States will have completed the major recommended vaccinations. In addition to meeting these targets, we also, for the first time, did something that was very dramatic. We got the CDC and the pediatricians to agree on one schedule, which I consider a major accomplishment.

We are moving towards the same thing in breast cancer recommendations—everybody is on the same page, I think, and it is reflected in the numbers. The Governors and the States have been doing a magnificent job.

Mr. HOYER. Well, clearly if we do the 12 percent per year you are going to meet that target. I think that is excellent.

Secretary SHALALA. I think my job is on the line. I think I made that promise to the President.

WASTE, FRAUD AND ABUSE

Mr. HOYER. We have all got problems of that type, Madam Secretary. Waste, fraud and abuse has been an item of concern, obviously, very much talked about in the 1980 election.

I was impressed with the part of your testimony in which you say we have achieved almost 1,200 successful prosecutions, more than 1,300 administrative sanctions, resulting in more than $8 billion in fines, penalties and savings for the American people. It would appear that your Department is pretty vigorous in going after waste, fraud and abuse. I don't know whether you can put that in the context of what we did in years previous or what we expect to do in years to come.

Secretary SHALALA. We will provide that for the record.

[The information follows:]

OIG ACCOMPLISHMENTS

03/02/95

	Successful Judicial Prosecutions	Administrative Sanctions	Implemented Savings (in $Billions
FY 1981	165	39	$0.16
FY 1989	1,278	846	$5.69
FY 1990	1,310	900	$5.81
FY 1991	1,343	1,005	$6.83
FY 1992	1,893	1,739	$5.87
FY 1993	1,406	956	$6.05
FY 1994	1,169	1,334	$8.07

Secretary SHALALA. There are two things that have happened in this area. You had our Inspector General here to testify. I consider myself part of her team, and we happen to have a terrific Inspector General. In the process of recruiting her, I promised her that we would not have the kind of tensions that often occur within a cabinet level department; that I had zero tolerance for waste, fraud and abuse and that we were all going to get on board to do everything we could do.

One of my great concerns and one of the reasons we have to have discipline in the discretionary part of the budget is that her office is, and our integrity efforts are financed out of the discretionary part of the budget. I hope that in our Reinventing Government process I am going to bring to this committee some innovative ideas about how we can move even further to improve the integrity strategies of the Department. We will look particularly at the Medicare and Medicaid programs, which are major responsibilities and really need tightening up and oversight.

I am very proud of the way in which we have worked with the Inspector General's office, and of the quality of the team that she has put together. I am also proud of the work that has been done by my colleague, Bruce Vladeck, in the HCFA office as part of this overall team effort.

Mr. HOYER. Madam Secretary, I would urge you to reiterate the phrase you just used as often as possible: zero tolerance for waste, fraud and abuse. Clearly, one of the things that the American public acted upon in 1994 was its anger and its frustration that government did not appear to be working as well, efficiently, as cost effectively as they wanted to.

The fact of the matter is that you and others who are responsible for large amounts of money, taxpayers dollars, need to make clear to them that we are concerned about wasting money. We are concerned about effectively spending their money to affect changes for the better in our society, i.e., the 12 percent one-year increase in the immunization of our children.

Secretary SHALALA. I should also note we had a very good team effort with the U.S. attorneys around the country and with the Attorney General.

LINE-ITEM VETO

Mr. HOYER. I don't know what time it is. Let me just take two more quick questions.

Line-item veto. We passed an enhanced rescission last year which I supported, which Mr. Stenholm and others supported, which I thought was preferable because it did not through the line-item veto simply give one-third of one House the opportunity to veto specific items of legislation.

When you use that term in your presentation, do you have in mind a particular parameter? It is obviously a part of the Contract With America that we hear much about.

Secretary SHALALA. The President believes that he ought to have a line-item veto. Most of us, many of us who have worked with State governments have experience with line-item veto. We have a very powerful one in Wisconsin, in which the Governor actually can rewrite the legislation to take the "not" out and reverse the legislation. That is a little stronger than I think we probably want to pass on to the executive here. But we do favor a line-item veto. Pardon?

Mr. OBEY. That is why we call him emperor.

Secretary SHALALA. But we do support as an administration a line-item veto for the President.

Mr. PORTER. Mr. Hoyer?

EARLY CHILDHOOD FAMILY CENTERS

Mr. HOYER. I will leave it at that. Lastly, if I can close on this, Mr. Obey raises a point, which you know I am very concerned about as well, the multiplicity of programs which are designed for very similar purposes which confuse and impede, in many respects, the local people who are expected to deliver the service.

I call your attention to page 160 of the report really dealing with rectitude, the Department of Education, but affecting your department as well. The committee directs—and I think Mr. Bonilla will remember this language—the Secretaries of Education, Labor, and Health and Human Services and other relevant agencies to convene a working group to review and evaluate the concept of developing and implementing a Federal initiative creating comprehensive early childhood family centers. This would look to many of the programs, Henry, that you mentioned here. They could be coordinated, Mr. Chairman, through such an interdepartmental effort. School-based siting should be a specific focus, that will allow preschool and school-aged students and their families easy access to a broad range of co-located education, health and social services.

Again, Mr. Bonilla was referring to some specific child services, which may well be covered by this, I would think. The committee has provided a half a million for planning, research, and evaluation to get this project under way, and directs the Secretary of Education, as the lead agency, to report its findings to all relevant committees by February 28, 1995. Now, that is approximately 45 days from now. You and I had talked about this.

Secretary SHALALA. Right.

Mr. HOYER. I would hope that you and Secretary Reilly and Secretary Reich would focus on that. Our Republican colleagues are going to be very focused on how programs work, which I think is an appropriate focus that we all share. I, of course, am very focused on making sure that we give sufficient services to our young people in this country so that they can succeed and have an opportunity in society in which to succeed and contribute; but I want to make sure that we coordinate those monies and spend them as efficiently as possible.

Secretary SHALALA. I agree with that. And we do expect a report by the end of next month. Let me also say that there are a variety of different things we have been able to do in the Department. If you walk into a community health center anywhere in this country, they will tell you they only have to submit a single application for the eight major categorical programs.

Where we couldn't consolidate programs, what we have done is simplified the application process so that community health centers don't have to make separate applications on a separate time frame. There is a lot of that kind of management improvement going on in the Department that I don't have time to review. But at every level of the Department, you will see the firm hand of new ideas in management being reflected.

Mr. HOYER. Thank you, Mr. Chairman.

Mr. PORTER. Mr. Istook.

Mr. ISTOOK. Thank you, Mr. Chairman. Ms. Shalala, happy to have you here. I know that so much of what drives your efforts with the human services is the desire, of course, to help children that are in poverty, whether it be poverty of the purse, poverty of the mind or poverty of the spirit. And this morning when persons from your Department were here, they shared with us a chart and it is family structure and persistent poverty. I am struck by the fact that as these figures show, if a child is in a two-parent family, the odds are 80 percent, 8–1, that they will never be in poverty. But if they are in a single-parent family, the odds are 60 percent, 6–1, that they will have at least 7 to 10 years of their lives lived in poverty.

And as I calculate that, that shows that if you are in a two-parent family, your chances are eight times better, 800 percent better of not being a child in poverty. I don't know of any indicator that is any stronger than this to show the value of a two-parent family, of keeping a marriage together for the benefit of the children. And yet you and I both know about the difficulties in this country with children without both parents at home.

We know about the divorce rates. Since 1970, I believe it is 49 of the 50 States have adopted no-fault divorce laws that say even if you have a minor child, there is no impediment whatsoever in the law to a divorce. If you want one, you got it. And it doesn't matter what the consequences are to your children.

Realizing that this is such a strong indicator to help children avoid poverty, isn't it time that we truly promoted in Federal policy that people should get married and stay married? And yet there is nothing in any Federal program. We have ones that say if you don't have a helmet laws, you lose certain Federal funding, if you don't have speed limits we like, you lose certain Federal funding. But yet no matter what the status of the divorce laws in a particular State that encourage, in some cases, the breakup of families or at least don't discourage it anymore, as former divorce laws did, we don't have any Federal policy there.

Do you believe that it is time that Federal programs actually promote getting married and staying married for the benefit of the children?

Secretary SHALALA. Let me answer that in a slightly different way. What we are trying to do is to think through what is an appropriate role for government, whether it is the Federal Government or otherwise. And I am not sure I——

Mr. ISTOOK. I am sure you would agree divorce laws is an appropriate role for government.

Secretary SHALALA. State government. Divorce laws have been by tradition in this country a matter of State law. What you are suggesting is that it now become a matter of Federal law. And I would argue——

Mr. ISTOOK. I am making the point, of course, it has tremendous impact on billions and billions of dollars every year in Federal funding.

Secretary SHALALA. Yes. Let me suggest, though, that what these numbers indicate is not necessarily divorce laws, but large numbers of American children being born to individuals who are not married, who do not end up getting married. The President is trying in his welfare bill to do everything we possibly can to discourage people from having children outside of the context of marriage and a long-term relationship. And, in particular, we need to discourage teenagers, children themselves, from having children. It is appropriate for the government to look through its programs and to make certain that we are not designing programs that encourage in any way, or send any kind of signal, to young people in this country that we believe that it is appropriate for them to have children when they are not ready to support those children. I am not talking about just women.

Mr. ISTOOK. Do you agree?

Secretary SHALALA. I am also talking about men. Realizing the welfare debate——

Mr. ISTOOK. I take it, then, you are an opponent of trying to tighten the divorce laws in this country where minor children are involved. Because your answer has skirted trying to say anything otherwise.

Secretary SHALALA. Let me say that you are asking me about a set of laws that have been by tradition part of State law, not part of the Federal Government's law.

Mr. ISTOOK. So you would like to——

Secretary SHALALA. I do not accept——

Mr. ISTOOK. You would like to give the responsibility to the State?

Secretary SHALALA. I believe both parents ought to be responsible for bringing up their children, whether or not both of them are custodial parents. And I believe that the issue of divorce laws is very much a State matter, and I don't think that it is the best thing for children necessarily——

Mr. ISTOOK. Let me ask this rather than having long answers where we don't get that much. Would you say, then, you are a believer in States' rights when it comes to things that affect the health and welfare of children; that rather than saying that we need to be sitting in this room talking about how Federal policy can be involved in this, now you are telling me you are an advocate of States' rights? And you would then, I expect, support the initiatives that are trying to return more authority to the States for the benefit of families and children.

Secretary SHALALA. Let me say that this administration continues to be supportive of a partnership between the States and the national government. And even the discussions that are going on now on welfare reform talk about the role of the national government in providing the resources. We do favor a more decentralized relationship, with more administrative responsibility and policy responsibility in the hands of the Governors.

Our own recommendation for welfare reform, which has at its center getting parents to work, has strong requirements on a young person who has had a child and who applies for welfare: stay at home, to finish school, to take parenting courses. We insist that child support enforcement is part of the overall effort. So we are consistent in that position.

All I am saying on the legal question of divorce, is that it has been by tradition a State matter, and I simply think it is inappropriate for me to comment on it as a Federal matter as opposed to a State matter.

Mr. ISTOOK. So you don't think that the Federal Government should have any policies which encourage States to have divorce laws which encourage parents with children to stay together.

Secretary SHALALA. I do not believe that the Federal Government should get involved in the divorce laws of the States.

Mr. ISTOOK. You don't even want to encourage the States.

Secretary SHALALA. I do believe that the Federal Government has a responsibility when it develops its own programs, whether they are tax programs, welfare programs, or health programs, not to discriminate against marriages and to make certain that we not do things that discourage people from creating and staying in a marriage. Whether it is tax policy or whether it is welfare policy, as part of our overall policy both parents ought to be helped.

Mr. ISTOOK. I just see a blind spot with many people who want to be concerned with families and children, parents in this country, and yet when it comes to the matter of divorce, their attitude is "never mind the kids." If somebody wants a divorce, there should be no interest, no matter how much expense that casts back upon the rest of society, to step in and have responsibility to fill the needs of those children. I just think there is a tremendous blind spot that I am trying to help correct.

Secretary SHALALA. And I understand that. You and I disagree fundamentally on the changes in divorce laws, which I think introduced fairness to both parties, and caring to the children, into the decisions that were made.

Mr. ISTOOK. You are a proponent of no-fault divorce.

Secretary SHALALA. Those States made those decisions. I feel the States are the appropriate place for those decisions to be made. I feel very strongly the government should not do things that encourages discrimination against families, or that encourages in any way the bearing of children outside of the context of a marriage and a long-term relationship. We have to be extremely careful as we review these appropriately Federal programs that we not encourage that.

Mr. ISTOOK. I know my time has expired. I would just make the final point, Mr. Chairman. I don't think people can have it both ways and say that they are concerned about the children of this country and yet say that they have the attitude that it doesn't matter what the parents do and that there is—there is no interest of the government, State or national, in trying to keep those marriages together.

Thank you, Mr. Chairman.

Secretary SHALALA. Congressman, that is not what I said.

Mr. ISTOOK. I think that is what you said.

Mr. PORTER. The Chair will advise the Members of the subcommittee that because Mr. Hoyer took 10 minutes, I allowed 10 minutes longer to Mr. Istook. We do not have enough time to continue this practice. We will have to go back to the five-minute rule and strictly enforce it in order to finish by 4:00, and I will remind the Members of the subcommittee we have additional witnesses in the hours between 4:00 and 5:00.

Ms. Pelosi.

Ms. PELOSI. Thank you very much, Mr. Chairman. I will try to stay as close to the five minutes as possible. I thought I heard Mr. Istook say that the party that wanted to get the role of Federal Government reduced now wants the Federal Government involved in divorce law. Is that—did I hear that correctly?

Mr. ISTOOK. No. I think you heard that the Federal Government, I believe, should have a policy of trying to encourage families to stay together. What form that perhaps should take, I did not try to enunciate here. But I am sure you would agree with me that we ought to have a policy that families need to stay together, that children need families to stay together.

Ms. PELOSI. I agree with that.

Mr. PORTER. The Chair would ask that the questions be directed to the witness.

Ms. PELOSI. Thank you very much, Mr. Chairman. First, I would like to say that I was very pleased to hear the Chairman of the committee, Mr. Livingston, address the issue of breast cancer earlier in the proceedings, because that, indeed, has been a very important issue to the subcommittee and I want to commend the Secretary on the implementation of the national action plan on breast cancer and the increase in funding for breast cancer research and detection and progress on mammography technology, et cetera.

I want to thank you for your testimony today and for your hard work in all of the areas you reported on. I ask the Secretary and when we talk about AIDS or heart disease, as we did this morning in session, that whether it is AIDS, heart disease, breast cancer, where there is urgency and there is opportunity, scientific opportunity, we have a moral responsibility to do as much as the scientific judgment, the professional judgment recommends. Would you not agree, Madam Secretary?

Secretary SHALALA. I absolutely agree. And obviously our investments reflect as much as we possibly can the judgment of the scientific community as to where those investments will have important results.

WELFARE PROGRAMS

Ms. PELOSI. Thank you, Madam Secretary. I have a question that I asked this morning and I wanted to get your opinion on, as well. The Republican Contract With America, talks about making certain income support like AFDC or SSI, instead of being an entitlement, be annually appropriated discretionary spending.

In light of the budget caps that we operate under, do you see any problem with that approach? This same contract increases defense spending. We have the trust fund for the crime bill. So, in my view, there isn't a whole lot of room to include welfare programs under discretionary spending. Could you comment on any problem you would see if we were to go that route?

Secretary SHALALA. Well, if we put those very important programs under the caps, obviously a certain amount of money would be allocated. If more people who were eligible came in on the SSI program, for example, which deals with the disabled and with very poor elderly, and that caused the Treasury to run out of money, then there would be people out there who didn't get their checks that month. A blind person, Mr. Miller in Florida just wouldn't get his check.

Under the current arrangements, we determine the eligibility criteria and if you are eligible, you get onto the program. For the wide range of programs like these, for example, the AFDC and the Food Stamp Program, the people who would be cut off are people who, for the most part, spend their lives working.

Let me explain how the current structure works. If there is an economic downturn in a State, if there is a recession (which often occurs in a State as opposed to across the country) the programs automatically kick in. I have sat, Mr. Bonilla, in a food stamp office in Texas when people, laid-off workers, have come in ashamed and embarrassed to ask for help, but it is necessary to feed their families and only for a short period of time.

The programs now work as an economic stabilizing force. They soften the impact of a recession, and invest in a State to support workers who are eventually going to get back to work, but who need some interim resources. And they operate on an automatic basis. So if we went, Congresswoman Pelosi, to a different format, that would not be possible. Recessions would be deeper and wider. And precisely the kinds of people that we have designed these programs originally for—people that are going to use them temporarily—would not be able to participate in the program.

This would hurt precisely the kind of people that we ought to be supportive of. People who work very hard, who often are low-income workers, would not be able to take advantage of the programs for short periods of time while they are looking for another job. And for the States themselves, those States, in a recession, would have to raise their taxes, which would be impossible for many. So these programs were designed not only to help low-income people, but to help the States when they have an economic downturn.

And I think we have to be extremely careful to think about the multiple purposes, the national economic policy that has been part of the design for these programs, particularly the Southern States that have been the beneficiaries when there is an economic downturn. Changing our policies would be quite devastating and the States would be quite unable to make up the difference. And their businesses would be in even more trouble if there wasn't this interim, very short-term kind of help, which is an appropriate economic role, I would suggest, for the Federal Government.

Ms. PELOSI. Thank you, Madam Secretary. I would love to pursue this, but my time, I am sure, has expired. Thank you, Mr. Chairman.

Mr. PORTER. Mr. Miller.

PROGRAM ELIMINATIONS

Mr. MILLER. Madam Secretary, yesterday we were talking to people in the Department of Education and they suggested eliminating 33 programs. Thirteen were eliminated, but Congress added 17. Do you know offhand what your request was as far as what programs you wanted eliminated and what Congress added and subtracted?

Secretary SHALALA. We didn't add very much. I think we had about a 3 percent increase, other than consolidations.

Mr. MILLER. What about the programs? We have so many job training programs and so many children programs.

Secretary SHALALA. We had no programs added by Congress.

Mr. MILLER. Did you ask for any eliminations last year?

Secretary SHALALA. I think we asked for some consolidations, a number of consolidations in our programs. We had nothing added last year.

Mr. MILLER. Are you approaching it any differently this year with a more fiscally conservative Congress that is obviously going to be interested in working towards a more fiscally responsible budget?

Secretary SHALALA. I think we tried to be tough-minded and fiscally responsible last year, and I think that you will see our growing maturity as we move through the Reinventing Government process. We took our first cuts in our first two years, and you will see even stronger recommendations over the next year.

Mr. MILLER. Did you move toward eliminating 4,500 more positions? Are you trying to do the same amount of work with fewer people, or are you trying to do a different set—deciding what you really need to do? I mean, because that is one of the questions I am going to have to go through the whole process—through the whole process, does the Federal Government have to do this job?

Secretary SHALALA. Right.

Mr. MILLER. And if it does, how do we do it?

Secretary SHALALA. Right. Those are exactly the kinds of questions we are asking. And I think when Shirley Chater was here at some point to discuss the new processes, she pointed out that we are putting in place new systems for Social Security Disability, we are removing steps.

We are looking at the entire process and whether we need to do every single review at different levels. In our attempt to remove layers of administration, we are asking how much oversight do we need? How many people need to look at this piece of paper? How can we streamline the process? How many forms do we need if these programs are necessary?

Mr. MILLER. You are not eliminating programs.

Secretary SHALALA. We are looking at eliminating——

Mr. MILLER. Last year you didn't look at eliminating them.

Secretary SHALALA. We have always been looking at eliminating, streamlining and consolidating programs. There is a process that we need to go through, and it does take time.

Mr. MILLER. Can you name a program you tried to eliminate, that you asked to be eliminated?

Secretary SHALALA. We recommended some consolidations last year in the Public Health Service to pull some programs together under one umbrella, and I can give those to you. They had to do with public health professions and mental health and substance abuse services. We had a number of consolidations. But this is part of an ongoing process, and we will have other recommendations in the months ahead.

Mr. MILLER. You are bound together with all the programs. There are 250 grant programs. There are bound to be some eliminations.

Secretary SHALALA. I am concerned about programs like Social Security, where you really have big numbers, as well as programs like Medicare. For example, part of our process in Medicare and Medicaid has been to move to managed care, as opposed to staying with fee for service, giving people far more choice. And you will see remarkable numbers this year in moving to managed care.

Mr. MILLER. The New York Times yesterday was raising the question by going to managed care, it is costing us more, according to The New York Times.

Secretary SHALALA. Our accounts are at 95 percent of what our actual——

Mr. MILLER. You are getting healthy ones in Medicare-managed programs and the sicker ones stay in fee-for-service and so that is the reason it is so profitable. We are learning that process. We are moving in that direction.

Secretary SHALALA. Congressman, some of this is choice. One of the things I think everybody here has said is that we need to give people choice. Some people want to stay in fee-for-service and other people want to take advantage of managed care.

[The information follows:]

Consequently, a different and sometimes healthier mix of individuals gravitate toward managed care plans. We attempt to adjust our payments to account for this, but it is difficult to capture all of the differences between those who chose to enroll in managed care and those who choose to stay in fee-for-service. Some of the attitudes toward managed care are regional.

Secretary SHALALA. Congressman Obey and I come from a State that is heavily into managed care. The community I came from, Madison, Wisconsin, is 93 percent in managed care. Florida has a large number of people who like——

Mr. MILLER. My area is not right now.

Secretary SHALALA. Fee for service. Some of the attitudes are generational. You talk to older Americans and they are not as interested in managed care as the younger generation coming along. We are doing everything we can in these programs to make sure they are organized to encourage people to look at managed care so they have some case management. And one of our concerns about cost, particularly for the elderly, is to have case management and referral by one individual doctor. I have been in Florida. There are signs up directing people to different doctors for each different part of their body. And that is where your costs are, as opposed to a more case-management approach.

Mr. MILLER. I think my time is done. I hope the budget proposal looks at more eliminations than you have looked at in the past, I guess, and consolidation, because we are anxious to look at that.

Secretary SHALALA. You will see consolidations in two places: the budget process, as well as in the Reinventing Government piece that will come a month later.

Mr. PORTER. Mrs. Lowey.

PROGRAM COORDINATION

Mrs. LOWEY. Thank you, Mr. Chairman. And as a New Yorker, I want to claim you, too, as the former president of Hunter College. And I just want to thank you for your continuing work on Al Gore's Reinventing Government Program because I think what we all want to do here is to focus on investing wisely on the programs that are really affecting people's lives. And what we want to do is demand accountability, which you are doing, and coordinate programs so that they work better and continue to work together to reduce the deficit. And I think all of us on both sides are trying to work towards that goal. But we want to be sure that in doing this we keep our agenda in mind.

Our job as government officials is to serve people. That is what government is all about. And to make sure that people get the assistance they need and the hand up, not necessarily a handout.

Now, as one good example of where coordination and an agency really works, in my judgment, to save dollars is the Office on Women's Health. The office coordinates the Breast Cancer Action Plan, to coordinate government research, to coordinate private research, and new breast cancer research.

You mentioned you are one who has been advocating advances in breast cancer. It is exciting to see we are beginning to have an impact. Can you tell us how it will save dollars, make us more efficient and help us move more rapidly toward our goal?

Secretary SHALALA. Thank you, Congresswoman. In women's health, one of the things that we have attempted to do is to make sure all the parts of a strategy on something like breast cancer are pulled together. It does us no good to have research on this piece, to have the FDA working on the mammography machines piece, to have the prevention pieces out of sync with the others. We have tried to use the Office of Women's Health to get each part of the Department that is responsible for a different aspect of improving information, detection, and treatment of breast cancer coordinated, so that all the pieces are going to be done.

And the reason that we will start to move down the mortality from breast cancer is because there really is beginning to be coordination. We have improved the quality of the mammography, but also the training of the people that run the machines, and the follow-up on the referrals.

I can tell you story after story about the new referral systems in a State like Michigan, for example, where there are two notifications. One notification goes to the doctor, and the other to the State. Then the State follows up to make sure the doctor has notified the woman. Where somebody has fallen between the cracks, maybe the doctor's secretary filed the report wrong, it is being caught in the follow-up. And so putting all these pieces together is what is going to make a difference. It is not enough simply to make sure that we have invested in different pieces.

Success comes from getting the community together so there is some coordination and some impact, multiple impacts. We don't have enough money at the national level to run ads in every community. But with the combination of commitments from the communities themselves, and with their own organizing, we are able to make a difference.

The same thing is happening in AIDS. The AIDS progress has been tremendous because the Federal Government got out of the business of telling those communities exactly what they needed to do for their strategies. We said to them, you organize your strategies with community leaders, make sure you have good representation, and then come back to us and we will fund those action plans, those strategies. That is what is going to get the prevention message out. It is communities' commitments. It is commitments by parents, by religious leaders, by civic leaders, by the major institutions like the schools themselves. Every organization in the community can make a difference on AIDS, on breast cancer, and, I would argue, also on issues like violence and teenage pregnancy. These are not the kinds of things you can deal with from a top down.

Mrs. LOWEY. Good segue. In fact, perhaps I won't ask a question. I will just comment that we are all advocates of prevention which is really the way to save money. And the CDC's prevention efforts, particularly with HIV prevention, breast and cervical cancer screening, chronic and environmental disease programs, has been an example of coordination, working in partnership with providers, not dictating, but bringing them in so we can accomplish our goals. If you have a comment on that, the success of that program it would be helpful.

Secretary SHALALA. Our prevention strategies now are leveraging, using national government money as the glue to pull people together and to leverage other kinds of contributions from the community, but community-run, community-dictated. And these are the kinds of efforts that are going to make a difference in our communities.

Mrs. LOWEY. Is that the end of my time? Okay. Thank you.

Secretary SHALALA. You are welcome.

Mr. PORTER. Mr. Dickey.

SSI BENEFITS FOR CHILDREN

Mr. DICKEY. Secretary Shalala, I have a problem particularly bothersome to us in Arkansas. It has to do with SSI benefits for kids who are disruptive in school. Have you studied this and is there any way to save money in this area of the Social Security Program?

Secretary SHALALA. The issue of children and the SSI program has been a concern to the Department. There have been all sorts of allegations, and the Inspector General's office has reported to Congress and has followed up on each of these allegations.

In the legislation to create an independent Social Security Agency, the Congress asked me to appoint a commission to review the SSI program in relationship to children. I have appointed that commission. It will be chaired by former Congressman Jim Slattery, and will report back to Congress at the end of November on what it has found.

In addition to that, the President has asked for a review of the SSI program. This is an internal review, which involves OMB and the Domestic Policy Council and the Department and Education.

Mr. DICKEY. Would a voucher system help this situation, where we would provide vouchers instead of money?

Secretary SHALALA. I think we need to talk it through. Certainly, everybody is going to look at the possibilities. Vouchers are one option. Let me simply say that the issue is: Is sending a payment to the parents of a child that is judged under the law to be disabled—a check, a cash payment—is that the best way to help the child and the family? Some have suggested that we should provide services for the child directly, not give the family the authority to decide how to spend the money.

This gets into a very tricky issue of whether the government should dictate the best way to help that child, and the question of our appropriate accountability. And I would simply say to you that I would very much like to see the results of the commission, which is going to look specifically at this issue, and at the options and the results of our own internal review. It is a fair question, though and——

Mr. DICKEY. Would you say it is a fair solution to provide vouchers instead of money?

Secretary SHALALA. No. It is a fair question, to ask whether vouchers are a viable alternative.

Mr. DICKEY. What are some other alternatives?

Secretary SHALALA. Many people have suggested that we not provide cash payments at all, and simply expand our range of special education services for disabled children. We could expand the programs that are available to disabled children—we have health programs, but also teaching, vocational programs, and education programs of all sizes.

The Congress, in its wisdom, decided that the way to deal with the issue was to do it through the Social Security Disability Program. We treat adults that way, too. It is not just children. We give a cash payment to adults as well.

Mr. DICKEY. I appreciate your answers. Has there been any consideration given to not having teachers decide whether or not the student is disruptive because of a disability? Or are you familiar with that practice?

Secretary SHALALA. Well, the issue of whether a child is disabled goes through a more extensive process than simply a teacher. A teacher can't write a letter to the SSI program and say this child is disabled and make that child eligible for disability. There is a whole process of certification to get a child in, and there is a standard definition of disability.

The disruption issue that you are referring to is a school issue, and is determined by the school board and by the local community. The issue of identifying a child as disabled for the purposes of participation in a Federal program goes through a defined legal process.

Mr. DICKEY. Well, but what I am hearing out there is that the disruption is part of the process and the teacher has to decide whether or not a student is disruptive. At that point, there is an intimidation factor from the parents or from a neighborhood.

Secretary SHALALA. Yeah.

Mr. DICKEY. And it is getting to where the problem wouldn't exist if there wasn't money involved.

Secretary SHALALA. Mr.——

Mr. DICKEY. In these circumstances it wouldn't exist unless money was an object.

Secretary SHALALA. I think, Mr. Dickey, you may be talking about something that isn't actually under my jurisdiction, but under the Education Department special education. And I would be happy to talk to you about that afterwards.

Mr. DICKEY. I'm talking about SSI disability payments. It is $465 a month program. Money is given to the parents, and sometimes they are able to accumulate it. This happens because of a 1990 supreme court decision.

Secretary SHALALA. You are talking about the Zebley decision.

Mr. DICKEY. That is right. Is that in your jurisdiction?

Secretary SHALALA. Yes. The Social Security Program is in my jurisdiction. I think, though, we are mixing the role of the school and the issue of disruption with the eligibility for the SSI program.

Mr. DICKEY. That is the evil. I agree.

Secretary SHALALA. What I would like to do is sort it out with you, and find out who is responsible for what, and talk it through. But we do have a review of the SSI disability program for children, which I outlined in my response to your first question. But I am happy to sit down and work it through with you.

Mr. DICKEY. Thank you.

Secretary SHALALA. I think we are talking about two different issues, and that they end up being joined is the point you are making to me. It is a very tough question.

Mr. PORTER. Mr. Riggs.

Mr. RIGGS. Thank you, Mr. Chairman. Thank you, Madam Secretary.

Secretary SHALALA. Thank you.

Mr. RIGGS. Since we are being regionally chauvinistic, I want to say I couldn't get out because I came out from California. I am sure the gentleman from Texas will agree that the only way the Cowboys could beat the 49ers is if Candlestick Park is under water.

Mr. BONILLA. I object to that. There is always next week, Frank.

Ms. PELOSI. I commend your bipartisan cooperation.

Mr. RIGGS. Madam Secretary, let me first of all state very quickly some concerns that frequently crop up with constituents in town meetings and the like with respect to the SSI program, specifically alcoholics and drug addicts and in the area of food stamp fraud. And I am wondering if you could, at your convenience, give me some background information on what your department is doing to address these problem areas and provide better enforcement.

Secretary SHALALA. Could I say for the SSI I would be happy to provide that information. The Food Stamp Program is under the Department of Agriculture, and I can arrange for you to get those answers.

DEFICIT REDUCTION

Mr. RIGGS. I will follow that up in subcommittee. Thank you for reminding me. You have mentioned we have worked to enact, speaking on behalf of the administration, the largest administration bill in history, a tough program designed to reduce protected deficits by $500 billion over five years. How much has your Department actually contributed or will it contribute to achieving that deficit reduction target over five years?

Secretary SHALALA. The Medicare and Medicaid programs are the toughest, and most expensive, and fastest-growing of the domestic programs. You will see reductions in the baseline reflected in the deficit reduction figures. And that is where we will make our major contribution.

In addition, as part of the RE–GO report that we will make, there will be contributions, and you will see some consolidations as part of our budget process. But the major contribution of the Department must be in the management of the most expensive and the fastest-growing programs, moving Medicare to more of a managed-care program. Moving Medicaid to more of a managed-care program will in the long run help us to better manage costs, I think you will see, as the numbers are reflected over the course of this year, that we have done a very good job.

Mr. RIGGS. Can you give me a specific dollar figure?

Secretary SHALALA. No, I can't reveal it until the President's budget comes out.

Mr. RIGGS. I would be interested in receiving that information if I might. I want to make sure, though, I understand. Is your Department's budget increasing, decreasing or, remaining the same level?

Secretary SHALALA. Last year, it grew by about 3 percent, which is less than the rate of inflation. So it is not growing very much. The growth in our Department on the entitlement side is related to the Medicare and Medicaid programs. These are growing because of the expansion of participation and because of the growth of health care costs. That is what we are trying to manage down.

The difficulty, of course, is every time we squeeze down on those public programs, we cost shift to the private sector. That is why the larger discussion of health care reform has been very relevant here.

Mr. RIGGS. Yes, indeed.

Secretary SHALALA. But you will see our cost management reflected in our numbers, which is what I am suggesting.

Mr. RIGGS. Let me ask you specifically. I know we are not looking to make blanket, across-the-board spending cuts, but we are looking to make specific programmatic cuts. This has more to do with methodology or process. If we gave you a specific spending reduction goal, would you be willing to come back and propose to this subcommittee and the full committee specific spending cuts to rescissions to achieve that spending reduction goal?

Secretary SHALALA. We have always worked with the committee to develop a priority list as we are working through the budget process. So the answer is, that is exactly what goes on as part of the overall budget process. There is back and forth—and, obviously, we are going to come in here with a budget that we think is taut and tight, and defend what the President is recommending. And then after that, in our hearings, we work with all of you to work through whatever the caps are and their implications. That is part of the OMB and HHS process that will go on.

Mr. RIGGS. I understand. One final question.

Secretary SHALALA. I think the answer is yes.

Mr. RIGGS. Let it be noted for the record.

One of our later witnesses is going to testify that one specific area where we could, in fact, consolidate and streamline is in the area of job training. He will point out in his testimony that you administer 14 of the 163 Federally funded employment training programs at a cost of $1.9 billion.

My fellow colleague from California, Mr. McKeon, the Chairman of the authorizing subcommittee, intends to, within the next few days, introduce a placeholder bill that would pave the way for consolidation, again streamlining efforts in the area of Federal job training, and I am wondering if we can get your commitment to work with us on that legislation and who specifically on your staff we could work with in that vein.

Secretary SHALALA. I haven't seen the GAO report, so I don't know what they are recommending. But we have always been willing to work with the committee. I am not sure specifically what job training programs they are referring to.

Mr. RIGGS. The JOBS program.

Secretary SHALALA. That is the part of the welfare bill that the States administer to get people into jobs. We would be happy to work with the committee. We don't run the government's major jobs programs, but I am happy to look at the GAO report and see what they recommend. And, of course, we will work together with you. The Assistant Secretary for Management and Budget is usually the person who works with the committee on these issues.

Mr. RIGGS. Thank you.

Mr. PORTER. Madam Secretary, we very much appreciate your coming to testify before us today. We feel very privileged that we have before us one of the most able and knowledgeable and effective members of the president's Cabinet, and we look forward to you coming back again when we have the 1996 budget. Thank you very much.

Secretary SHALALA. Thank you very much, Mr. Chairman.

[The following questions were submitted to be answered for the record:]

Chairman Livingston: Testimony submitted by the Heritage Foundation outlines how this Subcommittee appropriated $133 million for the National Institute for Occupational Safety and Health (NIOSH) in the Department of Health and Human Services in FY 1995. The Institute conducts research, develops standards, and provides training in occupational safety.

The Subcommittee also appropriated $312 million for the Occupational Safety and Health Administration (OSHA) in the Department of Labor to enforce the Occupational Safety and Health Act of 1970.

Heritage explains that these two agencies work on the same issue. Why can't we consolidate them and save the taxpayers some of their money?

Secretary Shalala: Although OSHA and NIOSH work together, their roles are very different. Congress recognized this in the Occupational Safety and Health Act by placing them into separate Departments. NIOSH is the only Federal agency responsible for conducting occupational safety and health research, developing scientifically based recommendations, and conducting education programs to alleviate the shortage of safety and health professionals.

In contrast, OSHA is a regulatory agency responsible for setting and enforcing occupational safety and health standards. Although OSHA standards reflect scientifically based recommendations, they are also affected by questions of economic feasibility. If NIOSH were combined with OSHA, research would be driven by a regulatory agenda to the neglect of long-term needs and emerging problems. In my view, this would jeopardize the health and safety of working men and women.

Chairman Livingston: We're spending almost $400 million this year on the Community Services Block Grant program. This is basically the remnants of the old OEO (Office of Economic Opportunity) from the War on Poverty in the Sixties. The money goes basically to community action agencies for their basic operating support. After all these years, Madam Secretary, why shouldn't these local agencies be able to sustain themselves with local funding, rather than continuing to rely on the Federal government? Is this program high on your list of priorities, Madam Secretary?

Secretary Shalala: We've been clear about our priorities in the past, and when our FY 1996 budget comes out in February we'll be able to say more about those priorities. The Community Services Block Grant program issues grants to States, territories, and indian tribes to fund activities that serve the poor and underserved through a vast network of Community Action Agencies. Services provided with these funds include employment, education, housing assistance, nutrition, health, and anti-drug efforts. We view Community Action Agencies as valuable partners, both in the delivery of social services tailored to fit individual community and in the effort to mobilize resources from other sources. Further, block grant funding is consistent with Congress' desire to reduce the number of small discretionary grant programs.

Chairman Livingston: Secretary Shalala, funding for AIDS research has reached more than $1.3 billion this year. AIDS ranks well below other serious illnesses in the number of deaths caused each year, yet AIDS research spending exceeds that of diseases like diabetes and stroke. No one doubts the seriousness of the problem, but is our NIH research portfolio out of balance?

Secretary Shalala: I do not believe that our pursuit of research in the HIV/AIDS arena is "out of balance." As I previously stated, there are significant differences between AIDS and other diseases. Let's not forget that AIDS was only discovered a little more than a decade ago, and is already the number one leading cause of death for men between the ages of 25 and 44 and the second leading cause of death for all Americans in that age category.

Because AIDS is so new, our research must include all aspects of the disease, including: how it is transmitted, how to prevent it, how it progresses, what makes some individuals fall ill faster than others, and how to prevent those infections that are the cause of death. For other diseases, our research does not cover the gamut of issues that AIDS research must necessarily address.

In addition, I want to emphasize that we cannot always predict where scientific breakthroughs will occur -- and I expect that our work in HIV/AIDS will have pay-offs even beyond our expectations in other fields.

Chairman Livingston: Secretary Shalala, we are providing $12 million a year for something called the National Youth Sports Program. As I understand it, this money goes to the NCAA, which is a multi-million dollar enterprise, to run summer sports programs for teenagers at its otherwise idle athletic facilities. I'm sure the kids enjoy these programs, but does the Federal government really need to help finance them? The program already receives substantial private support. Couldn't we just turn this over to the private sector?

Secretary Shalala: The Department, as part of our efforts to reduce the number of small discretionary programs, did not request funding for the National Youth Sports Program in the FY 1995 budget. Although activities similar to those funded through the National Youth Sports program have merit, we believe that the Community Schools Program, authorized in the Violent Crime Reduction Act of 1994, will be a more effective and comprehensive community based effort. The Community Schools Program aims to help States and communities develop safe, nurturing environments for children, youth, and their families.

Chairman Livingston: I see we spend $4.5 million each year on a program called Native Hawaiian Health Care. Do we even know how many native Hawaiians there really are? Do they need their own health care system?

Secretary Shalala: I am not able to be specific yet about the contents of our FY 1996 budget request, but I can assure you that we are carefully reviewing the purpose and intent of every program, including the Native Hawaiian Health Care program.

Chairman Livingston: $4.1 million is spent each year to provide black lung medical services to a declining number of miners. Can we still afford to have this separate program when health services are available at regular clinics?

Secretary Shalala: As I mentioned, we are looking carefully at all of our programs, including HRSA's Black Lung Clinics program.

Mr. Dickey: Your department issued a policy directive to each State requiring they use Medicaid public funds for abortions in cases of rape or incest, or risk losing matching Federal funds, even though at least 36 States had specific laws or regulations prohibiting the use of such funds. Many of us were appalled to learn that the Administration misinterpreted the intentions of the Hyde Amendment in the 1994 and 1995 Labor, HHS, Education appropriations bill. To correct the problem, I introduced H.R. 222 to allow States to choose whether or not they wanted to provide public funds for abortions.

How much money is your department spending to fund Medicaid abortions and what effect has the Administration's misinterpretation of Congressional intent of the Hyde Amendment had on State Medicaid budgets and what are the future impacts on State Medicaid budgets?

Secretary Shalala: As mentioned above, the Department's interpretation of the FY 1994 and FY 1995 Hyde Amendments has been upheld by every court that has considered the issue.

Nine Federal District Courts, three United States Courts of Appeal, and Supreme Court Justice Scalia have affirmed the Department's interpretation.

In addition, the Congress had full knowledge of the Department's interpretation of the FY 1994 Hyde Amendment when it enacted the FY 1995 Hyde Amendment. The 1995 language is identical to the language in the FY 1994 Hyde Amendment.

Based on these points and careful review of the legislative history of all previous and current Hyde Amendments, we are confident that the Department's interpretation of the FY 1994 and 1995 Hyde Amendments is supported legally and properly reflects the intent of Congress.

Total expenditures for abortion services covered by Medicaid for which FFP was claimed in FY 1993, the last year in which abortion services were limited to cases where the woman's life was in danger, were $411,799. Total expenditures for abortion services covered by Medicaid for which FFP was claimed in FY 1994, a year in which coverage of abortion services was expanded to also include cases in which pregnancy was caused by rape or incest, were $431,789. This represents an increase in expenditures for which FFP was claimed of $19,990 (5 percent). It should be noted that only 21 jurisdictions requested FFP for abortions in FY 1993, and only 23 requested FFP for abortions in FY 1994. Actual State expenditures, therefore, are not available.

Since all but six States are now in compliance with the new Hyde Amendment, we do not anticipate any substantial increase in expenditures in future years.

Mr. Dickey: Last year, HCFA Administrator Vladeck informed this Subcommittee about a Federal Register solicitation for applications in the area of rural telemedicine. Can you briefly describe the rural telemedicine program, or the status of the solicitation Mr. Vladeck was describing?

Secretary Shalala: Under a HCFA contract entitled "Analysis of Expansion of Access to Care Through Use of Telemedicine," the Center for Health Policy Research in Denver Colorado conducted a three part study. The individual components of the study are: a comprehensive review of the literature, a case study report based upon eight in-depth site visits, and an analysis of coverage policies of other third-party payors have been completed. A final report containing summaries of the three individual reports, as well as an outline of a cross-cutting evaluation of telemedicine sites, was submitted in late December 1994.

In September 1993, HCFA awarded a grant to Iowa Methodist Medical Center for the Iowa Health System Telemedicine Project. Beginning April 1994, telemedical services are being delivered from Iowa Methodist Medical Center to two rural hospitals.

In January 1994, HCFA announced a general grants solicitation expressing interest in demonstrations and evaluations of the effectiveness of rural telemedicine systems and payment methodologies for telemedicine consultations. It received 14 applications in the area of telemedicine, and awarded five grants in July 1994. HCFA funded payment demonstrations for telemedicine services at West Virginia University, East Carolina University, and Mercy Hospital in Des Moines, as well as an evaluation of two telemedicine sites by the University of Michigan and a project to develop a data collection system at the Telemedicine Research Center, Portland Oregon.

Applications for HCFA's next general grants solicitation are due February 7, 1995. Numerous inquiries from telemedicine programs have been received, and HCFA anticipates approximately 20 proposals in the telemedicine area.

Mr. Dickey: How much money does HHS put toward rural health programs?

Secretary Shalala: In FY 1994, for discretionary rural health programs, we spent a total of $581 million. This included $541 million in the Public Health Service, primarily NIH and HRSA. In addition, HCFA spent almost $40 million in discretionary funding of rural health, largely through its Rural Health Transition Grant program.

Mr. Dickey: Because of the explosion of SSI cases since the Zebley decision in 1990, we have seen a dramatic increase in the number of SSI cases from 296,000 in 1989 to 847,000 in 1994. To help curb incidences of fraud and abuse, I introduced H.R. 222 to convert cash to vouchers for SSI recipients under 18 years old. What is your department doing to ensure that all 847,000 of those cases are legitimate uses of public funds to compensate for disabilities, and not a result of parents coaching children or alcoholics or drug addicts perpetuating their addictions?

Secretary Shalala: Regarding the issue of parents coaching children: In May of 1994, we completed a study of about 600 cases of children receiving SSI because of behavioral or learning problems. We found no evidence of widespread coaching by parents or malingering. However, because we continue to receive allegations and anecdotal information, we have taken several steps to help detect, prevent and deter fraud in the program:

-- We have issued instructions to all SSA employees explaining their role in detecting when coaching has occurred and the actions that should be taken in these situations.

-- We have issued instructions to adjudicators requiring that requests for information from teachers and other school personnel specifically ask whether the source has knowledge that the child has been coached.

-- We have established a special review of all childhood disability claims in which coaching is either specifically alleged or suspected by adjudicators in the State agencies that work with SSA to evaluate the cases.

-- We have established an 800 number in each region to permit teachers and other school personnel to make reports to SSA on an individual basis, and issued an open letter to teachers that explains their role in providing the information used in deciding a child's claim.

-- We have developed open letters to parents which describe the thoroughness of the childhood evaluation process, and emphasize that coaching can be considered fraud which is punishable by fines and/or imprisonment.

We have investigated every allegation of coaching that comes to our attention and will continue to do so.

Regarding drug addicts and alcoholics perpetuating their addictions:

Public Law (P.L.) 103-296, the Social Security Independence and Program Improvements Act of 1994, was signed on August 15, 1994. It places a 36-month limitation on SSI benefit payments to SSI beneficiaries for whom drug addiction and alcoholism (DAA) is a contributing material factor to the determination of disability. In addition, this legislation requires that benefits to all DAAs must be paid to representative payees who will manage funds on their behalf.

Previously, these beneficiaries were monitored in only 18 states. During fiscal year (FY) 1994 and FY 1995, SSA expanded the program so that there are now referral and monitoring agencies in 49 states and the District of Columbia.

Since P.L. 103-296 extended the referral and monitoring program to Disability Insurance beneficiaries who are disabled because of drug addiction or alcoholism, SSA must award new contracts for their referral and monitoring. SSA expects to award new contracts by September 1995. This will allow SSA to refer for treatment and monitoring all individuals who are disabled because of drug addiction or alcoholism.

On August 15, 1994, the President signed Public Law 103-296, the Social Security Independence and Program Improvements Act of 1994. Section 201 of this act contains several provisions concerning the payment of Social Security Disability Insurance (DI) and Supplemental Security Income (SSI) benefits to individuals disabled based on a finding that drug addiction or alcoholism (DAA) is a contributing factor to the finding of disability.

The intent of the provision is to prevent recipients from using DI or SSI benefits to support their addiction to drugs or alcohol. Most of the provisions in this legislation are effective with payments issued beginning March 1, 1995. The legislation requires that all beneficiaries receiving benefits based on DAA must attend and make progress in treatment, when available, at approved facilities. Previously, SSI DAA beneficiaries were monitored in only 18 states. During fiscal year FY 1994 and FY 1995, SSA expanded the program so that there are now referral and monitoring agencies in 49 States and the District of Columbia.

The new legislation requires that all disability beneficiaries whose disability determinations are based on DAA have a representative payee; additionally it requires that beginning March 1, 1995, in most cases, payments must be terminated after 36 months, and suspended or terminated earlier if a beneficiary is not complying with a treatment program. Finally, the law prohibits large one-time payments of past-due benefits; they must now be paid in installments.

Mr. Dickey: According to CDC, the American Cancer Society, CRS, and other sources, in 1993 the level of funding for AIDS-research per person afflicted with AIDS or the HIV virus was nearly $1,072. That is compared to $256 per person afflicted with cancer, and $37 for persons with heart disease. Can you explain why there is such a disparity?

Secretary Shalala: Yes, I certainly can. Comparisons of the type you are suggesting can be a bit misleading. AIDS is now the number two cause of death for all Americans between 25-44 years of age, but the number one cause of death among men in this age group. This is dramatic for a disease that was unknown to us before 1981. This ranking may be even more significant in future years given the lead time, sometimes as long a 10 years, between infection and manifestations of AIDS.

There are also important distinctions between the diseases you mention: AIDS is infectious, the others are not. In the aggregate, AIDS hits people at a younger age than the other diseases you mention, leading to more years of productive life lost. The changing demographic of the AIDS epidemic is skewing more and more to individuals in lower economic brackets. This will mean that more and more, AIDS patients will rely on the public sector to finance the cost of their care.

But the most important reason that such comparisons are not always appropriate is the nature of scientific inquiry itself. Many times breakthroughs occur in areas totally unrelated to the "label" we place on the basic research project. This "spin-off" effect is unpredictable. When we talk about basic science, we really need to get away from looking at our investments in "boxes."

THURSDAY, JANUARY 12, 1995.

GENERAL ACCOUNTING OFFICE

WITNESSES

MARK V. NADEL, ASSOCIATE DIRECTOR, NATIONAL AND PUBLIC HEALTH ISSUES

JANE L. ROSS, DIRECTOR, INCOME SECURITY ISSUES, HEALTH, EDUCATION AND HUMAN SERVICES DIVISION

LINDA MOORE, DIRECTOR, EDUCATION AND LABOR

Mr. PORTER. If I can inform the Members of the subcommittee, we now have the General Accounting Office, The Heritage Foundation, Citizens Against Government Waste and 60 Plus to testify in the next hour. We will allocate 30 minutes to the General Accounting Office, perhaps with a chance for questions from Members and then 10 minutes each to the other three groups.

I might say that we offered Mr. Obey a chance to have additional witnesses, and he has declined to do that.

Mr. OBEY. That is not Mr. Obey's understanding. My understanding is that we do have a slot reserved next week, but I felt that it was futile to try to have a witness to respond to what GAO might be doing when we have no idea what GAO is recommending today. It is pretty hard to have somebody respond to what GAO is presenting when we don't ourselves have any copies of what GAO is presenting.

Mr. PORTER. Well, neither do we, obviously, but we wanted to give you that opportunity.

Mr. OBEY. Well, we will take the opportunity after we have something concrete to respond to.

Mr. PORTER. From GAO, we have the Associate Director, National and Public Health Issues, Mark Nadel; and Jane Ross, the Director of Income Security Issues for the Division of HHS. And we welcome both of you here today.

Mr. Nadel, you might want to start.

OPENING STATEMENT

Mr. NADEL. Thank you, Mr. Chairman. I will be delivering our testimony, and both of us will answer questions. I will try to summarize my statement briefly so that the Members have an opportunity to ask questions during our allotted time.

We are pleased to be here today to testify on issues relevant to potential budget rescissions at the Department of Health and Human Services. Today, we would like to emphasize three main points: First, opportunities exist to reduce the HHS budget through increased administrative efficiencies and targeting ineffective programs. Second, through targeting, the Congress could preserve funding for essential administrative functions that enable agencies to avoid unnecessary or wasteful expenditures. Third, HHS currently does not have the management and evaluation systems to determine whether certain of its programs work as intended.

The first area for savings that I will address concerns program overlap and fragmentation. I will summarize this briefly as it has been extensively discussed already by the Members.

HHS administers over 250 grant programs. Many of these programs serve the same client populations, share common goals and provide similar services. Our work has shown that multiple agencies within HHS and other departments are each devoting scarce resources to separately administer and monitor separate programs which raises questions about efficiency and possible savings.

For example, more than 90 Federal programs administered by 11 separate agencies provide education, child care and other services to very young children. In a 1994 study we reported that HHS ran 10 of the 34 preschool and child care programs. In this situation, one disadvantaged child could be eligible for as many as 13 programs. So many institutions and other entities conduct oversight, administration and service delivery that coordination among these programs is a daunting proposition.

Similarly, HHS administers 14 of the 163 Federally funded employment training programs which overlap with other agencies' programs and the JOBS program. A very large one, for example, overlaps extensively with Labor's Job Training Partnership Act.

Not only are many programs duplicative and fragmented but some do not meet their objectives. Consider the grant programs for medical and other health professions education. Among the major goals of these programs is to improve the supply of primary health care providers, their distribution to underserved areas and the representation of minority health professionals, but there is no evidence that they have done so.

In the last 10 years, about $2 billion has been provided for 30 of these programs. Although savings are possible in administrative expenses by reducing program overlap and duplication, cutting certain administrative expenditures can sometimes be counterproductive.

In the entitlement programs, the savings resulting from reduced administrative budgets are much more than offset by waste and abuse in payments that would otherwise be avoided.

We have reported over the years that cutting administrative costs in entitlement programs, specifically cutting that portion used to safeguard a program against fraud and abuse, can be penny-wise but pound foolish. Only about 2 percent of medicare's total expenditures is for administrative cost, covering, among other things, antifraud and abuse activities. However, government funding of these and other payment control activities has declined relative to the growing number of medicare claims, resulting in an inability to adequately audit billing practices.

Similarly, because social security focused resources on processing initial disability claims, the agency has not met the requirement of a periodic review of eligibility of beneficiaries who may no longer be disabled. The result is that the trust fund will pay an estimated $2.5 billion in unnecessary benefits through 1997, as estimated by Social Security itself.

In the long run, HHS needs to have program evaluations and information systems to insure that the taxpayer gets his money's worth, but because of problems in these areas HHS often doesn't know if its programs are effective and efficient.

One of the largest programs that concerns us is the JOBS program, the Federal employment training program designed specifically to provide parents receiving AFDC the help they need to find jobs and get off welfare. Since JOBS began in 1989 the Federal and State governments have spent almost $8 billion for training and other services, but today, after more than five years, we do not know whether the program actually helps people get jobs. HHS does not track the number of jobs participants who get or retain jobs or leave AFDC each year.

We also have questions about the Department's evaluation strategy. For example, since 1970, HHS has been authorized to use up to 1 percent of its appropriations for evaluating programs, but we have found that the agency has not effectively used that set-aside to develop information about how well programs work.

The Department did not have a system for summarizing what is known about the effects of health programs, and, thus, there is no body of knowledge in which the various evaluation studies have been pulled together to give us lessons about what works better and what works worse.

In addition, our current work shows that HHS has information system problems that threaten to keep the Department from achieving efficiencies. In September, 1994, we reported to this subcommittee that SSA is starting to modernize systems nationwide. Now, such efforts could enable the government to save millions of dollars in improved operations, including the prevention of fraud and abuse. However, SSA, which was appropriated $317 million, was proceeding without first determining operational requirements and resource needs. We believe better planning is essential.

In conclusion, our work clearly points to opportunities to streamline, consolidate or reconsider various HHS programs and the need to target cuts so that essential administrative activities remain intact and vigorous.

Finally, top management at HHS needs the information tools necessary to reallocate resources to where they can be used most effectively. As this subcommittee continues to seek areas for savings, we are committed to assisting you in any way we can.

Mr. Chairman, this concludes our prepared remarks, and we would be pleased to answer any questions.

Mr. BONILLA [presiding]. Thank you.

[The prepared statement of Mark V. Nadel follows:]

United States General Accounting Office

GAO

Testimony

Before the Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations
House of Representatives

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HEALTH AND HUMAN SERVICES

Opportunities to Realize Savings

Statement of Mark V. Nadel, Associate Director
National and Public Health Issues and
Jane L. Ross, Director, Income Security Issues
Health, Education, and Human Services Division

GAO/T-HEHS-95-57

88-460 110

Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to testify on issues relevant to potential budget reductions and rescissions at the Department of Health and Human Services (HHS). With estimated outlays of over $315 billion, HHS is the largest department in the government. Its budget has two major components---entitlements and discretionary spending. The former covers Medicare, Medicaid, Social Security, and Aid to Families with Dependent Children (AFDC). Most of its fiscal year 1995 discretionary budget of $34.16 billion funds the administration of the entitlement programs and the National Institutes of Health (NIH). The rest covers programs such as drug abuse prevention and treatment, community health centers, and Head Start. (See fig. 1). A list of HHS' agencies and major programs appears in Appendix 1.

Taken together, the numerous reports we have issued in recent years on HHS programs suggest that the Department warrants a comprehensive "scrub" of all its activities, with the goal of eliminating, reducing, or consolidating programs. Today we would like to emphasize three main points. First, opportunities exist to reduce HHS' budget through increased administrative efficiencies and targeting ineffective programs. Second, through targeting, the Congress could preserve funding for essential administrative functions that enable agencies to avoid unnecessary or wasteful expenditures. Third, HHS currently does not have the tools--an adequate program evaluation strategy or modern information systems--to determine whether its programs work.

AREAS FOR SAVINGS

Program Overlap and Fragmentation

The growth in HHS' responsibilities over time has resulted in its having to administer over 250 grant programs. Many of these programs serve the same client populations, share common goals, and provide similar services. Our work has shown that multiple agencies within HHS and other departments are each devoting scarce resources to separately administer and monitor similar programs. This extensive overlap raises efficiency questions while pointing the way to potential savings. Our reports on programs offering services for maternal and child health, substance abuse prevention, at-risk youth, and employment illustrate this point.(See Appendix 2 for a list of programs in these four areas.) Consider the following examples:

-- Seven programs fund the delivery of health services for pregnant women and children.[1] Six HHS units share federal administration, 10 regional offices monitor programs, and at least 2 agencies in each state have administrative duties for 5 of these programs. So many institutions and other entities conduct oversight, administration, and service delivery that coordination among the programs is daunting.

-- More than 90 federal programs administered by 11 separate federal agencies provide education, child care, and other services to very young children. In a 1994 study, we reported that HHS ran 10 of the 34 preschool and child care programs. In this situation, one disadvantaged child could have been eligible for as many as 13 programs.[2]

-- HHS administers 14 ($1.9 billion) of the 163 federally funded employment training programs. These programs overlap with programs administered by other agencies. For example, the JOBS program ($1.3 billion) overlaps extensively with the Department of Labor's Job Training Partnership Act (JTPA) employment training program. Both programs aim at enhancing clients' participation in the work force and reducing welfare dependency. They offer many of the same services, such as counseling and vocational training. Both programs operate extensive bureaucracies at the federal, state, and local levels. At the local level, JTPA administers its services through 630 service delivery areas, and JOBS funnels services through a network of 3,000 state or county-run welfare offices.

In sum, multiple grant programs targeting the same clients and problems cost more to administer and oversee than would consolidated programs. Our work suggests that, within HHS alone, better integration and less duplication could not only reduce federal spending but alleviate the administrative burden on service providers.

Ineffective Programs

Not only are many programs duplicative and fragmented, but some do not meet their objectives. Consider certain education programs for the health professions authorized under Titles VII and VIII of the Public Service Act. In a 1994 report, we concluded that, because certain of these programs did not appear to meet their objectives, the Congress should rethink their role in

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[1] Federally Funded Health Services: Information on Seven Programs Serving Low-Income Women and Children,(GAO/HRD-92-73FS, May 1992).

[2] Early Childhood Programs: Multiple Programs and Overlapping Target Groups, (GAO/HEHS-95-4FS, Oct. 1994).

improving access to health care.[3] Specifically, these programs showed no evidence of significantly improving the supply of primary health care providers, their distribution to underserved areas, or minority representation of health professionals. In the last 10 years, about $2 billion has been provided for over 30 of these programs. Although the Congress acted in 1992 to target Title VII and VIII funding more specifically for primary care and underserved areas, we believe that these actions are not likely to have much impact.

REDUCTIONS IN ADMINISTRATIVE ACCOUNTS NEED TO BE TARGETED

Although savings are possible in administrative expenses by reducing program overlap and duplication, cutting certain administrative expenditures can sometimes be counterproductive. In the entitlement programs, the savings resulting from reduced administrative budgets are much more than offset by waste and abuse in payments that would otherwise be avoided. We have reported over the years that cutting administrative costs in entitlement programs--specifically, cutting that portion used to safeguard a program against fraud, overcharges, and abuse--can be pennywise but pound foolish. Preserving funds for Medicare program safeguard activities and for reviewing eligibility for Social Security disability payments is an investment with proven results. In fact, we believe that insufficient resources are dedicated to these activities in both programs.

-- Only about 2 percent of Medicare's total expenditures ($156 billion in fiscal year 1993) is for administrative costs, covering, among other things, antifraud and abuse activities. However, government funding of these and other payment control activities has declined relative to the growing number of Medicare claims. At this funding level, physicians, supply companies, or diagnostic laboratories have about 3 chances out of 1,000 of having Medicare audit their billing practices in any given year.

-- Similarly, in SSA's Disability Insurance (DI) and Supplemental Security Income (SSI) programs, laws require periodic reviews

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[3] Health Professions Education: Role of Title VII/VIII Programs in Improving Access to Care is Unclear (HEHS-94-164, July 1994). Titles VII and VII of the Public Health Service Act authorize 30 different programs for dealing with the supply and distribution of health professionals and the recruitment and retention of minorities in health professions schools. Title VII focuses mainly on physicians, dentists, physician assistants, and allied health personnel, while Title VIII programs focus on nurses. Both titles include programs for direct student assistance as well as grants to institutions.

of eligibility status. SSA has not met this requirement in its DI program because it has diverted eligibility review resources to process initial claims, which in recent years were submitted in unprecedented numbers. SSA estimates that social security trust funds will pay unnecessary benefits of almost $2.5 billion through 1997 as a result of SSA's not performing all required reviews from 1990 to 1993. Accounting for the $1.1 billion cost of doing these reviews, the trust funds would have realized a net savings of $1.4 billion had the reviews been done. The SSI program faces a similar situation of not performing eligibility reviews.

MANAGEMENT IMPROVEMENTS NEEDED FOR LONGER TERM SAVINGS

In the long run, HHS needs to have program evaluations and information systems to ensure that resources are used efficiently, effectively, and as intended. Currently, however, because of deficiencies in these areas, the Department often does not know if particular programs are effective--that is, if they effect a positive change that would not happen without federal dollars.

One of the largest programs that concerns us is the JOBS program, a federal employment training program designed specifically to provide parents receiving Aid to Families with Dependent Children (AFDC) the help they need to find jobs and avoid long-term welfare dependence. Since JOBS began in 1989, the federal and state governments have spent almost $8 billion to provide AFDC recipients with education, training, and support services, including child care. Today, however, more than 5 years after JOBS' implementation, we do not know whether the program actually helps welfare recipients get jobs. Data are available on dollars spent, services provided, and the number and type of participants served. These data tell us nothing about whether the program is getting people jobs. HHS does not track the number of JOBS participants who get or retain jobs or leave AFDC each year.

Overall, the Department's evaluation strategy is deficient. For example, since 1970 PHS has been authorized to use up to 1 percent, currently about $220 million, of its appropriations for evaluating programs authorized by the Public Health Service Act. Yet, in our review of this evaluation set-aside in fiscal years 1988-1992, we found that the agency had not effectively used it to develop information about the effectiveness of federal health programs and provide such information to the Congress.[4] HHS did not have a system for summarizing what is known about the effects of PHS programs, and thus no body of knowledge pulls together what studies have reported over the years. Similarly, a recent report

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[4] Public Health Service: Evaluation Set-Aside Has Not Realized Its Potential to Inform the Congress (PEMD-93-13, Apr. 1993).

by the HHS Inspector General could not find any evidence of how well PHS agencies were integrating current evaluations into program planning and budgeting.[5]

In addition to program evaluation deficiencies, our current work shows that HHS has information system problems that threaten to keep the Department and its subagencies from achieving efficiencies. Computer modernization efforts could enable the Department to save millions of dollars in improved operations and fraud and abuse detection.

In our September 1994 report to your Subcommittee, we reported our concern that SSA is starting to modernize systems nationwide--including about 1,300 field offices--without first determining operational requirements and resource needs. Specifically, the implementation is not focused on how and where new technology can best be used to handle increasing workloads and improve public service, either in the short or long term. Although SSA is taking steps to better define its requirements and needs through reengineering and planning initiatives, systems implementation is proceeding independently of these initiatives. Meanwhile, SSA has been appropriated $317 million in no-year funding (that is, $220 million in 1994 and $97 million in 1995) to implement this systems modernization. We have recommended to SSA that it accelerate planning and reengineering efforts and, if necessary, delay the installation of its new technology until these efforts substantiate the number, locations, and capabilities of the equipment required to support their needs.[6]

Lack of adequate management information systems can hamper the Congress's ability to provide timely oversight of HHS programs. For example, the law requires HHS, on an annual basis, to report to the Congress specific programmatic and fiscal information about its National Health Service Corps programs, but it has not done so for the last 5 years. HHS does not have an adequate system for collecting and compiling this information. To illustrate, the Corps does not know how many doctors remain in their locations for more than a year after their obligations end.

CONCLUSION

As the largest federal department, HHS has been entrusted with billions of dollars to manage hundreds of programs that are important to the American public. With this responsibility,

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[5]HHS Office of Inspector General, Review of Public Health Service Systems for Assuring that Programs are Necessary, Productive, and Nonduplicative, A-01-93-01514 (Sept. 1994).

[6]Social Security Administration: Risks Associated With Information Technology Investment Continue (GAO/AIMD-94-143, Sept. 1994)

however, has come significant administrative inefficiencies and questionable program results. Our work clearly points to opportunities to streamline, consolidate, or reconsider various HHS programs and the need to target cuts so that essential administrative activities remain. Finally, top management needs the information tools necessary to reallocate resources to areas where they can be used most effectively.

As this subcommittee continues to seek areas for savings, we are committed to assisting you in any way we can.

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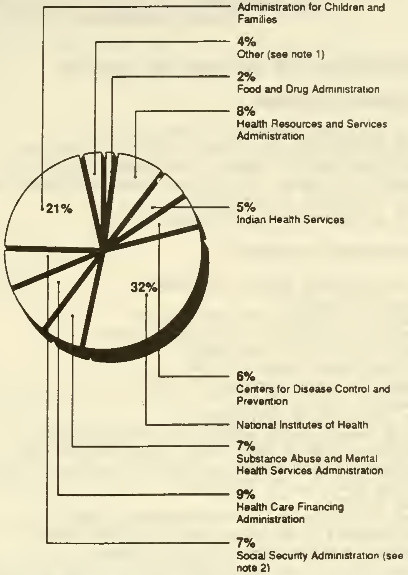
Mr. Chairman, this concludes our prepared remarks. We would be pleased to respond to any questions from you and the subcommittee.

Figure 1: Estimated Major Discretionary 1995 Outlays of HHS (excluding the Social Security Administration)



1. "Other" includes the Agency for Health Care Policy and Research, the Administration on Aging, the Office of the Secretary, and the Office of the Assistant Secretary for Health (including other Public Health Service programs).

2. The Office of Management and Budget regards these outlays as part of the HHS budget.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES MAJOR PROGRAM ACTIVITIES

ADMINISTRATION FOR CHILDREN AND FAMILIES

Entitlement Programs

Family support payments to states
Job opportunities and basic skills training
State legalization impact assistance grants
Payments to states for foster care and adoption assistance
Social services block grant
Family preservation and support

Discretionary Programs

- Low Income Home Energy Assistance
- Community Services
  - Community Service Block Grants
  - Emergency Community Homeless Grant
  - Demonstration Partnership
  - Discretionary Activities
  - Community Food and Nutrition
  - Community Initiative
- Child Care and Development
  - Child Development Associate Scholarships
  - Temporary Child Care and Crisis Nurseries
  - Dependent Care Planning and Development Grants
- Children and Family Services
  - Head Start
  - Comprehensive Child Development Center
  - Comprehensive Runaway and Homeless Youth
  - Runaway and Homeless Youth Program
  - Transitional Living Program for Homeless Youth
  - Drug Education and Prevention Program for Runaway Youth
  - Youth Initiative/Youth Gang Drug Prevention Program
  - Family Violence
  - Child Abuse State Grants
  - Child Abuse Discretionary Activities
  - Child Abuse Community Based Prevention
  - Emergency Protection Grants-Substance Abuse
  - Advisory Board on Child Abuse and Neglect
  - Child Welfare Services
  - Child Welfare Training
  - Child Welfare Research and Demonstration
  - Adoption Opportunities
  - Abandoned Infants
  - Developmental Disabilities Basic State Grants
  - Developmental Disabilities Protection and Advocacy

Developmental Disabilities Projects of National Significance
Developmental Disabilities University Affiliated Programs
Native American Programs
Social Services Research and Demonstration
Family Resource Centers
Family Support Centers
Federal Administration

Refugee Resettlement
Transitional and Medical Services
Social Services
Preventive Health
Targeted Assistance

ADMINISTRATION ON AGING

Supportive Services and Centers
Preventive Health Services
Aging Ombudsman Activities
Elder Abuse
Nutrition
Congregate Meals
Home Delivered Meals
In-Home Services for the Frail Elderly
Outreach, Public Benefit and Insurance Counseling
Grants to Indian Tribes
Evaluation of the Older Americans Act of 1965
Aging, Training, Research and Discretionary Programs
Federal Council on Aging
Program Direction/Federal Administration
Volunteer Senior Aid Demonstration

HEALTH CARE FINANCING ADMINISTRATION

Payments to Health Care Trust Funds
Grants to States for Medicaid
Program Management
Health Maintenance Organization Loan and Loan Guarantee Fund
Medicare and Medicaid Coverage Data Bank

PUBLIC HEALTH SERVICE

Office of the Assistant Secretary of Health

Adolescent family life
Adolescent health
Disease prevention/health promotion
Physical fitness and sports
Minority health
HIV program coordination

Vaccine program
Research integrity
Women's health
Emergency preparedness
Health care reform

<u>Agency for Health Care Policy and Research</u>

Research on health care costs, quality and access
Medical treatment effectiveness program
Alzheimer's disease
HIV/AIDS
National Medical Expenditure Survey

<u>Agency for Toxic Substances and Disease Registry</u>

Public health assessments
Health investigations
Toxicological profiles
Applied research
Mandates registries
Emergency response and consultations
Health education

<u>Substance Abuse and Mental Health Services Administration</u>

Mental health
Substance abuse prevention
Substance abuse treatment
Block grants to states

<u>Centers for Disease Control AND Prevention</u>

Preventive health block grants
Prevention centers
Sexually transmitted diseases
Immunization
Infectious diseases
Chronic and environmental diseases
Occupational health
Epidemic Services
Health statistics
HIV
Research
Training

<u>Health Resources and Services Administration</u>

Community Health Centers
Migrant Health Centers

Black lung clinics
Health care for the homeless
National Health Service Corps
National Health Service Corp Recruitment
Hansen's Disease Center
Pacific basin initiative
Payment to Hawaii for the treatment of Hansen's disease
Public housing health services
Alzheimer's demonstration grants
Health professions curriculum assistance
Native Hawaiian health care
Nursing loan repayment
Maternal and child health block grant
Health start
Pediatric EMS
Health teaching facilities
Organ transplantation
Trauma care demonstration
Family planning
Health services outreach demonstration
Rural health research
State offices of rural health
HIV
Minority male grant

National Institutes of Health (Priority areas)

Patient care information systems
HIV/AIDS research
Breast cancer research
Vaccine development
Women's health initiative
Minority health initiative
Tuberculosis research
High performance computing

SOCIAL SECURITY ADMINISTRATION

Payments to Social Security Trust Fund
Special Benefits for Disabled Coal Miners
Supplemental Security Income Program

HHS GRANT PROGRAMS IN FOUR AREAS

MATERNAL AND CHILD HEALTH PROGRAMS

These programs were sorted by keywords in the 1994 Catalog of Domestic Federal Assistance. The program list does not include all programs that might be considered in the category of maternal and child programs. For example, Childhood Lead Poisoning Prevention Projects - State and Community-Based Childhood Lead Poisoning Prevention Program (93.197) was not keyed to maternal and child health and so does not appear on this list. Programs may be listed under more than one keyword. For example, Head Start is considered a child welfare program and a maternal and child health program and appears on both lists.

ADMINISTRATION FOR CHILDREN AND FAMILIES

93.575 Payments to States for Child Care Assistance
93.600 Head Start
93.608 Child Welfare Research and Demonstration
93.614 Child Development Associate Scholarships
93.666 Comprehensive Child Development Centers
93.554 Emergency Protection Grants - Substance Abuse

PUBLIC HEALTH SERVICE

Centers for Disease Control and Prevention

93.268 Childhood Immunization Grants
93.946 Cooperative Agreements to Support State-Based Infant Health Initiative Programs

Health Resources and Services Administration

93.917 HIV Care Formula Grants
93.151 Project Grants for Health Services to the Homeless
93.110 Maternal and Child Health Federal Consolidated Programs
93.127 Emergency Medical Services for Children
93.153 HIV Demonstration Program for Children, Adolescents, and Women
93.288 National Health Service Corps Scholarship Program
93.926 Healthy Start Initiative
93.927 Residents of Public Housing Primary Care Program
93.994 Maternal and Child Health Services Block Grant to the States

Substance Abuse and Mental Health Services Administration

93.101 Grants for Residential Treatment Programs for Pregnant and Postpartum Women

93.102 Demonstration Grants for Residential Treatment for Women and Their Children
93.104 Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances
93.169 Demonstration Grants on Model Projects for Pregnant and Postpartum Women and Their Infants (Substance Abuse)
93.937 Comprehensive Residential Drug Prevention and Treatment Projects for Substance-Using Women and Their Children

CHILD WELFARE PROGRAMS

These programs were sorted by keywords in the 1994 Catalog of Domestic Federal Assistance. The program list does not include all programs that might be considered in the category of child welfare programs. Programs may be listed under more than one keyword. For example, Head Start is considered a child welfare program and a maternal and child health program, and appears on both lists.

ADMINISTRATION FOR CHILDREN AND FAMILIES

93.551 Abandoned Infants
93.574 Child Care for Families At-Risk of Welfare Dependency
93.575 Payments to States for Child Care Assistance
93.600 Head Start
93.608 Child Welfare Research and Demonstration
93.614 Child Development Associate Scholarships
93.623 Runaway and Homeless Youth
93.643 Children's Justice Grants to States
93.645 Child Welfare Services - State rants
93.648 Child Welfare Services Training Grants
93.652 Adoption Opportunities
93.656 Temporary Child Care and Crisis Nurseries
93.658 Foster Care-Title IV-E
93.659 Adoption Assistance
93.666 Comprehensive Child Development Centers
93.667 Social Services Block Grant
93.669 Child Abuse and Neglect State Grants
93.670 Child Abuse and Neglect Discretionary Activities
93.672 Community-Based Prevention Program
93.673 Grants to States for Planning and Development of Dependent Care Programs
93.674 Independent Living
93.657 Drug Education and Prevention for Homeless Youth
93.586 State Court Improvement Program
93.554 Emergency Protection Grants - Substance Abuse
93.563 Child Support Enforcement
93.564 Child Support Enforcement Research
93.572 Emergency Community Services for the Homeless
93.578 Family Support Center and Gateway Demonstration Program
93.585 Empowerment Zones Program

HEALTH CARE FINANCING ADMINISTRATION

93.779 Health Care Financing Research, Demonstrations and Evaluations

PUBLIC HEALTH SERVICE

Centers for Disease Control and Prevention

93.197 Childhood Lead Poisoning Prevention Projects - State and Community-Based Childhood Lead Poisoning Prevention Program

Health Resources and Services Administration

93.127 Emergency Medical Services for Children

Office of the Assistant Secretary for Health

93.910 Community Coalition Demonstration Projects to Support Health and Human Services Needs for Minority Males

Substance Abuse and Mental Health Services Administration

93.104 Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances
93.937 Comprehensive Residential Drug Prevention and Treatment Projects for Substance-Using Women and Their Children

NARCOTICS/DRUG PROGRAM

These programs were sorted by keywords in the 1994 Catalog of Federal Domestic Assistance. Programs such as Grants for Residential Treatment Programs for Pregnant and Postpartum Women (93.101) and Demonstration and Residential Treatment for Women and Their Children (93.102) are listed under "Maternal and Child Health" rather than "Narcotics/Drug Abuse." Therefore, although they deal with drug abuse issues, these programs are not included in this list. Similarly, HIV/AIDS and Related Diseases Among Substance Abusers: Community-Based Outreach and Intervention Demonstration Program (93.949) is categorized under "AIDS," "Communicable diseases," and "Health planning" rather than "Narcotics/Drug Abuse."

ADMINISTRATION FOR CHILDREN AND FAMILIES

93.657 Drug Education and Prevention for Homeless Youth
93.660 Youth Initiative/Youth Gangs
93.554 Emergency Protection Grants-Substance Abuse

PUBLIC HEALTH SERVICE

Health Resources and Services Administration

93.177 Integrated Community-Based Primary Care and Drug Abuse Treatment Services

Office of Minority Health, Office of the Assistant Secretary for Health

93.910 Community Coalition Demonstration Projects to Support Health and Human Services Needs for Minority Males

Substance Abuse and Mental Health Administration

93.109 Linking Community-Based Primary Care, Substance Abuse, HIV/AIDS, and Mental Health Treatment Services
93.122 Cooperative Agreements for Substance Abuse Treatment and Recovery
93.131 Cooperative Agreements for Addiction Treatment Training Centers
93.132 Managed Care Demonstration Models for SSI Beneficiaries Disabled Due to Addiction to Alcohol and Other Drugs
93.144 Demonstration Grants for the Prevention of Alcohol and Other Drug Abuse Among High-Risk Youth
93.150 Projects for Assistance in Transition from Homelessness (PATH)
93.169 Demonstration Grants on Model Projects for Pregnant and Postpartum Women and Their Infants (Substance Abuse)
93.174 Conference Grant (Substance Abuse)
93.194 Community Partnership Demonstration Grant
93.196 Cooperative Agreements for Drug Abuse Treatment Improvement Projects in Target Cities
93.218 Substance Abuse Treatment Conference Grants
93.274 Clinical Training Grant for Faculty Development in Alcohol and Other Drug Abuses
93.901 Communications Programs Aimed Toward the Prevention of Alcohol, Tobacco, and Other Drug Problems
93.902 Model Comprehensive Drug Abuse Treatment Programs for Critical Populations
93.903 Model Criminal Justice Drug Abuse Treatment for Incarcerated Populations, Non-Incarcerated Populations and Juvenile Justice Populations
93.911 Cooperative Agreements for Drug Abuse Campus Treatment Demonstration Projects
93.937 Comprehensive Residential Drug Prevention and Treatment Projects for Substance-Using Women and Their Children
93.950 Capacity Expansion Program
93.959 Block Grants for Prevention and Treatment of Substance Abuse

EMPLOYMENT GRANT PROGRAMS

This list was developed by GAO on the basis of information from the 1994 Catalog of Federal Domestic Assistance, a review of federal statutes and regulations and a review of agency documents.

ADMINISTRATION FOR CHILDREN AND FAMILIES

93.561 Job Opportunities and Basic Skills Training
93.569 Community Services Block Grant
93.570 Community Services Block Grant-Discretionary Award
93.573 Community Services Block Grant Discretionary Awards-Demonstration Partnership
93.576 Refugee and Entrant Assistance-Discretionary Grants
93.566 Refugee and Entrant Assistance-State Administered Programs
93.567 Refugee and Entrant Assistance-Voluntary Agency Programs
93.578 Family Support Centers and Gateway Demonstration Program
93.565 State Legalization Impact Assistance Grants
93.550 Transitional Living for Runaway and Homeless Youth
93.674 Independent Living

PUBLIC HEALTH SERVICE

Health Resources and Services Administration

93.925 Scholarships for Health Professions Students From Disadvantaged Backgrounds
93.822 Health Careers Opportunity Program

Mr. BONILLA. Ms. Ross, did you have something, a presentation, as well?

Ms. ROSS. No. I am available to answer questions.

ACCESS TO HEALTHCARE

Mr. BONILLA. I would like to begin with a couple of previous questions.

On page 2 and 3 of the testimony that you submitted to this committee you talk about Congress rethinking its role in improving access to health care. Having a district that is gigantic, 58,000 square miles, I found that some of these programs are highly effective in the sense that if it brings one additional health care provider in some cases to the area where there was none, into an area the size of New Jersey, it was effective. But do you have any additional thoughts on how to improve some of these programs in some of these rural areas?

Mr. NADEL. We are actually currently doing work on the National Health Service Corps. Because that work is in progress, I am unable to share where we are coming out on it, but we are looking, for example, at the wealth of efficacy, at the loan repayment program versus the outright scholarship grant program.

One of the things we have found, however, is that the Department itself doesn't keep records of retention of Corps members beyond a year after they leave the program. We think it would be important to have long-term information on retention. That way we could know, for example, what is the pattern. Do certain people who are in the Corps stay over the long term, remain in their communities? What are the characteristics of those people? What are their experiences so that we could try to replicate that and bring more help to rural communities?

I should also say, for example, that the Title VII and Title VIII programs haven't proven their effectiveness, the real problem is we don't know what would have happened in the absence of those programs. We do know that a lot of money is going to the medical schools, that certain students receive scholarships, but what we don't know is are they then more likely to serve in underserved areas.

There is, for example, the assumption that minority students are more likely to serve in minority areas. Recent research simply doesn't bear that out. So that it is that kind of thing we are questioning.

Mr. BONILLA. Maybe I am missing something here, but I think what you are saying is astounding, that there is no tracking in many cases of how effective programs are, be it job training, be it records of retention on health care providers. What kind of system is this that cannot measure results?

Mr. NADEL. Well, as the Secretary mentioned, investment in evaluation really was underfunded over the past decade, and it is gratifying to hear that they are putting more attention into this, but it is a problem. In the areas we have looked at, we have found pretty consistently a lack of really good information about how programs work.

Now, we realize that it is not economical to evaluate every single program. Evaluations are expensive. But certainly for the big-ticket items like JOBS, we think it is reasonable to see whether the program works. That is, does it produce a positive result that would not have happened in the absence of the program? Can you establish a causative relationship?

Mr. BONILLA. It sounds like a fundamental question that should have been answered a long time ago, and I am delighted that you brought that to our attention today.

Would you recommend rescinding the remaining obligated but unspent dollars in the 163 Federally funded employment training programs until Chairman Goodling has a chance to streamline these programs?

Mr. NADEL. I will defer to my colleague, Ms. Ross, on that particular hot potato.

Ms. ROSS. I don't think we would be prepared to say something like that. We are trying to focus on the fact that people ought to look at how many programs there are and that there are groupings of programs.

For example, with disadvantaged youth, I believe there are nine programs and that somebody ought to pay attention to whether you need all nine. We haven't gone a step to say we know how many you need, but we are trying to focus people, like Mr. Goodling or this subcommittee or the departments, on looking at how many of those programs you need.

Mr. BONILLA. I think it would be safe to say, based on what we are hearing today, that there is a lot that needs cleaning up.

Mr. NADEL. There are opportunities for savings, certainly, sir.

Mr. BONILLA. Mr. Obey.

EVALUATION AND TRAINING PROGRAMS

Mr. OBEY. Let me ask just a couple questions. You point to a number of management deficiencies and point to the inability of the agency to effectively determine which particular programs are effective on page 4, and you indicate that HHS does not now have the capacity to track persons in training programs to determine the success or failure of clients in some of these training programs. Are these new developments or have they been going on for some time?

Mr. NADEL. I wonder if I have permission to ask one of my colleagues, Linda Moore, the Director of our Education and Labor group, who has really been tracking those farther along.

Ms. MOORE. In terms of the evaluation and training programs, for some time now, basic information on the programs has been lagging. Over the past decade, we had seen a decrease in the amount of money going into evaluation across the government and only recently has the amount of money been on the upswing again that is going into evaluation. One could argue whether it is still sufficient when we have so many programs operating that we don't know the effectiveness of.

Mr. OBEY. So this has been a long-term problem that you are talking about. This is not just something that has happened in the last two years?

Ms. MOORE. No. The problem of evaluation has been one that has been there for at least a decade.

Mr. OBEY. Well, I understand that, and I simply wanted you to get that into the record.

Let me ask you a question.

I know that we are not focusing on NIH, for instance, here primarily, but I recall being on this subcommittee in the early years of the war on cancer and there we saw the budget for cancer research escalate rapidly from around $200 million to over a billion dollars. At the same time, we did not see a concurrent expansion of resources so that you could expand the number of program officers overviewing contracts, and, as a result, we saw a number of scandals and we saw a good deal of questions raised about money being wasted in a program as popular as cancer research that later began to be referred to by people as the hollowing out process.

Have you done any recent examination of that same situation at NIH so that we know whether that same problem exists today or whether it has been significantly corrected in the last five or so years?

Mr. NADEL. Yes, Mr. Obey. We are currently undertaking a review at NIH of precisely that issue—the overview of grants once the check has been cut, so to speak. Unfortunately, we are in a pretty early stage of that, and we are doing it for Senate Governmental Affairs. But, of course, we would be delighted to report to this subcommittee as well on what we find. I would anticipate that we will probably have something to say later this year.

We are also looking at a particular research issue at NIH over one set of clinical trials, and we should have something fairly soon. So, yes, sir, we are addressing that issue, but we have no reports out at this time.

Mr. OBEY. I guess the point I am simply trying to get to indirectly is this, that you will often find politicians of both parties bragging about the number of government positions that we have cut, but there are also occasions in which when you provide additional program money without providing additional personnel to oversee the use of that program money that, in fact, it costs the taxpayer money and causes considerable embarrassment to the government by its results.

And I think with all of our bipartisan enthusiasm for downsizing certain agencies it is useful to note that sometimes money is saved by increasing the number of persons who are charged with the responsibility for overseeing how that money is spent.

Mr. NADEL. We certainly agree. And, as I said, with regard to SSA and HCFA, there are certain administrative expenses which, when cut, lead to a far greater increase in government expenditures and lead to waste, fraud and abuse.

Mr. OBEY. Thank you. Appreciate your appearance. And I am looking forward to working with you on additional problems.

Mr. PORTER [presiding]. Mr. Istook.

Mr. ISTOOK. I will yield back my time. Thank you, Mr. Chairman.

Mr. PORTER. Mrs. Lowey.

Mrs. LOWEY. Thank you.

Mr. Nadel, I have a few questions.

First of all, usually when you get a GAO report, it is accompanied by a letter of request from the Member who requested it. Is that missing from this statement, which I understand was released just before this hearing?

Mr. NADEL. Technically, this is not a report. It is a testimony. We were requested by Mr. Porter to testify at this hearing I believe last week.

REINVENTING GOVERNMENT

Mrs. LOWEY. Okay. We are all working on reinventing government. I think all of us in a bipartisan way want to focus on what works and get rid of what is not working. You said that the programs you review have been in place now for 10 years so they covered both administrations. Have you done an analytical report on these programs that we could see?

Mr. NADEL. Which particular programs?

Mrs. LOWEY. Well, this looks to me like you took a computer and you said, family, family, they may be in the same category; child, child may be in the same category. My question to you is, these programs have been in existence for many years. Have you done an actual analytical audit of these programs over the past 10 years so that you can give us an in-depth analysis rather than just a computerized listing of programs.

Mr. NADEL. On many of them, we have. The listing in the appendix, we just thought it would be useful for the members of the subcommittee to see the total listing of discretionary programs that there are. Certainly that listing in the back, we have not done an audit of all of those. But the programs——

Mrs. LOWEY. Excuse me, because I think this is a real problem, and I am very interested in the duplication and the replication of services here, and I think with the reinventing government initiative of this administration we want this information.

So my question to you is, what percent of these programs have been audited in depth? And, if not, I think the Chairman or others of us on the committee would request that information because I think it would be very helpful as we move through this process.

Mr. NADEL. All the programs that we discuss in the body of the testimony we have done reports on. There are additional reports on those in the appendix, and I would have to get you the exact number and the list of those reports after the hearing, if that is permissible.

Mrs. LOWEY. I would be interested in knowing what—and I appreciate that information—what percent of these were done five years ago, 10 years ago, how many were done the last few years.

Mr. NADEL. The ones that we have discussed in the testimony were all done—were all reports issued within the past, I believe, two years.

Mrs. LOWEY. And that is what percentage of these programs?

Mr. NADEL. I don't want to venture a guess. I would really have to count.

Mrs. LOWEY. I mean roughly. You are familiar with these programs.

Mr. NADEL. I would guess roughly 20 percent, but that is just a rough guess. Some of them are very small—are very small programs, and that is an issue we didn't raise, but it is an issue that others have commented on. There are a lot—among the 250 discretionary programs, a large number—and I don't have the exact number—are less than $50 million programs. I know that—I am not saying that is not a lot of money, but that is one of the problems, that there are large numbers of relatively small programs which are relatively costly to administer.

Mrs. LOWEY. In any event, I think this information would be very helpful to us as we move through this process, and certainly an analysis of these programs, based upon appropriate delivery of services, is key. There are some programs that are better managed by the Federal Government and some may be better managed by the local government, and your information would be very helpful to us. Thank you.

Mr. PORTER. Mr. Miller.

VETERANS TRAINING PROGRAM

Mr. MILLER. Thank you. GAO, do you just cover HHS?

Mr. NADEL. No. GAO basically covers the entire Federal Government with the exception of the CIA and the Fed.

Mr. MILLER. I am talking about—for example, job training. There are 163 job training programs, and they cover Veterans Affairs to HHS to Education and Labor. When you look at them, do you look at all 163? Or is there a separate department to handle each one?

Ms. MOORE. I cover the Departments of Education and Labor, and we look at most of the employment training programs, not all of them.

Mr. MILLER. Do you cover a veterans training program?

Ms. MOORE. We could cover a veterans training program or another unit might do it. We would talk about it.

Mr. MILLER. Part of the problem is the whole issue of consolidation, overlapping. When you have 163 it seems like a large number.

Mr. Obey was talking about the question of cutting staff and the penny-wise, pound-foolish argument, that we are cutting—this number, $2.5 billion from social security, is a very large number, and you wonder, well, wait a minute, are we really wisely cutting the work force.

Secretary Shalala was here earlier, and I was asking a question about where are we cutting. There are more employees coming out of HHS. If all you are doing is taking a little bit there and there and there, you are not really solving the problem.

There was an interesting article in the Washington Post Sunday seeing how a big corporation is downsized. They said that is not the way to do it. You have to take massive cuts sometimes in some areas or eliminate whole programs. We are not looking at it that way, are we? How are we looking at reinventing government? Across-the-board cuts don't solve the problem as much as address that program is no longer needed. That program is no longer needed. Let's ship it to the States, et cetera.

Ms. ROSS. As it happens, the Social Security Administration is one of the places within the government that has invested in a major effort in reengineering. They have started by reengineering their disability process. They have made the first several steps.

They are not completed with implementation by any means, but they are going at it for just the reason that you say. They are looking at the increasing disability caseload, but they are also looking at the oncoming baby boom which will become disabled and retire, and they know that they can't just add people and stay at the same productivity level. So they really are trying to reinvent their processes, to reengineer what they are doing there.

Mr. MILLER. Like this $2.5 billion number we are going to lose from now until 1997. That is a big dollar number.

Ms. ROSS. It is.

Mr. MILLER. So we are not very wisely cutting the work force at HHS, I guess.

Ms. ROSS. Well, we make the point that we think one needs to be careful about what you do at the Social Security Administration. They found themselves in a situation where they had a tremendous growth in disability claims, and over the short term, you can't reengineer. I mean, they were—and this growth happened over—or began to happen and was unanticipated. And in order to try and get people who were eligible for benefits processed as fast as possible, they stopped doing these continuing disability reviews.

Over the years, SSA has said—well, others have said that SSA needed to add more workers in order to reinstitute continuing disability reviews, but nothing has happened to give them any relief.

Mr. MILLER. So they are not really solving the $2.5 billion question, and it may get worse when they reduce another 4,500 people.

Ms. ROSS. That is possible.

Mr. MILLER. Thank you, Mr. Chairman.

Mr. PORTER. Mr. Riggs.

Mr. RIGGS. Thank you, Mr. Chairman.

Good afternoon. I had a chance to very quickly read through the testimony, and I find it astounding in one sense, but proof positive yet again that this particular institution has a seemingly ceaseless appetite for regulation but very little interest in performing the oversight function of the legislative branch.

For instance, you make the comment on the final page of your testimony which clearly points to opportunities to streamline, consolidate or reconsider various HHS programs and the need to target cuts so that its essential administrative activities remain. And you made some very specific recommendations earlier in the area of pregnancy services, child care and education for very young children, and, lastly, job or employment training that we talked about a little bit earlier with the Secretary.

I am wondering, though, if I could refer you to subsequent testimony we will be hearing from The Heritage Foundation which makes very specific block grant recommendations and ask you to provide this committee with an idea of the subsequent cost savings that might result from implementing these block grant recommendations. I would be interested to know if we use this as a model what type of administrative and long-term cost savings we might be able to generate for the Federal taxpayer.

And, secondly, you talk about the JOBS program again, and you say these data are available on dollars spent, services provided and the number and type of participants served. These data tell us nothing about whether the program is getting people jobs, which I think is a profound systemic problem with employment training programs. HHS does not track the number of JOBS participants who get or retain jobs or leave AFDC each year. That is incredulous to me.

And Heritage again makes a recommendation that we actually impose a moratorium to programs that can either be formed into a block grant or that cannot demonstrate their efficacy, and I am wondering if we would have a way of getting a snapshot with respect to this program in terms of the dollars that have been spent year-to-date vis-a-vis the obligated funding from the fiscal year 1995 appropriations and whether I could get that information as well, because I have a particular interest here.

And, as I pointed out to the Secretary, Mr. McKeon from California, Chairman of the authorizing committee, is in fact introducing within the next few days placeholder legislation that will start the process of consolidating and streamlining these programs.

I don't know if you would like to respond to my comments, but I wanted to make those points.

Mr. NADEL. Well, obviously, we need to go back to the drawing board and get the information you request, and we will be in touch with you or your staff on how we can do that most expeditiously.

Mr. RIGGS. I appreciate that. I will look forward to receiving the information.

Yield back.

Mr. PORTER. Mr. Nadel and Ms. Ross, thank you very much for your testimony. We appreciate you coming here today.

THURSDAY, JANUARY 12, 1995.

THE HERITAGE FOUNDATION

WITNESS

JOHN C. LIU, POLICY ANALYST, DEPARTMENT OF DOMESTIC POLICY STUDIES

Mr. PORTER. The next group to testify is The Heritage Foundation, and we are right on schedule. We are going to allocate 10 minutes each to the next three groups. I don't think we will have time for questions for any of them, but we will ask them to come forward.

Mr. Liu, would you take the witness table, please?

Mr. Liu is a Policy Analyst in the Department of Domestic Policy studies for The Heritage Foundation. We welcome you here to testify and ask you to proceed.

OPENING STATEMENT

Mr. LIU. Thank you, Mr. Chairman, Members of the committee. I must say it is an honor to be here today. And, also, as a former staffer to a fellow colleague, Mr. Lowry, who served on the full committee, I find myself in a strange and unique position here to actually recommend rescissions as opposed to funding programs within the various districts, as worthy as they are.

It is my understanding that we are here today to respond to a call on November 8th that the voters and taxpayers of this country wanted the Congress, especially the Appropriations Committee, to streamline the agencies where they can be streamlined, to cut waste where there is waste. And in an effort to balance the budget as well as to reduce the deficit the vote has recognized that all the agencies do have room to narrow their programs as well as consolidate.

Just yesterday, Secretary Cisneros over at HUD announced consolidation of 60 HUD programs into three. In a cursory review of the HHS department, there is no reason to believe that the HHS department cannot follow suit.

Based upon our conference in Baltimore for a lot of the freshmen Members in the House and the Senate, the overwhelming response from these Members was that their voters sent them to Washington, D.C., to streamline government. With that in mind, as Mr. Riggs earlier mentioned, I would like to preface my rescission recommendations with some principles that this committee might want to adopt in the future.

While this is a rescission hearing and the committee cannot legislate on appropriations, there are certain principles that this committee could send to the authorizing committees, which are to share in some of the blame for the bureaucracy which has grown out of control as well as the skyrocket in spending over the past years.

Basically, as was suggested earlier, a moratorium on programs which have not proved their usefulness or efficacy should be imposed where available.

Programs that can be block granted and have not demonstrated their usefulness should also be placed under a moratorium.

And, finally, in the interest of Federalism, as the Secretary—Secretary of HHS earlier mentioned, with respect to States' rights, the governors overwhelmingly believe that they have the capability and the wherewithal to provide services to their constituents and residents in a more efficient and cost—in a fiscally responsible manner.

Quickly moving on to rescissions, within the Health Resources and Service Administration, known as HRSA, you have several programs which have either been proven to be obsolete or at least the Department has not proven their efficacy in its goal.

The first one is the National Health Service Corps which was mentioned earlier by the GAO and by the Members here whose goal is to recruit health care professionals to serve in rural and urban areas that traditionally are underserved. And that is a very worthy goal. However, the track record of this program has been very sad in its performance. Also, it is subject to fraud and abuse.

As I highlighted in my written testimony, the Washington Post on two separate occasions in recent history highlighted how easy it is to defraud the government. Several doctors, back then med students, attended Georgetown University at the expense of taxpayers, promised to fulfill an obligation to serve in a rural area and did not fulfill that obligation.

Now, that is a function of the Justice Department as well as HHS to track down these students who do not fulfill their obligations. However, in its 24 years of history this program has not, in our opinion, sufficiently attacked this problem of providing health care professionals, be they primary care physicians or nurses or pediatricians, in these areas.

Another program that we have targeted is the Hansen's Disease Services. This is a research facility in Carville, Louisiana, which focuses its research and treatment on leprosy patients. In reviewing the geographic location of this facility, there is no reason why the leprosy patients cannot receive the necessary treatment at Tulane University in New Orleans or LSU Medical Center in Baton Rouge.

And, furthermore, the research that goes to this program is really a proper function within the NIH, and there is funding within the NIH to pursue a cure or treatments for leprosy.

As was mentioned earlier, there is a program known as the Native Hawaiian Health Care Program. The primary goal for this program is to provide health care services, primarily primary care services to Native Hawaiians in the State of Hawaii.

Last year, during the health care reform debate, we constantly heard about the good effects in the State of Hawaii because it had an employer mandate in that State, that a majority of the Hawaiians in the State of Hawaii received excellent adequate health care. There is no reason to believe that with that system in place, as well as the community health centers in the State of Hawaii, that Native Hawaiians cannot receive adequate care in those facilities.

Another program within HRSA is the Health Education Assistance Loans Program. This is nothing more than a government subsidized, taxpayer subsidized guarantee of loans for students who wish to pursue the health professions. Basically, the taxpayers are subsidizing huge amounts of money to students who sometimes default on these loans.

There is no reason why the private sector cannot do this. Basically, what we would recommend is that the government maybe charter an institution, much like Fannie Mae does with home mortgages, and basically underwrite these loans in the private sector. And if done efficiently and properly, as Fannie Mae and Freddie Mac have done, they would even make money in the process as they have done quite well over the past years.

Moving on to the Centers for Disease Control and Prevention, CDC is charged with very serious responsibilities in controlling the spread of epidemics and diseases in this country and should be commended for their efforts in this. However, within the Department, you will find several programs which either duplicate existing programs of other agencies or are also obsolete.

The first one is the Office of Injury Control. This program is to provide information which will prevent injuries, deaths, nonwork-related accidents. And, basically, this agency focuses their efforts on car crashes, fires, poisoning, homicides and suicides. This function overlaps with the Departments of Transportation, Commerce, Justice, all which have existing programs receiving millions of dollars to combat injury control.

Moving on to the Occupational Safety and Health Office, otherwise known as NIOSH, this program was chartered to develop criteria for occupational safety and health hazards, provide training so that in places of labor and the work force you would find safe environments. This is nothing more than duplicating the goals of the Occupational Safety and Health Administration which the same committee appropriated over $300 million to combat the same problems here.

Within the National Institutes of Health, you have many programs which are duplicated. Now, the rescissions that are within this testimony does not mean that the diseases or that the goals that are being sought to be achieved in those programs are not worthwhile. All of them are. The question is, can the taxpayers receive the same kind of services, the same kind of results in a more efficient manner? And all I had to do was go through this conference report, and you will—and basically even quote from the language within the report, and you will see a lot of programs overlap in the same goals.

First of all, within the Office of Director, the Office of Director at NIH has two offices under its control—the Minority Health Initiative and the Office of Research on Minority Health. That duplicates an existing program within HRSA known as the Centers of Excellence, which is to educate minority students in the health profession and urge them to pursue careers in health professions by supporting institutions which train a significant number of minorities. If you look within the Office of Director, these two programs and their stated goals achieve the same mission.

Moving on to the Office of Behavioral and Social Sciences Research, otherwise known as OBSSR, its goal is to develop an overall plan to evaluate the importance of life-style determinants and basically promote good health among the public. While that, again, is a good goal, that is nothing different than what your primary care doctor or physician will tell you every time you go see him or her, and they will advise you on a healthy diet, healthy life-style, exercise, don't smoke, don't drink excessively, et cetera. Again, that could be eliminated.

Within the Substance Abuse and Mental Health Services Administration, again you have various programs which overlap. The first program that we noticed was the Clinical Training/AIDS Training Program. This program duplicates an existing program at HRSA which received over $16 million for fiscal year 1995. The AIDS education and training centers basically train health care personnel to care for AIDS patients and provide state-of-the-art AIDS programs for AIDS education programs.

Within SAMHSA and the Office of AIDS Research, all these programs are being duplicated. Just to mention, the Office of AIDS Research received over $1.4 billion. Part of its mission was to provide the same goals. You had grants to States for the homeless and AIDS demonstrations within that particular program. The Senate did not recommend any funding for that particular program.

A lot of programs also overlap with the Ryan White Act, and, for those reasons, in my written testimony we believe these programs should be either rescinded or placed under a moratorium.

Under the Assistant Secretary for Health disposition, it has several programs which are either being carried out in the private sector or could be done at a local level. The Physical Fitness and Sports is a council which was set up to promote the public's health and fitness sports programs. Again, that could be done in your local schools and through YMCAs and YWCAs and Pop Warner football.

Minority health—I would like to probably get close to closing on these two issues. Within the Office of the Assistant Secretary for Health, there is an Office of Minority Health whose goal is to implement and monitor the Secretary's Task Force on Minority Health to formulate and develop policy issues affecting minority health.

Now, while these—again, this is a worthwhile effort. It is being done in the private sector. And another goal of this office is to carry out activities which could include the activity of health care providers to deliver health services to minorities who are not proficient in speaking English.

Ms. Pelosi, who is not here, in her own district has a large Chinese immigrant population who is not proficient at speaking English. On Jackson Street, there is a hospital called the Chinese Hospital which offers primary care as well as surgical care, basically every kind of care you would need to this population.

There is also an HMO. It is called the FHB Health Care. It is one of the Nation's largest HMOs in the country. It has created something called the Allied Plan. This HMO plan is basically an outreach and demonstration within this private HMO to reach Asian Americans who are not proficient at speaking English.

Moving on to Office on Women's Health, as the Congresswoman from New York mentioned, again is a vital priority in both the Congress as well as the executive branch. However, this office duplicates existing programs within the office of NIH, and again we believe it can be consolidated.

Within that office, you have the Health Care Reform Office, which was to fund staff to assist the Assistant Secretary for national health care reform. In light of efforts in the previous Congress and that this administration has not outlined anything in specific as far as a middle-class bill of rights that health care reform should be part of that, this could be an office that could be eliminated.

And, finally, Mr. Obey mentioned the Low Income Energy Assistance Program. Now there are some analysts who believe that this program is obsolete and outdated because it was in large part born through the energy crisis in the 1980s and that situation no longer exists.

While many propose elimination of this program, we believe that since it is part of an entitlement program it should be consolidated with 70 other welfare programs and block granted for the other States, and by doing that you would save roughly $70 billion over seven years.

Furthermore, the private sector is also taking steps to assist low income households, such as Pepco here in the D.C. area, in providing assistance to low income residents.

Mr. Chairman, due to time I would ask that my written statement be inserted for the record.

Mr. PORTER. It will be received, Mr. Liu. We realize that you had the responsibility of covering a great deal of ground in a very short time, but we have your written testimony that is very comprehensive, and we will take that under advisement. And thank you very much for coming here to testify today.

Mr. LIU. Thank you, Mr. Chairman.

[The prepared statement of John C. Liu follows:]

ACHIEVING FISCAL RESPONSIBILITY

WITHIN THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

Statement to the House Appropriations Subcommittee
on
Labor, Health & Human Services, Education

January 12, 1995

John C. Liu

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Washington, D.C.

Mr. Chairman, thank you for the opportunity to appear before the committee to testify on the important topic of how to deliver the programs within the Department of Health and Human Services to the American people in a cost effective and responsible manner. My name is John Liu. I am a policy analyst for the Domestic Policy Studies Department at The Heritage Foundation. My testimony represents my personal views on the FY 1995 rescissions as they pertain to the Department of Health and Human Services, and should not be construed as representing any official position of The Heritage Foundation.

Political scientist James L. Payne, author of The Culture of Spending, found in his study of a typical appropriations cycle in the late 1980's that a total of 1,014 witnesses appearing before the House and Senate Appropriations Committees favored more spending for their favorite government programs while only 7 supported spending cuts. That is a ratio of 145:1 in favor of more spending during that period. Payne concluded that "ordinary Americans" who overwhelmingly support smaller government "[r]arely come to Washington to ask for government spending programs." Mr. Chairman, clearly I am not here today to recommend new or additional spending in the Department of Health and Human Services. In fact, as you will see from my prepared testimony, I believe that the DHHS spends literally billions of dollars each year on wasteful, duplicative, and unsuccessful programs. These programs should be terminated.

So, at the outset of this historic new Congress, I am pleased to see yet another sign that the November election has brought real change to Washington. Mr. Chairman, by calling this rescission hearing at this early juncture, it is a testament to your commitment and that of your colleagues in downsizing an overbloated federal bureaucracy.

On November 8, 1994, the American people sent several messages to the Congress. First, it is clear that a majority of Americans desire a dramatic reduction in the deficit. Second, the American people recognize that this can only be achieved if the federal government balances its budget each year in accomplishing the long overdue goal of fiscal responsibility. Contrary to the rhetoric and misrepresentations by liberal interest groups, Congress can reduce spending dramatically without inflicting harm upon our vulnerable populations. To his credit, even Vice-President Gore has recognized the need to streamline the federal bureaucracy, which has exploded since the Johnson Administration. In his attempt to "re-invent" government, the Vice-President has outlined several proposals which could eliminate waste, fraud, and duplication in programs within the DHHS.

Mr. Chairman, before I go into the specific rescissions, I would like to preface my testimony with some broad principles which this committee may find of interest and use in the future. Recognizing the fact that this committee does not have the authority to legislate on appropriations bills, an opportunity still exists to show the American people that you will streamline the agencies within your jurisdiction without jeopardizing the necessary services the public depends on for its well being.

First, the committee should impose a moratorium on funding for any program where the administering agency has not and cannot demonstrate conclusively, that is has succeeded in its mission and purpose statement. In short, a cost-benefit analysis. The heaviest burden should fall upon the oldest programs and without a doubt, they should be held to a higher level of strict scrutiny.

Second, the moratorium should also extend to programs that can be folded into a block grant with streamlined federal regulations and rules. The Appropriations Committee is under no obligation whatsoever to fund programs that have been poorly designed and micromanaged. To this extent, your committee can send a clear and resounding message to the various authorizing committees - that the initial responsibility lies with them, and unless they can guarantee to this committee the efficacy of their programs, no funds will be appropriated.

Third, as this committee reviews the categorical programs within its jurisdiction, a fundamental question should be asked. Could these programs instead be designed and administered more efficiently by a city council, local county board of supervisors, or private community groups? If the answer is yes, then these programs should be eliminated. The Congress is our nation's legislature, and as such, should not be injecting itself or funding programs that respond to purely local needs and conditions.

The Department of Health and Human Services is the chief example of a federal agency which Congress has allowed to wander off from its original purpose of ensuring the public's health. Instead, this is an agency which has given in to intensive lobbying by special interest groups through the creation and expansion of specific programs which benefits the public in a minimal way, if at all. Today, the DHHS administers approximately three hundred programs. To be sure, a large part of the blame rests with the authorizing committees in Congress which are responsible for creating these wasteful, duplicative, and inefficient programs.

Mr. Chairman, my testimony will consist of two parts. First, I will highlight the programs that should either be eliminated, or have their funding reduced to appropriate levels. Second, while the purpose of this hearing is focused on rescissions for the FY 95 HHS Appropriations, part of my testimony will reflect policy changes that this committee may seek to adopt when considering the FY 96 Appropriations bill for the Department of HHS.

I. RESCISSIONS

HEALTH RESOURCES AND SERVICES ADMINISTRATION
HEALTH RESOURCES AND SERVICES

National Health Service Corps: Field placements & Recruitment

Combined, these two programs have been appropriated $125,148,000 for FY 95. That is $1,178,000 over the comparable FY 94 appropriations. The primary goal of the National Health Service Corps (NHSC) has been to provide incentives to health care professionals to work in underserved rural and urban areas. The NHSC attempts to alleviate the shortage of health care professionals by recruiting physicians and other health care professionals to provide primary care services in what are designated as "Health Professional Shortage Areas (HPSA's)." There are three principal recruitment mechanisms: the scholarship program, the loan repayment program, and the volunteer program. Despite the financial incentives that have been offered by the federal government to attract primary care physicians into these HPSA's, the shortage of physicians in rural and certain urban areas remains high. This problem was highlighted during the debate over National Health Care Reform last year.

What the Congress needs to realize is that like any other profession, physicians and health care providers always take geographic location into consideration when deciding where they will choose to work. Furthermore, it is relatively easy for physicians to take advantage of the program. In at least two articles printed in the *Washington Post,* stories of fraud and abuse detail how the program has failed in its mission. On April 17, 1991, Washington Post staff writer Robert F. Howe detailed this problem. U.S. taxpayers sent a Ms. Sheila E. Carroll through four years at Georgetown Medical Center. In return, Dr. Carroll promised to practice in an underserved area in the country. Upon graduation, Dr. Carroll was assigned to an Indian reservation. Guess what happened? She never went. Instead, she joined a practice in Manassas, VA and on top of that, she filed for bankruptcy asking to be excused from paying back her loans. Mr. Howe writes that Dr. Carroll is "[O]ne of more than 500 former medical students who have defaulted on loans made through the National Health Service Corps Scholarship Program," since its inception. On June 4, 1992, another story ran in the *Washington Post* detailing the abuse of this program by staff writer Liz Spayd. A Dr. Susan O'Donoghue borrowed money through the NHSC program for four years of medical education at Georgetown University Medical Center. When O'Donoghue borrowed the money, she agreed to work four years in an underprivileged community. Needless to say, the article goes on to describe how she did not fulfill that obligation. The NHSC has been in existence since 1970. In its 24 years of operation, the NHSC has done little to alleviate the shortage of physicians and health care professionals in rural and urban areas. Unless the authorizing committee, in this case, the Commerce Committee, can demonstrate to the Appropriations committee the effectiveness of the NHSC, this program should be eliminated in its entirety.

Hansen's Disease Services

Congress appropriated $20,881,000 to support the operation of the Gillis W. Long Hansen's Disease Center in Carville, Louisiana. According to the FY 1995 conference report, the center operates as a research and treatment center for persons with Hansen's disease (leprosy). With respect to the research functions performed at the center, it would be more appropriate for the National Institutes of Health to conduct these responsibilities. If practical, treatment should be continued at the center or an alternative health care facility (hospital, clinic, etc.) in the area. This program should be eliminated.

Native Hawaiian Health Care

Congress appropriated $2,976,000 for this program. Established in 1988, this program was created to provide primary care services and disease prevention services. This program is unnecessary for two main reasons. First, Hawaii is the only state in the union that requires employers to provide health insurance for their employers, and it has public programs to provide coverage to residents not insured through the employer mandate. Second, the network of community health centers in Hawaii are more than capable of serving Native Hawaiians who lack private health insurance or do not qualify for Medicaid. Elimination of this program would not adversely affect the Native Hawaiian population.

HEALTH EDUCATION ASSISTANCE LOANS PROGRAM

The HEAL program has been appropriated $29,221,000 for FY 95. Designed as a loan guarantee program, HEAL provides federal insurance for student loans approved by private sector lenders. Students pay an insurance premium to help offset a portion of the federal costs associated with loan defaults. In general, the HEAL program requires the federal treasury to serve as an underwriter/guarantor for such loans. Instead of forcing taxpayers to subsidize the costs of health care professionals, Congress should eliminate the HEAL program. It is unfair and inequitable to force taxpayers to subsidize the medical education of physicians and health care professionals at the expense of students in other important professional fields. In lieu of a taxpayer subsidy, the private sector should be able to carry out this function effectively and efficiently with no cost to U.S. taxpayers. The federal government could charter an institution much like the Federal National Mortgage Association (Fannie Mae) to underwrite these loans. As a matter of fact, if run properly and efficiently, such an institution could even make money while insuring loans taken out by students pursuing health professions. Elimination of this program is recommended.

CENTERS FOR DISEASE CONTROL AND PREVENTION

INJURY CONTROL

Congress appropriated $45,000,000 for the Injury Control Program in FY 1995. The program supports research to identify risk factors to prevent injuries, deaths, and disabilities resulting from non-work related environments. According to the Conference Report, the program "[f]ocuses on motor vehicle crashes, falls, fires and burns, poisoning, drowning, and violence, including homicide, suicide, and domestic violence." The identified goals duplicate existing efforts and programs run by other agencies such as the Department of Transportation, Department of Commerce, and Department of Justice. This program should be eliminated immediately.

Occupational Safety and Health

The Congress appropriated $133,337,000 to support the National Institute for Occupational Safety and Health (NIOSH) for FY 95. This program develops criteria for occupational safety and health standards, and provides training in the recognition, avoidance, and prevention of unsafe or unhealthful working conditions and the proper use of equipment. While these are all admirable goals, this program duplicates the mission and purpose of the Occupational Safety and Health Administration which received $312,500,000 in this same bill! Without a doubt, NIOSH should be eliminated.

NATIONAL INSTITUTES OF HEALTH

Office of the Director

The FY 95 appropriations conference report provides $218,367,000 for the Office of the Director (OD) at the National Institutes of Health. The report recommends that $8.5 million be allocated for the Director's discretionary fund. Within the Office of the Director are programs which duplicate the functions and purpose of existing programs within the Health Resources and Services Administration (HRSA). Specifically, I am referring to the OD's Minority Health Initiative, and Office of Research on Minority Health. In comparing these initiatives to HRSA's programs: Centers of Excellence, and Faculty loan repayment program, it is apparent from the conference report language that these programs should be streamlined and consolidated. I believe this is what Vice President Gore was referring to when he stressed the need for a leaner federal bureaucracy.

Another suspect office within the OD is the Office of Behavioral and Social Sciences Research (OBSSR). The FY 1995 conference report states that the OBSSR will "[d]evelop an overall plan to evaluate the importance of lifestyle determinants that interact with medicine and contribute to the promotion of good health; foster a comprehensive research program, etc." Physicians routinely advise their patients on the importance of healthy lifestyles such as healthy diets, plenty of exercise, the need to drink alcoholic beverages in moderation, the harmful effects of smoking etc. It is hard to discern a need for the Office of Behavioral and Social Sciences Research. Elimination of this office is recommended.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

Substance Abuse and Mental Health Services

Clinical Training/AIDS Training

Congress appropriated $5,394,000 for AIDS training activities in the FY 95. The conference report states that the program supports grants and contracts for the education of mental health care providers to address the neuropsychiatric and psychosocial aspects of HIV spectrum infection. Trainees include psychiatrists, psychiatric nurses, social workers, psychologists, family and marriage counselors, medical students, primary care residents, clergy, and law enforcement officers. While $5.4 million may not seem like a significant amount of money for this program, I would ask the Members of this Committee to keep in mind the following facts. This same appropriations bill already provides $16,287,000 for the *Education and training centers* within the HRSA program. Furthermore, the bill appropriated $1,337,606,000 for the *Office of AIDS Research* (OAR). When President Clinton signed the NIH Revitalization Act of 1993 in June of 1993, the OAR was required to develop a comprehensive plan for NIH AIDS-related research activities which must be updated annually. This comprehensive plan is required by law to serve as the basis for distribution and disbursement of appropriated research funds to the various institutes, centers, and divisions within the NIH. Combined, these two programs will receive approximately $1.5 billion for FY 95. It is not inconceivable, that somewhere in this pool of funding, that somewhere within the mission and purpose of these programs, that clinical training/AIDS training activities will occur. In summary, this program should be zeroed out.

Grants to the States for the Homeless (PATH)

The FY 95 appropriations conference report provides $29,462,000 for state grants for the homeless. While it is true that many of the nation's homeless suffer from mental illnesses, the PATH program duplicates an existing program within HRSA, the "Health Care for the Homeless" program. With respect to the Health Care for the Homeless program, the conference report appropriated $65,445,000 for FY 95. According to the conference report's description of the HRSA program, "The program provides project grants for the delivery of primary health care services, substance abuse services, and mental health services to homeless adults and children." The duplicative efforts are very clear in this situation. The PATH program should be eliminated.

AIDS Demonstrations

Congress appropriated $1,487,000 for AIDS demonstration grants in FY 95. The Senate bill did not make a request to fund this particular program. The conference report directs the funds in this program to be used for the counseling of individuals who are informed that they carry the HIV virus and experience psychological stress from this information. Again, the members of this committee should be reminded of the $1.5 billion that has already been designated to AIDS programs. This is independent of the $632,965,000 that has been specifically targeted for the Ryan White AIDS programs which address this issue of counseling and outreach. I respectfully submit that the AIDS Demonstrations program be eliminated.

AIDS Demonstration and Training

Congress appropriated $18,026,000 for the AIDS Demonstration and Training program in FY 95. The program is broken down into three components: Linkage, Training, and Outreach. The underlying goal of this program is to strengthen communications between various health care programs and the training of health care workers in treating AIDS patients. As described in the conference report language, this program falls squarely within the jurisdiction of the Office of AIDS research. According to the mission statement of the Office of AIDS research, part of its direction is to improve the dissemination of AIDS-related information to ensure that research findings are rapidly incorporated into treatment guidelines used by health care professionals. Again, the committee will find that efforts are unnecessarily being duplicated within the Department of Health and Human Services.

ASSISTANT SECRETARY FOR HEALTH
Office of the Assistant Secretary for Health

Physical Fitness and Sports

Congress appropriated $1,414,000 to fund the President's Council on Physical Fitness and Sports in FY 95. The purpose of this council is to improve the public's health and physical fitness through sports programs and athletic programs. Despite the good intentions of this program, it is not a necessary or vital function in furthering the public's physical fitness. Our nation's schools, both public and private make physical education a requirement as part of the educational curriculum. P.E. classes, after school sports, are the foundation of encouraging our nation's youth to pursue physical fitness and athletic programs. Local communities already sponsor exercise classes in neighborhood gyms. YMCA's, YWCA's, Pop Warner football, Little League programs, etc. are all privately run and do not require the federal government to subsidize their programs. Neighborhood fitness centers, aerobics classes are constantly advertising in the print, radio, and television media the benefits of getting physically fit. Health insurance companies are providing discounts to employers who show documentation that their workforces are taking part in exercise and fitness classes. Elimination of the Physical Fitness and Sports Council is overdue.

Minority Health

The FY 95 appropriations conference report provides $20,668,000 for the Office of Minority Health. The purpose of this office is to implement and monitor the recommendations of the Secretary's Task Force on Black and Minority Health and for the formulation and development of policy issues affecting minority health. Another directive from this committee to the Office of Minority Health was to "[c]arry out activities to improve the ability of health care providers to deliver health services in the native languages of limited English proficient populations. In reviewing previous programs of the bill, one will find a redundancy of purpose and goal in the Office of Research on Minority Health (ORMH) which is under the auspices of the Office of the Director of the National Institutes of Health. Under the ORMH program, two stated goals are clearly defined. First, the ORMH is to improve the health status of minorities. Second, the ORMH is to increase the participation of minorities in biomedical research. These goals are accomplished by working with minority institutions, and community organizations to develop and fund minority health and training programs.

With respect to the Office for Minority Health, I would like to offer some personal insight on how the private sector is already reaching out to minority groups that are not proficient at speaking English. Congresswoman Pelosi is one of the few Members of Congress who have the unique opportunity to serve a large Chinese population. This is a group that is made up of recent immigrants, and several generations of Chinese Americans. If you walk through the streets of Chinatown in San Francisco, over 95 percent of the store-owners, customers, and residents speak Chinese as their first language. In the heart of Chinatown, at the corner of Jackson Street and Stockton, one will find a hospital called " The Chinese Hospital." This institution provides health care services to patients who have not mastered the English language and feel more comfortable receiving health care from providers who speak Chinese. The quality of care is on par with the other fine hospitals in San Francisco, including the infamous University of California, San Francisco Medical Center. In Southern California, FHP Health Care, one of the nation's largest HMO's recently announced an insurance plan that is specifically designed to serve the health care needs of Southern California's Asian American population. It is referred to as the "Allied Plan." This HMO connects Asian patients with a network of Asian physicians who can speak 17 languages and dialects. It is predicted to succeed because in the words of Dr. Samuel K. Zia, medical director of Allied Physicians of California, "We understand the culture, we speak the language and we care about the health of the people." Again, the private sector is able to accomplish the same goal without taxpayer funds. Absent a compelling argument for retaining the Minority Health program under the Office of the Assistant Secretary for Health, the OMH should be eliminated.

Office of Research Integrity

The FY 95 appropriations conference report provides $3,885,000 for the Office of Research Integrity. In addition to investigating and resolving charges of scientific misconduct, the ORI is responsible for developing scientific research policies, integrity procedures, and ethical guidelines. While the appropriated amount is minor when compared to the overall HHS budget, it would appear that the defined duties of the ORI are duplicating ongoing efforts within the scientific community. Again, the questions arises. Are government bureaucrats, as well intentioned as they may be, in a better position or as knowledgeable as experts in the field of scientific research? Elimination of the ORI is warranted.

Office on Women's Health

Congress appropriated $2,575,000 for the Office on Women's Health in FY 95. The purpose of the Office on Women's Health is to advise the Assistant Secretary for Health on scientific, legal, ethical, and policy issues pertaining to women's health. The office is designated with the responsibility of setting priorities, developing policy and guidance, and reviewing/monitoring the Public Health Service activities with respect to women's health issues. Now, compare these functions with those contained within the two programs under the Office of the Director at the National Institutes of Health: The Office of Research on Women's Health, and the Women's Health Initiative. In the words of the conference report language, these two programs within the Office of the Director is to ensure that women's health research becomes an integral part of biomedical and behavioral research. Furthermore, these programs are specifically directed to focus on clinical trials that may lead to possible cures or interventions for diseases that affect women: osteoporosis, heart disease, breast and cervical cancer. When one combines the ongoing efforts at the National Cancer Institute which has placed a high priority on research for breast, cervical, and ovarian cancer, the need for the Office on Women's Health is suspect. Elimination is warranted.

Health Care Reform

The FY 95 appropriations conference report provides $2,760,000 for the purpose of Health Care Reform data analysis. This funding was to support a staff assigned to assist the Assistant Secretary for Health in the development of national Health Care Reform efforts. In light of the Administration's track record in this regard, and the reality that comprehensive health care reform is not a component of President Clinton's "Middle Class Bill of Rights" legislative package, the need for sustaining this staff is highly questionable. Therefore, elimination of this staff is recommended.

National AIDS Program Office

Congress appropriated $1,750,000 to fund the National AIDS Program Office in FY 95. The functions of this office are to provide leadership to and coordinate HIV and AIDS-related programs with the Assistant Secretary for Health. According to the conference report, NAPO is responsible for identifying long range strategies that are critical in planning and directing the future course of the epidemic. This is a function that belongs to either the Office of the Director for the NIH or Centers for Disease Control and Prevention. Elimination of the NAPO is recommended.

AGENCY FOR HEALTH CARE POLICY AND RESEARCH

Health Care Policy and Research

In general, the FY 95 appropriations conference report provides the Agency for Health Care Policy and Research (AHCPR) with $138,642,000. The AHCPR is responsible for producing and relaying scientific and policy-relevant information about the quality, medical effectiveness, and cost of health care. One of the most important functions delegated to the AHCPR is the responsibility to produce the National Medical Expenditure Survey. Issues of cost, quality, access to health care and insurance, and analyzing health care costs associated with acute and long term care are vital to Congress' goal of reforming our nation's health care system. This is a very valuable resource for public policy makers, Members of Congress, the Executive Branch, and I am sure a document that Congressional health staffers refer to often.

Within the overall appropriation of $138.6 million for the AHCPR, is an earmark of $10,591,000 for AIDS research. At the risk of belaboring the point, the House Energy and Commerce Committee in the past has specifically and constantly stressed the importance of the Ryan White Act and the NIH Office of AIDS Research because of their combined mission statements; among them - to pursue a cure for AIDS. Rescinding this particular earmark not only makes good fiscal sense, but it demonstrates sound public policy.

ADMINISTRATION FOR CHILDREN AND FAMILIES

Low Income Home Energy Assistance Program

The Congress appropriated $1,319,204,000 to the Low Income Energy Assistance Program for FY 95. As the members of the committee are well aware, LIHEAP was designed to assist low income households meet their monthly utility bills during the energy crisis in the early 1980's. An energy crisis no longer exists in the United States. Furthermore, since the enactment of LIHEAP, the private sector, primarily through the energy companies have stepped up to the plate and provided financial assistance to low income households in paying their energy bills. For example, the Potomac Electric Power Company (PEPCO) has a "check-off" program which encourages residents in local communities to contribute each month towards a fund that helps pay the bills of lower-income residents. While many Members of Congress favor the elimination of LIHEAP, it does not appear to be a realistic option. Therefore, some of my colleagues at the Heritage Foundation and I believe that the LIHEAP program should be folded into 70 other welfare programs and block granted to the states. Should the Congress adopt such a position, U.S. taxpayers would save an estimated $500,000,000/year within the LIHEAP program.

The rescissions that are contained in this document account for $1,172,942,000 in potential savings to the U.S. taxpayers. The programs that have been recommended for elimination are either obsolete, duplicative in purpose, or can be carried out in a more efficient manner at the state and local levels.

II. BLOCK GRANTS

The second part of this presentation will focus on the three principles I outlined at the beginning of this testimony. Upon reviewing the hundreds of programs under the auspices of the DHHS, it is quite apparent that a lot their functions could be easily accomplished by state health departments. Furthermore, proponents of these federal programs have continually claimed the widespread community support for the services that are provided. If that is truly the case, then there is no reason why the local communities throughout the country cannot raise the necessary funds to operate these programs which are local in nature.

Many of the members of this committee have met with their respective Governors of the states they reside in and the overwhelming message from the Governors was simple - quit meddling in our affairs, let the states be states, and quit tying our hands with outdated and convoluted regulations that prohibit us from looking after our residents in an efficient manner. Mr. Chairman, with that clear mandate from an overwhelming majority of Americans and Governors, I would respectfully submit that this Appropriations Committee urge the authorizing committees to block grant the following programs.

HEALTH RESOURCES AND SERVICES ADMINISTRATION

Community Health Centers
Migrant Health Centers
Health Care for the Homeless
Grants to Communities for Scholarships
Public Housing Service Grants
Alzheimer's Demonstration Grants
Healthy Start
Emergency Medical Services for Children
Health Professions
    Minority/disadvantaged: Centers of Excellence
Health Careers Opportunity Program
Faculty Loan Repayment
Public Health and Preventive Medicine
Health Administration Traineeships
Family Medicine Training
General Dentistry Residencies
General Internal Medicine and Pediatrics
Physician Assistants
Allied Health Special Projects
Area Health Education Centers
Geriatric Education Centers and Training
Interdisciplinary Training
Podiatric Medicine
Chiropractic Demonstration Grants
Advanced Nurse Education
Nurse Practitioners/Nurse Midwives
Professional Nurse Traineeships
Nurse Disadvantaged Assistance
Nurse Anesthetists

Acquired Immune Deficiency Syndrome (AIDS):
    Education and Training Centers

Ryan White AIDS Programs
    Title I -Emergency Assistance
    Title II - Comprehensive Care Programs
    Title III -Early Intervention Programs
    Title IV - Pediatric Demonstrations

With respect to Titles I - IV of the Ryan White AIDS Programs, after the programs have been block granted and shared among the states, the Congress should articulate in a very precise and clear manner the following rule. In order for a state to become eligible to receive such funds, they are to divide their allotment by the number of people living within their state infected with the HIV or AIDS virus requiring medical care. Furthermore, each state is to provide a means tested formula to ensure that only children and adults confronting severe financial hardships are eligible for these grants.

Rationale: The Department of Health and Human Services has either been unable or reluctant to provide the public and the Congress a truthful accounting of where AIDS funding has gone. The amount of federal funds that could have gone towards basic research in finding a cure for AIDS has unnecessarily been siphoned off and diverted to fund special interest groups advancing their individual agendas.

As a result, countless children and adults who suffer from the HIV/AIDS virus are deprived of a possible cure because virtually hundreds of millions of dollars are being spent to fund obsolete programs.

AIDS Dental Services
Family Planning
Rural Health Research
Rural Outreach Grants
State Office of Rural Health
Health Care Facilities
Buildings and Facilities

CENTERS FOR DISEASE CONTROL

Prevention Centers
Sexually Transmitted Diseases
Immunization
Tuberculosis
Human Immunodeficiency Virus
Chronic and Environmental Disease Prevention
Lead Poisoning Prevention
Breast and Cervical Cancer Screening
Epidemic Services

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

Center for Mental Health Services:

Mental Health Block Grant (Continue)
Children's Mental Health
Clinical Training
Community Support Demonstrations
Homeless Service Demonstrations
Protection and Advocacy

Center for Substance Abuse Treatment:

Substance Abuse Block Grant (Continue)
Treatment Grants to Crisis Areas
Treatment Improvement Demonstrations:
Pregnant/Post-partum women and children
Criminal Justice Program
Critical Populations
Comprehensive Community Treatment Program

Center for Substance Abuse Prevention:

Prevention Demonstrations -
High Risk Youth
Pregnant Women and infants
Other programs

Community Partnerships
Prevention education/dissemination
Training
Program Management

THURSDAY, JANUARY 12, 1995.

CITIZENS AGAINST GOVERNMENT WASTE

WITNESS

JOE WINKELMANN, DIRECTOR OF GOVERNMENT AFFAIRS

Mr. PORTER. The next group is Citizens Against Government Waste, Joe Winkelmann, the Director of Government Waste. Is that your title, Director of Government Waste?

Mr. WINKELMANN. No. That would be a job too big, Mr. Chairman.

Mr. PORTER. The Director of Government Affairs. We welcome you, and please proceed.

OPENING STATEMENT

Mr. WINKELMANN. Thank you, and I will talk quickly. I appreciate your giving the time.

I am Joe Winkelmann. I represent 600,000 members of Citizens Against Government Waste. Since 1986, when President Reagan received the Grace Commission report and set up Citizens Against Government Waste, the recommendations of that task force, which have been adopted by Congress, have totaled more than $250 billion. Other waste-cutting recommendations that we have made over the last two years which you all have accepted in the Congress will save over $100 billion over the next five years.

At a time when we are still running large deficits and when the job is not yet done, I nonetheless want to congratulate you, Ms. Lowey, the Majority in the last Congress, because we have been making some progress on the deficit. My job today is to help persuade you that we have got a big job left to do, and until it is done no one is off the hook.

So if I can proceed, I will just skip through my testimony. And if I have any time left, I would invite any questions.

We have got to reverse old assumptions. Congress has viewed programs as perpetual without taking time to evaluate their worth and effectiveness.

I heard earlier testimony, a question from Mr. Riggs, about why don't we look at whether the programs work rather than say how much money can we save or how many people can we cut. I think that has got to be our premise from now on. Not how much money was spent last year or what the current services baseline is but whether the money should be spent at all. And I will make some recommendations on where I think you can just start cutting, zero out, using the zero power of this committee.

This is not the government's money, Mr. Chairman. I don't need to tell you that. But it is the taxpayers' money, and I want to say that on the record. Because of that, every expenditure must be viewed from the ground up instead of making an assumption that everything is somehow sacrosanct.

In President Clinton's February, 1994, submission of the budget, he recommended a number of programs that should be cut. This is the President of the United States, and obviously there are political disagreements, but in light of the deficit we have got, the fact that many of those programs survive does not comment well on the nature of the deficit. We recommend strongly that you all adopt every one of the President's rescissions and get them off the table.

These include: foreign language assistance, consumer and homemaking education, and the Eisenhower leadership program. Pork barrel spending encourages citizens to take a cynical, self-serving view of their role in the political process, not to mention you all's role in the political process that legitimizes the politics of plunder.

And I would like to draw your attention to incredibly similar oped pieces in two radically different newspapers. Bob Samuelson yesterday in The Washington Post and Bill Murchison in today's Washington Times, not exactly sister publications. Both said the same things. We have confused the difference between what we want and what is a national need, and that has just got to stop.

This book is full of things that I like and I want and you like and you like. They are not national needs. And the sooner we stop that kind of mentality, the sooner it will make, I think, your job a lot easier, whether it is on this rescissions bill or whether it is in writing the 1996 and 1997 budgets—or excuse me—appropriations.

Each year, we chronicle in our Pig Book a list of what we consider the follies of Congress, the most egregious examples of pork barrel spending.

I testified earlier today on the line item veto, and I was asked by Karen Thurman what is pork barrel spending. You all have established the criteria we use for pork barrel spending. Pork Busters Coalition has established seven criteria for what constitutes pork, and in view of those seven criteria we consider any one of them to make it pork. I think the criteria used by the coalition is that if three of them are met.

What are these criteria? One, was it requested by the President? Is it specifically authorized? Is it competitively awarded? Is it requested by only one Chamber of Congress? And, goodness knows, there has been enough stuff that hasn't made it into either bill, and it comes out somehow in the conference report. Was it ever the subject of a congressional hearing? Does it serve simply a local interest?

Steve Horn, in his questioning of me in the line item veto hearing, asked a question. He said, how would we have expanded to the west, because somebody could have accused us of doing just pork barrel spending. And I wanted to draw the attention here to the same point I made to him. There are some things, because of the externalities of our economy, because of the scope of the project—and I would just give you a couple.

Breast cancer research and AIDS research, a space station. These are projects that cannot be undertaken by any other entity in this country except the Federal Government, and Citizens Against Government Waste has no problem with them. We want them efficiently run, but we don't quarrel with that. We do quarrel with a program that is earmarked in an appropriations bill and goes into somebody's district and there is log rolling, and basically we are playing politics as usual.

When you all get a zero budget deficit, maybe even a surplus, we will stop hollering about the pork that is in the bills.

We have a long list in my written testimony, Mr. Chairman, of projects that we have identified as pork, and I would urge you to zero them out to the extent that they are reduced by some amount to bring them into line with the President's request or the request of one or more Houses.

Oftentimes, we identify as pork spending that you want a dollar and you want five, and we would come up with eight. Clearly, there is no reason not to have legitimate conferences when you go to conference.

The excessive self-serving pork can be eliminated. It is not going to be politically easy. It is politically necessary.

I think if you watch the election results, a very strong message was sent that the people of this country are tired. There is one way you can do it, and you can do it across the board. Take a no earmarks pledge, Mr. Chairman. Ask every member of your subcommittee to take a no earmarks pledge and then demand that the other body live with it. Don't take Senatized pork.

Mr. PORTER. If I can say so, Mr. Winkelmann, we don't earmark on this subcommittee. The other body does.

Mr. WINKELMANN. I apologize for preaching to the choir. It was important, and that was the point I wanted to make. Senatized pork is no better if it is inserted over here in the conference, and I accept the correction. I appreciate it. I don't have a long history with this subcommittee. We didn't get invited much here before, and so I apologize for my not knowing the practice here.

You also can make government smaller by using the zero power that you have, and you can start with job training programs in the Labor Department, and you can start with contractor abuse in the Labor Department. The IG over there has done some wonderful work on contractor abuse, and he is being fought by the political appointees of the Clinton administration who run the Department of Labor. He needs your help.

I would like to also urge that if you are looking for a department to dismantle, start with the Department of Education. It is traditionally, long before we have ever been on this earth, a local responsibility. I think it has gone far out of hand.

I would be more than happy to go through a list of programs that are outrageous that have been funded by this government. We have taxpayer dollars that should be funded, if at all, at the State and local level.

Final comment I would like to make—and I have no idea if I have run out of time. I appreciate your patience.

There is much talk about block granting and sending to the States—block granting, cutting and sending to the States.

I am reminded that Speaker Gingrich coined a phrase, and I will not allude to the Member to whom he referred when he talked about the tax collector for the Welfare State.

Mr. Chairman, I believe that much of the block granting proposals that we have heard will simply put this committee and this Congress in the position and the role of tax collector for the Welfare State. Before you send a problem and a chunk of money to the States, such as education programs, decide whether there is any reason at all to take that money out of taxpayers' pockets at all.

Senator Phil Gramm, after understanding the enormity of what you have inherited here in terms of the power and control of Congress, made a point that I think is incredibly common sense. He said, nobody in Congress and nobody in the executive branch knows as much about how to feed and house and teach their children than the parents of this country.

So, Mr. Chairman, as radical as it may sound, before you block grant something and keep it in perpetuity, why don't you look at the possibility that we don't need to be collecting all of the taxes dollar for dollar that go to the Education Department, the Department of—of course, obviously, HUD is not in your jurisdiction, but you get the point. Let's leave the money in taxpayers' pocketbooks, and let them decide where they send their kids to school.

Mr. Chairman, I appreciate the chance to be here. I apologize for being somewhat discombobulated, but this is my maiden voyage.

Mr. PORTER. We didn't think you were discombobulated at all. Your testimony was very, very good. We very much appreciate it and will take it to heart and thank you for being here. Thank you, Mr. Winkelmann.

Mr. WINKELMANN. Thank you very much. Appreciate it.

[The prepared statement of Joe Winklemann follows:]

Testimony of
Joe Winkelmann,
Director of Government Affairs,
Citizens Against Government Waste
before the
House Labor, Health and Human Services, & Education Subcommittee on Appropriations
January 12, 1995

Good morning, Mr. Chairman. Thank you for the opportunity to testify today before the Appropriations Subcommittee on Labor, Health and Human Services, and Education. My name is Joe Winkelmann and I represent the 600,000 members of the Citizens Against Government Waste (CAGW). Your interest in CAGW's comments are a true indication of the tidal wave of change that swept the country on November 8th.

CAGW was created 11 years ago after Peter Grace presented to President Ronald Reagan 2,478 findings and recommendations of the Grace Commission (formally known as the President's Private Sector Study on Cost Control). These recommendations provided a blueprint for a more efficient, effective, less wasteful, and smaller government.

Since 1986, the implementation of Grace Commission recommendations has helped save taxpayers more than $250 billion. Other CAGW cost-cutting proposals enacted in 1993 and 1994 will save more than $100 billion over the next five years. CAGW has been working tirelessly to carry out the Grace Commission's mission to eliminate government waste.

Last week, the Mighty Morphin Power Rangers made an appearance on Capitol Hill. But you and the other members of the appropriations committee have the opportunity to be the real power rangers. Children and adults alike will appreciate the work you do to morph the mentality of the federal government's out-of-control spending machine. This subcommittee has the opportunity to show taxpayers that you got the message last November. Use your "zero power" to simply eliminate funding for programs. You can cut government waste and create a smaller government.

Mr. Chairman, you and the members of this subcommittee face one of the most important tasks confronting our country -- eliminating pork-barrel spending and funding the restructuring of departments and agencies under your jurisdiction. Not only do you have an opportunity to save tax dollars, but you also have the chance to alter the power structure and the log-rolling that too often occurs with appropriations.

The first step is to reverse some old assumptions. Congress has often viewed programs as perpetual, without taking enough time to evaluate their effectiveness. The premise has been: How much was spent last year, and how much are we supposed to spend this year, rather than whether the money should be spent at all. This is, after all, not the government's money -- it's the taxpayer's. Every expenditure should be viewed from the ground up -- instead of making the assumption that everything is sacrosanct.

By asking CAGW to recommend specific rescission proposals under your jurisdiction, you are making the first step in regaining the trust of the American taxpayer. Discretionary spending is one-third of the federal budget; it's real money. It's time to stop taking our tax dollars and start making tough choices.

That's why we welcome this hearing and the fresh look you have pledged at every program under your jurisdiction.

In February of 1994, President Clinton called for the elimination of specific programs in his budget for fiscal year 1995. Unfortunately, many of these programs survived. In the spirit of true partisanship and patriotism, make sure that these and other pork-barrel items are rescinded. Items that the president tried to eliminate, but still survive, include: foreign language assistance, consumer and homemaking education, and the Eisenhower leadership program.

Many in Washington dismiss pork as a minor problem in the grand scheme of fiscal policy. Their standard argument runs about as follows: Pork adds "only" a few billion dollars to the federal budget. So eliminating pork would hardly put a dent in the deficit. This argument makes the very size of the deficit an excuse to waste even more of the taxpayers' money. The main problem with the "pork is small potatoes" argument, however, is that it's just plain wrong. Not only does pork eat a bigger slice of the federal budget than most observers realize, it is a root cause of some of our nation's most debilitating fiscal and political pathologies.

The biggest cost of pork cannot be measured in dollars and cents. More critical than sheer monetary losses is the corresponding debasement of the political process. In order to bring home the bacon, lawmakers have repeatedly twisted or broken the rules Congress has established to ensure that public monies are allocated fairly and effectively. Hundreds of projects are funded annually without benefit of a hearing, without proper legal authorization, without being subjected to a competitive test, and in violation of rules against earmarking. Whether our form of government can long endure when lawmakers show so little respect for due process is an open question.

Education infrastructure grants received $100 million in FY 1995 through the Senate with no budget request. It's an outrage for a $100 million program to be funded with only one requesting chamber and no budget request. The American taxpayer will never trust you with their money if you can't follow your own system of "checks and balances."

Pork has had a detrimental effect on House-Senate conference committee deliberations. The conference is supposed to iron out differences between the two chambers. The conference committee was not set up to be a magician's hat where projects magically appear. What's pulled out of the hat is not a rabbit, but a pig. The conference committee has become a proverbial fairy godmother to politicians. The practice of creating programs and projects that have no basis in either body of Congress has become far too commonplace.

Pork-barreling encourages citizens to take a cynical, self-serving view of their role in the political process. It legitimizes a politics of plunder, enticing citizens to demand special favors at the expense of other districts and states.

Mr. Chairman, CAGW has annually chronicled the pork-barrel follies of Labor, HHS, and Education with our *Pig Book.* In compiling the *Pig Book*, we look at all appropriations and through seven criteria determine whether or not a project is pork. The criteria have been established by CAGW and the Porkbusters Coalition, comprised of senators, representatives and other public interest groups. A project is pork if it: is requested by only one chamber of Congress; not specifically authorized; not competitively awarded; not requested by the president; greatly exceeds the president's budget request or the previous year's funding; not the subject of a congressional hearing; or, serves only a local interest. CAGW calls it pork if it meets only one of these criteria; the porkbusters require three of the seven criteria to be met and have introduced legislation to eliminate pork-barrel items in each of the last two sessions of Congress.

When considering rescissions, here are some recommendations that we have identified in recent *Pig Book*s:

- $80 million was added in conference for the Low Income Home Energy Assistance Program.
- $20 million was added in conference for Community Economic Development.
- $4 million was added by the Senate for the Dwight D. Eisenhower leadership program.
- $2.5 million was added by the Senate for the National Writing Project.
- $1.8 million was added by the House for Early Intervention Scholarships.
- $750,000 was added in conference for a Glass Ceiling Commission in the Department of Labor.
- $750,000 was added to the Department of Labor for the National Center for the Workplace.

- $700,000 was added by the House to study civilian airline training needs due to the effects of military downsizing. According to the appropriations subcommittee staff, there is no evidence that this study is necessary.

The *1995 Pig Book*, due out on February 15, will deliver more bad news to the American taxpayer. There's still pork in the Labor, HHS, Education Appropriations. For 1996, CAGW would like to issue a pork-free report. Here's a sneak preview of the *1995 Pig Book*:

- $10 million was added in the Senate for foreign language assistance. In declining to request funding, the administration contended that the program was "poorly structured."

- $6 million was added by the Senate for civics and English education grants in the Department of Health and Human Services.

- $4 million was added by the House for the Mary McLeod Bethune Memorial Fine Arts Center in the Department of Education.

- $3 million was added by the Senate for the international education exchange in the Department of Education.

- $936,000 was earmarked in the Senate for the Palmer Chiropractic School in Davenport, IA to conduct chiropractic demonstrations.

All of this excessive, self-serving pork can be eliminated. Politically, there is only one way to do so: by having each member of this subcommittee take a "no earmarks" pledge.

Mr. Chairman, you can make government smaller not just by cutting the pork. By using your new "zero power" -- simply eliminating funding for programs -- you can also attack waste and mismanagement elsewhere in the Departments of Labor, HHS, and Education and related agencies under your jurisdiction.

Before approving the expenditure of one tax dollar on programs under your jurisdiction, members of this subcommittee should ask themselves two questions: (1) is this project worth the further weakening of our representative government? , and (2) is this a project that I want my children and grandchildren to be responsible for paying? When considering rescissions for this fiscal year, those same questions should be asked.

Some comedians have made a living off the pork-barrel follies of Congress. While pork draws attention, it's not funny to the taxpayers who have borne the burden of excesses for decades. Whether it be an unnecessary program, or a deserving one that circumvents the proper procedures, closer scrutiny must be paid to eliminate this embarrassing waste of tax dollars. Each pork-barrel project represents a serious breakdown in the system that causes billions of dollars to be wasted annually.

Eliminating pork is not a trivial pursuit or quixotic exercise, but a fiscal and political imperative. Pork promotes fiscal profligacy, weakens the capacity of citizens to hold elected officials accountable, subverts procedural safeguards established to check and deter abuses of power, and debases the civic culture. Eliminating pork would do much more than shave a few billion dollars from the deficit. It would detoxify the appropriations process and make electoral contests more competitive. A pork-free Congress would be more attuned to the wishes and interests of taxpayers, and less pliant to special interest pressure.

There are steps that can be taken to stop this insane waste of our tax dollars. But unless something is done immediately, the American public will continue to lose confidence in the system and their trust will be even harder to regain.

To end the pork infestation on Capitol Hill, Congress should: (1) establish a procedure to rescind all spending items determined to be pork on the basis of objective tests; (2) grant the president line-item veto authority; (3) prohibit any member from placing a project specifically benefiting his district or state into a bill under consideration in his committee; and (4) prevent any physical structure or other project from being named after a member of Congress until 10 years after he or she has left office.

All projects that meet any one of the Congressional Porkbusters Coalition criteria should be terminated. As mentioned above, a project is pork if it: is requested by only one chamber of Congress; not specifically authorized; not competitively awarded; not requested by the president; greatly exceeds the president's budget request or the previous year's funding; not the subject of a congressional hearing; or, serves only a local interest.

Congress' practice of bundling hundreds of separate spending items into gigantic appropriations bills renders the presidential veto all but useless in the fight against pork. The power to veto and reduce line item in spending bills would enable the president to remove pork and fat from the budget without disturbing the normal flow of business. According to the General Accounting Office, line-item veto authority could have reduced federal spending by more than $70 billion during FYs 1984-89.

Martin Gross, author of best-selling books on government waste, offers an ingenious proposal to suppress pork. Most pork-barrel waste originates in the appropriations committees. Congress should adopt a rule that no committee may approve an appropriation that singles out any of its members' districts or states for special benefit. Committee members might try to get around this restriction through political horse trading: "You put my project in your bill and I'll put yours in my bill." However, Congress could define such deals as unethical behavior and enforce the new anti-pork rules.

Members have often approved projects that become reminders of their ability to "deliver the goods" back home -- their names appear on parks, buildings, and other physical structures. This subcommittee can take the lead in eliminating these incumbency protection monuments by prohibiting the naming of any project after a sitting member of Congress and establishing a reasonable time limit -- perhaps 10 years -- beyond retirement before a member's name can be used.

Only someone who imagines that federal funds are somehow "free" and do not first have to be taken from working Americans would confuse pork with petty cash. The proper comparison is not between pork and the total federal budget, but between pork and the average family budget. In 1994, a median-income, two-earner family paid $5,581 in federal income taxes. This means that $10 billion in pork wastes the combined taxes of approximately 1.8 million median income families. Current funding rules do not allow cuts in discretionary spending to be used to pay for tax cuts. In principle, however, eliminating $1 billion in pork could provide $1,000 in tax relief to 1 million American families.

People are calling for smaller government and less intervention in their lives. Giving power back to the people also means eliminating whole departments. An excellent place to start would be with the Department of Education. President Reagan tried unsuccessfully to dismantle the Department, but there is renewed support. Some education experts say the Education Department has little impact on the quality or content of children's educational experience -- particularly since that responsibility rests with state and local governments that spend more than 90 percent of all money going to education.

Martin Gross suggests that the Department of Education has not educated one child and that education should be a local rather than federal concern:

> This agency is not a tragedy waiting to happen. It has already happened. Despite the fact that it will spend $31 billion this year, it has the honor of not educating one single child. Education is historically a revered local function. Washington's attempts to help it, or capture it, depending on your viewpoint, have all been failures. We all want more money for our troubled education system, but Washington is the worst place to put those dollars.

Congress usually has good intentions when appropriating money, but the power to do good is also the power to do mischief with our tax dollars. Care must be taken when looking at individual projects; the more open and honest you are, the more likely a project is to withstand the light of day.

There has also been considerable criticism of another program under your jurisdiction, the Corporation for Public Broadcasting. Use your "zero power" to force CPB to live or die on the quality of its programming. It's highly unlikely that viewers will be turned off by more fund raising appeals, or, if necessary, commercials. Quality programs will survive; like any other competitive venture, non-quality programs will not.

CAGW shares your concern over funding of the president's vaccination program and whether those most in need of vaccinations are being served in a cost-effective manner. We will work with you to assure that our tax dollars are not wasted in an effort to provide a much-needed service.

There are other miscellaneous programs and commissions funded by this subcommittee that should be closely scrutinized. Do we really need to spend $900,000 on the National Commission on Libraries and Information Sciences? Or $11 million on the U.S. Institute of Peace? The line must be drawn, Mr. Chairman, and these and other programs must re-justify their existence -- or at least their need for our tax dollars.

By adopting the changes recommended by CAGW, this subcommittee can signal a new beginning that other subcommittees can follow.

People want their power back. By cleaning up the appropriations process, you can make a difference. Discretionary spending is one-third of the federal budget; it's real money. It's time to stop taking our tax dollars and start making tough choices.

Taxpayers are no longer amused by inadequate and irresponsible management of our government, because their future is in jeopardy. The budget crisis cannot be ignored, and that's why their amusement has been replaced with outrage. Members of this subcommittee must be equally as outraged. You hold the "zero power" to cut the waste.

Restoring fiscal sanity to our nation is the most important job for the 104th Congress. The country is awash in a sea of red ink, and every day slips perilously closer to bankruptcy. The national debt is expected to rise to nearly $6 trillion by the end of the century. This is not the legacy that we should leave to our children and grandchildren. Spending has not been cut to the bone. Money is being wasted daily and the clock is ticking. We're sitting on a fiscal time bomb that needs to be defused.

You have an opportunity to continue the mission that Peter Grace and Ronald Reagan started 13 years ago when President Reagan signed Executive Order 12369 in 1982 formally establishing the President's Private Sector Survey on Cost Control, and to deliver on the call for change made on November 8th.

If you don't take the right steps now, there may never again be such an opportunity to make the fundamental changes that need to be made.

This concludes my testimony. I'll be glad to answer any questions you may have.

THURSDAY, JANUARY 12, 1995.

60/PLUS

WITNESSES

ROGER ZION, HONORARY CHAIRMAN

JIM MARTIN, CHAIRMAN

Mr. PORTER. Now to testify on behalf of 60/Plus, a former colleague of ours, a Member of Congress from Indiana, Roger Zion, who is the Honorary Chairman, and Jim Martin, the Chairman. Welcome.

Mr. ZION. Thank you very much, Mr. Chairman. Johnny's walk from Minnesota was to introduce a resolution to call a roll. His walk to Zion wound up with a dare. And I don't know if it was a great idea, but I was in the gym a lot.

Hey, thanks for your patience. We appreciate the opportunity to be here. We are both honored and pleased. And, you know, I would give my eyeteeth to be a Member of this 104th Congress because you guys have a golden opportunity to balance the budget and significantly reduce the dependency on drugs, alcohol, welfare and so forth without even touching entitlements.

OPENING STATEMENTS

Mr. ZION. I have written a book I am very proud of in which I analyze most government programs and show how they have grown to the point where they are now counterproductive, some of the areas and some of the subjects in your area. 1993, through the Supplemental Security program, $1.4 billion were sent to drug users and alcoholics to help them continue their addictions; since 1960, taxpayers have sent $3.5 trillion to welfare recipients, benefits greater than they could receive from entry-level jobs.

A friend of mine has just built a restaurant, a Wendy's in Evansville, Indiana, within easy walking distance of public housing. He has put up ads offering $6 an hour for people to work. Nobody shows up. They are better off taking all the government programs.

I was sitting next to Jack Kemp when we first discussed the Aid to Families with Dependent Children. He gave me the elbow as he was inclined to do. He said, we start subsidizing illegitimate babies; we are going to be up to our neck with them. Well, how right he was. The Aid to Families with Dependent Children has made illegitimate children the fastest growing crop in the country, from 3.7 million in 1983 to 6.3 million in 1993. In 1991, this cost the taxpayers $12.8 billion. That doesn't count food stamps, child nutrition, Medicaid, housing and so forth.

1982, there were 127,000 aliens receiving supplemental security income; 1993, 632,000. 1992, illegal immigrants cost us $4 billion for education, $820 million for Aid to Families with Dependent Children, $7 billion for assistance and displaced people.

How right Jack Kemp was. You start subsidizing, start paying them, they are going to be here.

One of my pet peeves, and it has been mentioned, is the Department of Education, which is run by the teacher unions. The NEA, just to name one of the unions, collects $750 million ripped from the pockets of the teachers to influence education policy. This is their agenda—compulsory unionism, teacher strikes, nuclear freeze, gay rights, D.C. Statehood, collective bargaining for migrant workers. How about that for an education agenda? An NEA bulletin stated the major purpose of our association is not the education of children, it is the extension of our members' rights. The Department of Education ought to be abolished.

The billions of dollars should be spent by local schools, as the gentleman just before me so adequately pointed out, not the Federal Government. If you are not going to abolish the Department of Education, certainly you should prohibit Federal dollars going to any school system that discriminates against teachers who refuse to join a union.

In conclusion, there are 62 separate Federal commissions, boards, foundations, conferences and agencies. Each has an administrator, congressional liaison, many other staff people. I urge you to give them a critical cost-benefit test to see if they have not become counterproductive.

Government programs are like cancer cells—they grow and grow until they take over the whole organism. If you ignore them, they continue to grow if you treat the symptoms, but the patient dies. You can retard the growth with chemotherapy, but the problem still exists. The only proven way to solve the problem of cancer is radical surgery.

It is time to face the facts. Many government programs cause many more problems than they solve. It is time to cut them out.

Thank you so much.

[The prepared statement of Roger H. Zion follows:]

Tax Fairness for Seniors

60 PLUS

Eliminate Double Taxation!
Repeal Unfair Inheritance Taxes!
Protecting the Rights of Senior Citizens.

January 12, 1995

Testimony before House Appropriations Subcommittee on Labor, Health and Human Services, and Education

by Roger H. Zion - Honorary Chairman 60/Plus Association

Gentlemen, I congratulate you. You, like our founding fathers, are in a position to change the course of history.

You can balance the budget and significantly reduce the dependency on drugs, alcohol and welfare without touching entitlements.

In 1993, through the Supplemental Security Income Program, $1.4 billion was sent to drug users and alcoholics to help them continue their addictions.

Since 1960, taxpayers have sent $3.5 trillion to welfare recipients, benefits greater than they could receive from entry-level jobs.

The Aid to Families with Dependent Children has made illegitimate children the fastest-growing crop in the country. From 3.7 million in 1983 to 6.3 million in 1993. In 1991 this cost the taxpayers $12.8 billion. This does not count food stamps, child nutrition, Medicaid and housing.

In 1982, 127,000 aliens received Supplemental Security Income. In 1993, 632,000.

In 1992, illegal immigrants cost us $4 billion for education, $820 million for AFDC, and $7 billion for assistance to displaced persons.

The Department of Education is run by the teacher unions. The NEA, to name one, collects $750 million a year to influence education policy. Their agenda includes compulsory unionism, teacher strikes, nuclear freeze, gay rights, D.C. Statehood, and collective bargaining for migrant workers. An NEA bulletin stated that: "The major purpose of our association is not the education of children, it is the extension of our members' rights." The DOE should be abolished. The billions of dollars should be spent by local schools, not the federal government. If not completely abolished, certainly you should prohibit federal dollars going to any school system that discriminates against teachers who refuse to form a union.

(see page 2)

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There are 62 separate federal commissions, boards, foundations, conferences and agencies. Each has an administrator, congressional liaison and many other staff members. I urge you to give them a critical cost-benefit test to see if they have not become counter-productive.

Government programs are like cancer cells. They grow and grow until they take over the whole organism. If you ignore them they continue to grow. You can treat the symptoms but the patient dies. You can retard the growth with chemotherapy but the problem still exists. The only proven way to solve the problem is with radical surgery. It is time to face the fact. Many government programs cause more problems than they solve.

They must be eliminated.

END

The 60/Plus Association is a two-year-old seniors' advocacy group with a free enterprise, less government, less taxes approach to issues, with 225,000+ supporters nationally.

Mr. PORTER. Jim Martin, Chairman.

Mr. MARTIN. Thank you. I am Jim Martin, chairman of 60/Plus, a two-year-old senior citizen lobby organization which has a philosophy of less government, less taxes; and we are supported by 225,000 people nationally in the two years we have been in existence. I have submitted a detailed statement, with support documents, for the record. Let me thank this subcommittee and tell you that seniors and their heirs appreciate the difficulty of your task to cut the deficit, but I can guarantee you they will say, "Right on," when you do.

Where to cut? I would like to quote the great Illinois statesman, Senator Everett McKinley Dirksen, in response to objections that million-dollar cuts were trifling for multibillion-dollar budgets. The late Minority Leader eloquently laid that quaint notion to rest.

He said, I think it was, "A billion here, a billion there, and pretty soon you are talking about real money." I believe it was "a million here" and "a million there," back in those days—memory fails me; it was years ago—the point being that you have to start somewhere.

Since 60/Plus is a senior lobby, we submit that the "Cajun scalpel" can slice $196 million of taxpayer dollars from three senior groups who are 45, 37 and 34 years old. Ask a room full of seniors if they have heard of AARP, all their hands will go up, the American Association of Retired Persons. Ask the same group if they have heard of NCOA. No, I don't mean the Noncommissioned Officers Association, which I have been asked before, or the NCSC. No hands will go up.

Let's go to the NCOA. That is the National Council on Aging. They received $41.1 million in government—read taxpayer—grants in 1993, of which $32.5 million was funneled out for temporary job programs. The AARP got a whopping $86.3 million in government—read taxpayer—money in 1992. The National Council on Senior Citizens, the NCSC, got $68.7 million in taxpayer dough in 1992.

Skipping to the NCOA, which keeps a low profile, let's examine what we might call the "whale," AARP, and one of the "minnows," or the small groups. And there are others. There are dozens of senior groups out there, but these are the big three.

Let's turn to the NCSC briefly here. A little research reveals the enormity of the problem of trying to ferret out what I call "the dispensers of Federal funds." It could be at HHS, Labor, Education Department, HUD, Commerce, Treasury, EPA—almost everywhere except the DOD—and I wouldn't be surprised if it weren't there, too. Since Great Society days, $5 trillion later, these programs have grown like Topsy.

Under President Carter, for example, the NCSC received $149,929,984—$3,012,247 from the Community Services Administration, $471,560 from the Justice Department, $339,167 from the Department of Health and Human Services, $264,860 from the Administration on Aging, another $122,370.60 from the Federal Trade Commission.

Presently, the NCSC received $68 million in fiscal year 1992 through, I believe it is Title V of the Older Americans Act of 1965. All together, the Older Americans Act of 1965 cost $1.2 billion to operate for fiscal year 1995. The money issued under the Act is done so by the U.S. Departments of Labor, HHS, Education and the EPA to nonprofit groups such as NCSC and AARP and others.

The record is replete with highly politicized instances through the years by these groups, and my supporting documents, I think, will show that. There is nothing wrong with politicking, but don't do it at taxpayers' expense, is our message today.

Do what other groups did—do. If you sell your program, the public will make voluntary donations to your cause. If you defund these groups and level the political playing field, what will happen to them? They will survive if they have a salable program.

For example, when Speaker Gingrich was quoted, I think back in December, wanting to zero out CPB funds, Sharon Rockefeller was asked and she replied, "We will not only survive without public funds, but we will prosper." We believe other taxpayer-subsidized political groups ought to follow her lead. The country could move that much quicker toward a balanced budget, which 80 percent of the country is calling for, seniors included.

AARP started out as a vehicle to provide insurance for seniors, a lofty goal. Its founder said it would seek no, quote, "government subsidy," unquote. Now it is benefits driven and not issue oriented except when it comes to government—read taxpayer—handouts.

The NCSC started as a clearing house on matters of interest to seniors, but it eventually abandoned its seniors' focus for what it called "a balanced effort on behalf of all segments of society."

Recommendations of the 60/Plus Association:

One, use your committee powers to investigate Federal funding of nonprofit advocacy groups regardless of political philosophy. There are statutory prohibitions against such use or should be, if not.

Two, just as Congress is calling for an audit of its own house, so should there be audits of all these programs.

Three, Federal funds to nonprofits that operate PACS should stop.

Five, wipe out the slate of delegates to the 1995 White House Conference on Aging. Start over with a new blend of delegates with a more representative viewpoint, especially since 70 to 75 percent of seniors are conservative and the delegates now selected are weighed almost exclusively with AARP/NCSC delegates with a clearly liberal bent. I am saying, these delegates were all chosen before November. As a private organization with a clearly different philosophy in the eighth inning or bottom of the ninth, we were learning the process of how to get delegates to attend.

Anyway, in conclusion, I think we should stick to seniors issues or stop using the seniors' good name.

Thank you.

[The prepared statement of Jim Martin follows:]

January 12, 1995

Summary of remarks by Jim Martin before House Appropriations Subcommittee on HHS, Labor, Education.

I've submitted a detailed statement with support documents for the record. Let me thank this Committee and tell you that seniors, and their heirs, appreciate the difficulty of your task to cut the deficit, but they will say "right on."

I'd like to quote the great Illinois Statesman, Sen. Everett McKinley Dirksen, in response to objections that billion dollar cuts were "trifling" for multi-billion dollar budgets, the late Minority Leader eloquently laid that quaint notion to rest. "A billion here, a billion there and pretty soon you're talking about real money."

The point being that you have to start somewhere. Where to start?

Since 60/Plus is a senior lobby, we submit that the 'Cajun scalpel' can slice $196 million of taxpayers dollars from three seniors' groups who are 45, 37, and 34 years old.

The oldest, the National Council on Aging (NCOA) received $41.1 million in government (read taxpayer) grants in 1993. The American Association of Retired Persons (AARP) got a whopping $86.3 million in government (read taxpayer) money in 1992. The National Council of Senior Citizens (NCSC) got $68.7 million in government (read taxpayer) dough, also in 1992.

Skipping the NCOA, which keeps a low profile, let's examine the whale, AARP and one of the "minnows" (there are others), the NCSC.

A little research reveals the enormity of the problem of trying to ferret out "dispensers of federal funds."

(over, please)

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Since Great Society days, $5 trillion dollars later, these programs have grown like topsy:

Under President Carter, NCSC received $149,929,984.

Additional new funding included:

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$122,370.60 from the Federal Trade Commission (1976-1981).

Presently, the NCSC received $68 million (FY 1992) through Title V of the Older Americans Act of 1965. Title V is a $410 million government program set up to provide part time (20 hr. per week), minimum wage jobs to seniors (55 and over).

Altogether, the Older Americans Act of 1965 costs *1.2 billion* to operate (FY 1995).

The money issued under the Act is done so by the US Departments of Labor, Health and Human Services, Education, and the Environmental Protection Agency, to "non-profit organizations," such as the National Council of Senior Citizens, National Council on the Aging, and the American Association for Retired Persons.

The record is replete with highly politicized instances through the years by both. Nothing wrong with politicking, but don't do it at taxpayer expense.

Do what other groups do. If you sell your program, the public will make voluntary donations to your cause.

If you defund these groups and level the political playing field, what will happen to them?

(next page, please)

They'll survive, if they have a salable program. When Speaker Gingrich was quoted December 6th wanting to "zero out CPB funds", Sharon Rockefeller replied "we'll not only survive (without public funds) but we'll prosper."

Other taxpayer subsidized political groups ought follow her lead. The country could move that much quicker toward a balanced budget, which 80% of the country is calling for, seniors included.

AARP started out as a vehicle to provide insurance to Seniors, a lofty goal. Its founder said it would seek no "government subsidy." Now it is benefits driven, not issue-oriented except when it comes to government (read taxpayer) hand outs.

The NCSC, too, started as "a clearing house on matters of interest to seniors." But it eventually abandoned its seniors' focus for what it called "a balanced effort on behalf of all segments of society."

Recommendations by the 60/Plus Association:

1) Use your Committee powers to investigate federal funding of non-profit advocacy groups.

2) Just as Congress is calling for an audit of its own house, so should there be audits of all these programs.

3) Federal Funds to non-profits that operate PACs should stop.

4) Wipe out the slate of delegates to the 1995 White House Conference on Aging. Start over with a new blend of delegates with a conservative viewpoint, especially since 70-75% of seniors are conservative at any given time and the delegates now selected are weighted almost exclusively with AARP/NCSC delegates.

Let's stick to senior's issues, or stop using the seniors' good name. Thank you.

January 12, 1995

Testimony by Jim Martin, Chairman 60/Plus, before the House Appropriations Subcommittee on Labor, Health and Human Services, and Education,

Mr Chairman and Members of the Subcommittee:

As a young reporter covering Capitol Hill 33 years ago, 1962-1963 and 1964, and then as an aide in the House and Senate for six years, I can appreciate the hard work and long hours that go into these hearings.

I appreciate the opportunity to testify. When I received my invitation to appear, I was struck by the Chairman's opening sentence and I quote "The role of the Appropriations Committee will change in the next Congress from that of a spending body to that of a budget-cutting outfit, working to achieve a balanced budget by the year 2002, if not before."

In that spirit I'm here to offer specifics about where to wield, not an axe, as some have suggested. but a "cajun's scalpel" in the words of Chairman Livingston.

As head of a two-year old Senior's lobby organization, I've had occasion to bump into the giants in the Senior lobby field and I've discovered what many of you already know or are becoming aware of: The Senior lobby is dominated by one well-known leviathan. but it is just one of several dozen. many of whom use tax dollars to lobby Congress, most of whom have a clear Big Government, big spend philosophy.

My objective is to shed light on what I call the Big Five and more specifically upon the Big Three who receive millions of dollars of taxpayers' money and use great gobs of it to lobby Congress, in clear violation of existing statutory provisions.

Besides the AARP, The American Association of Retired Persons, they are: The NCSC, the National Council of Senior Citizens, the NCOA, The National Council on Aging, the NCPSSM. the National Committee to Protect Social Security and Medicare, and the F.U.S.A., Families, U.S.A.

All are of a decided left of center bent in philosophy and though philosophy should not determine how the groups are perceived. the record should show that many of the liberal-left groups receive tax dollars, often under the guise of "providing temporary jobs for needy seniors," but just as likely to be used to politic. based on the articles and extensive data I will enter into the record.

If you ask a roomful of seniors if they've heard of AARP, most. if not all, will raise their hands.

Ask the same question about the NCSC, or the NCOA. and not many hands will shoot up. Then tell them AARP hardly needs your $8 membership dues, not with $80 plus million in tax money. They always ask, "What for?" Good question.

Or NCSC getting $68 to $70 plus million. What for? Good question.

(over please)

The little known NCOA? A paltry $41.1 million in 1993. What for? Good question.

Treading lightly on the NCOA, now over 40 years old and which keeps a low profile politically, I note that its overall budget included $35.2 million in 1993 from the Department of Labor to provide "training and subsidized employment for close to 10,000 low-income older workers."

Philosophy? Hard to determine until you find literature quoting Mrs. Clinton as stating before the NCOA Board which endorsed the Clinton health care proposal, "There's no group whose endorsement means more to us."

And skipping past AARP, with passing reference to two articles entitled, "Old Money -- Why the Mighty AARP Spends as Much Furnishing It's Offices As It Does on Programs to Help the Elderly," from the Washington Monthly; OR "Strength From It's Gray Roots," a piece by Forbes reporter Janet Novack which states "run by activist, liberal staff, the AARP ignores the conservative views of its own membership and pushes hard for higher government spending and higher taxes."

And I submit excerpts from a National Taxpayers Union Foundation report which analyzed AARP's 400-page legislative agenda. The NTUF study concludes enactment would cost "at least" $1 trillion dollars over the next decade -- equal to an additional tax bill of almost $10,000 per family.

Or Jack Anderson's column which references the same AARP agenda, noting that AARP didn't learn its lesson when its membership rose up and rejected the catastrophic care package a half-dozen years ago -- it had "only" a $ 9 billion price tag then. Now AARP's plan has grown to over $15 billion.

Perhaps most devastating of all, is the soon-to-be published book by Anderson associate, Dale Van Atta, titled, "Inside the AARP, What You Need to Know About the Country's Biggest Lobby... and It's Relentless Push for Bigger Government and More Spending".... Recommended reading. Coming to bookstores soon, courtesy of Regnery Books.

Suffice it to say, the record is replete with AARP's stand on big government spending. To quote one of AARP's lobbyists, "Our ideology is big,": as in big dollars.

Minimum wage? Now $4.25 an hour. A great debate starting on whether to raise it as much as a dollar, to $5.25. Forget it. AARP wants $6.25 an hour.

Clout? Chief lobbyist John Rother, one of those former Capitol Hill liberal activists (staff chief for Senate Committee on Aging,) states, immodestly: "We have no real enemies in Congress...only a handful of die-hard opponents --hard-core right wingers."

Arrogance? Out of step with its members? The same Rother on whether members advice and counsel is sought, "Look, we've studied this and we have a more-educated, informed judgement to offer you."

One other quote of note: Charlie Peters, editor of the neo-liberal Washington Monthly, certainly not a right-winger, "AARP is becoming the most dangerous lobby in America."

Now to the most political of all: The National Council of Senior Citizens (NCSC).

Founded in 1961, with support from labor unions and the Democratic National Committee, according to a St. Petersburg Times article last year analyzing five or six seniors groups. Here's a little background.

Under President Carter, NCSC received $149,929,984.

Additional new funding included:

$3,012,247 from Community Services Administration (FY 1978 and 10/20/78);

$471.560 from the Justice Department (FY 1978-1981);

$339,167 from the Department of Health and Human Services (FY 1980-1981);

$264.860 from the Administration on Aging (FY 1980-1982); and

$122.370.60 from the Federal Trade Commission (1976-1981).

Presently, the NCSC received $68 million (FY 1992) through Title V of the Older Americans Act of 1965. Title V is a $410 million government program set up to provide part time (20 hr. per week). minimum wage jobs to seniors (55 and over).

Altogether, the Older Americans Act of 1965 costs *1.2 billion* to operate (FY 1995).

The money issued under the Act is done so by the US Departments of Labor. Health and Human Services, Education, and the Environmental Protection Agency, to "non-profit organizations," such as the National Council of Senior Citizens. National Council on the Aging, and the American Association for Retired Persons.
History repeats itself.

On May 26, 1994, Sen. David Pryor (D-AR), Chairman of the Senate Committee on Aging. held a press conference with the National Council of Senior Citizens where they attacked several organizations with whom they disagree politically.

C-SPAN carried their attacks against the American Conservative Union. The Seniors Coalition and United Seniors Association. The thrust of their "non-partisan" attack was based on "an in-depth and well-documented report" by the research unit of the Democratic National Committee!

Pryor has held hearings in years past and accused these organizations of being "flagrant senior scam groups, founded to make money by taking advantage of the fears of the burgeoning elderly

(over please)

population." NCSC in the 1980s also attacked other conservative seniors' groups.

ACU Chairman David Keene probably had the sharpest and most biting reaction to these continued attacks by having a copy of the Constitution hand-delivered to Sen. Pryor.

Pryor's response was swift. NCSC called the above-named groups, as well as other non-senior but conservative groups, demanding copies of their IRS 990s (tax returns) which are, by law, made available to the public.

The NCSC. which exclusively backs Democrats (see attached 1992-93 FEC report), is railing against other senior citizen groups who are not in tune with the NCSC liberal big government agenda. This is the same tactic NCSC employed during the 1980s against the National Association of Senior Citizens, when the NCSC felt threatened with exposé during Defund the Left rumblings.

Is it just coincidence, that each group NCSC attacks is a free enterprise. anti-big government conservative group. funded by voluntary donations, while NCSC, funded 96% by tax dollars. takes the opposite position? In fact, NCSC is a glutton when it comes to spending the taxpayers' money, taking $68.7 million in 1992.

Through the years, NCSC has received hundreds of millions of taxpayers' dollars. What do they do with those hundreds of millions of dollars?

In the name of helping seniors this union boss-dominated organization (see NRSC memo) is totally Democrat-oriented. and only the "left" kind of Democrats at that.

A look at the 1991-92 election cycle reveals their bias. Their PAC gave $221,750 to 74 candidates, all with a D next to their names. To Republicans? Zero, zip, nada.

Their independent expenditures totaled $107,243 with $26,455 going to help Bill Clinton, and half of the entire amount, $53,099, to Senator Harris Wofford (D-PA), who is responsible for putting health care reform into the national debate. but without explaining how to pay for it. The remaining $27,689 went to help seven other candidates. Yes, all seven were Democrats.

Even in their total $12,608 worth of expenditures against candidates, not one penny went to oppose a Democrat!

Surely they could find a token Republican to support. There are dozens acceptable to big labor.

But NCSC is so far out in left field, it wouldn't even support U.S. Senator Arlen Specter (R-PA) who has enjoyed big union backing in years past. Instead. the NCSC PAC spent $1,398 against Specter and gave $5,000 to his opponent, Lynn Yeakel.

Specter, you will recall, made Anita Hill squirm under his cross-examinations on the Judiciary Committee, inflaming the left and inspiring them to back Ms. Yeakel. The message: "Oppose our liberal-left agenda at your own risk."

What does this have to do with Senior Citizens? Not a lot, I think. Just politics as usual by a group of ultra-liberals using taxpayers' money to advance their views.

You see, other free enterprise, conservative seniors' groups such as 60/Plus support a balanced budget amendment, as do a majority of seniors. NCSC does not.

60/Plus opposed the 1993 Clinton budget with its tax hike on seniors benefits. NCSC supported Clinton's budget.

60/Plus does not believe in means-testing. NCSC does.

On the most important of all the public policy issues, though, the Clinton health care program, 60/Plus opposed it as too costly, leading to lower quality care, and giving limited access to care.

And another reason NCSC held its press conference with Senator Pryor to attack these other seniors' groups, as it has done since the 1980s? Because 60/Plus and other free enterprise groups are finding strong support from seniors who are fed up with big government and its big spending ways.

Daily 60/Plus and these groups receive hundreds of letters denouncing AARP and other left-wing groups and asking how to join the conservative side. So it's a matter of being effective. We're getting the left's attention.

Started in 1961 as "Senior Citizens for Kennedy-Johnson," NCSC by 1980 was getting $43.2 million from Jimmy Carter's Labor Department for a "jobs program."

By 1989, their take was $58.8 million with 95% from your tax dollars.

By their latest return. 1992, that total had risen to $68,737,672, down slightly from the $69,787,142 received in 1990. (Also, in 1991, NCSC's 501(c)(3) tax-exempt sister group received $4,129,769 in government grants, according to reports I have received.)

In 1992. only $105,649 (less than one half of 1%) of their nearly $69 million income came from direct public support (with a mere pittance -- $105,649 -- from public donations, out of $69 million, it's always puzzling to see how NCSC has conned the media into calling the organization a "grassroots lobby").

From their gross $71.630,109 total revenues in 1992, NCSC spent $66,219,232 on "senior citizens community service employment program which provides part-time work for needy senior citizens" (Part III, section d, page 2 of tax return). That's the only explanation of how NCSC spent the entire $66,219,232!

Of the remaining $5 million, salaries accounted for $3,754,113, while travel expenses accounted for a whopping $671.899.00.

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What does NCSC do other than provide "part-time work for needy seniors"?

Besides its PAC politicking, NCSC also puts out a legislative rating service and guess who scores highest with them? The Metzenbaums and Kennedys. By the way, those 74 Democrats they donated to are only the "left" kind of Democrats. Right-thinking Democrats better look elsewhere for help.

If you ask a roomful of seniors if they've heard of AARP, the Association of Retired Persons, ($86 million of your tax dollars last year), most will raise their hands.

But ask the same question about AARP's leftist leaning NCSC, or their equally liberal friends at the National Council on Aging (NCOA -- only $41 million in tax dollars), and not many hands will shoot up.

Do they politic along the way? You be the judge. Look at NCSC's phone bill alone for 1992. Over $10,000 a month, $124,013. That's a lot of phoning. in the name of job searching for seniors.

If we had the resources at 60/Plus, I could really give you a block buster story to write. About the time of Mrs. Clinton's Health Care Bus Tour, the press reported that NCSC had held 300 seminars in 35 states.

I'll bet the seminars correspond on a map pretty much with the bus route taken. Of course, one wag said "perhaps NCSC provided temporary jobs to needy seniors by providing the bus drivers and people aboard."

Here's why I suggest the bus tour and 300 seminars in 35 states connection:

Last July (1994), at a 3-day conference here in Washington. the NCSC had a political operation so high tech and sophisticated it would be the envy of old war-horse campaign managers, to wit: a bank of 10 computers with carefully written instructions regarding a "Special Health Care Letter."

Seniors were told: "to make it as easy as possible for you, we have composed a very special three-paragraph letter that can be written, by computer, here at the NCSC Legislative Conference, (but will look as though you wrote it at home) emphasis added.

Further, "pick your favorite paragraphs, one, two, three -- and the type face you want to use. . .the NCSC computers will do the rest for you!"

Fill in your Congressional Representative's name and Congressional District (CD). If you don't know your CD, "we can find it."

"Please do not mail the letter. NCSC will take care of getting it to the Bus Caravan."

These letters are available for the record Speakers at the Conference; Vice President Gore; Senator Rockefeller; Janet Reno; Robert Reich, Ted Kennedy; Richard Gephardt -- hardly nonpartisan.

Incidentally, the next 3-day NCSC Regional Conference will be March 26-29, 1995 at the Trump World Casino and Resort in Atlantic City.

There's a statutory prohibition against using federal funds to lobby Congress.

Is NCSC guilty of using federal funds to lobby Congress?

Here's what their own 1994 Audit Review Committee report had to say about reliance on federal funds (full text is available for the record).

"We feel that we will be remiss in our responsibilities if we did not make some points we believe are of considerable importance to the future viability and effectiveness of the National Council of Senior Citizens."

"The heavy reliance on governmental (read taxpayer's money) grants, such as from the Department of Labor and the Environmental Protection Agency. . . . .poses a potential danger in the long term structure of NCSC. Absent such grants, the Council would be unable to continue its current level of operations without seeking new revenue sources. The assumption of office by an unfriendly federal administration at some future date could very well deliver a crippling blow to NCSC. The ARC suggests therefore, that a leading priority of the Council should continue to be building of an ever expanding membership base."

With respect to the Senior AIDES program the same Audit Review states "the ARC shares with NCSC and the US Department of Labor a concern about the failure of some Senior AIDES sub recipients to comply with terms of the Single Audit Act." The ARC report goes on to state that at one time, 30 recipient sites were not in compliance, down to only six, progress that is "significant in view of the Labor Department's earlier comments that without such improvement, NCSC could have faced a liability in excess of $8 million."

Need for an independant audit?

In conclusion, why does Sen. Pryor take sides in what is clearly a public policy debate between strikingly opposite points of view?

It's clear. Sen. Pryor is known as Bill Clinton's "Pit Bull" on Capitol Hill. Sen. Pryor's record as Governor, Senator, and as Representative is distinguished by his fealty to big unions, even though he skips traces on occasion, being from a Right-to-Work state.

In fact, nothing makes it more crystal clear than a 1971 award, to then-Representative Pryor, who was named National Lawmaker of the Year by a little-known but rapidly expanding group, known initially as Senior Citizens for Kennedy-Johnson but now, thanks to federal largesse, called the National Council for Senior Citizens.

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No wonder conservatives and Reagan wanted to defund the left. Also, what a testament to the need for a line-item veto.

Why was 60/Plus drawn into the political arena when we're non-partisan?

In late 1994, 60/Plus devised a rating system for Members of Congress.

226 Members of both parties received a pro-seniors GUARDIAN OF SENIORS' RIGHTS AWARD. As word got out, NCSC had their press friendlies call 60/Plus and try to get the scorecard to "put down" 60/Plus. As the Miami Herald noted, "60/Plus has come up with a rating system NCSC does not like.", using 8 of the same 10 votes NCSC* rated members on, especially the Balanced Budget Amendment and the Clinton Administration's budget. NCSC called a vote for a balanced budget "bad for seniors," and a vote for the Clinton budget "good" for seniors. 60/Plus took the opposite position.

60/Plus was thus drawn into Senate races in Pa; Calif; Wyoming; Washington and Maine. In the House: Arkansas, Pa.. Fla, Ca, Indiana, Ohio, and Washington, and I've just learned, perhaps other races by those on this Committee.

END

* NCSC used two votes which 60/Plus could not compute as "seniors" issues: the Striker Replacement and Motor Voter bills, the former clearly union-endorsed, the latter, an Administration bill, an unfunded mandate piece of legislation now being challenged in California.

CURRICULUM VITAE
James Lee Martin

BIRTHPLACE Hazard, Kentucky, March 20, 1936

MILITARY US Marine Corps, Active Duty, Sergeant, 1953 - 1958
Meritorious citation by Marine Corps Battalion Commander for "exemplary conduct and leadership qualities exhibited in the performance of duties."
Marine Security Guard Duty, (Top Secret clearance) American Embassy, Djakarta, Indonesia, 1956 - 1958.

EDUCATION Bachelor of Science in Journalism, University of Florida, 1962

HIGHLIGHTS
William Randolph Hearst award for creative reporting and writing, in national collegiate competition, Gainesville (FL) Daily Sun.

PROFESSIONAL Chairman, The 60/Plus Association, Inc., Arlington, VA
200,000+ member national grass-roots lobbying organization for Seniors. Actively lobby US Congress on public policy issues of concern to Senior Citizens. Conduct print and radio/TV interviews.

Referenced in several books, notably <u>How to Write Business Letters</u>, by Fred Nauheim; called "one of the conservative movements foremost direct mail copy writers in <u>The New Right, We're Ready to Lead</u> by Richard Viguerie; cited by Professor Larry Sabato in <u>Political Consultants, The Image Merchants of the 1980's</u> for writing emotional (and highly successful) political fund raising letters for Congressman Jack Kemp (R-NY).

AA to US Rep/ US Senator Edward J. Gurney (R-FL) 1964 - 1969.
Capitol Hill Newspaper Reporter & Radio/TV Broadcaster for 35 media outlets in Florida, Georgia, and the Carolinas. Washington, DC 1962 - 1964.

MARITAL Wife: Mary Lou Martin, seven children and five grandchildren, as of November 1994.

ACTIVITIES **Participant** as Manager/Pitcher for **top** 10 **national** 55+ Senior Softball team, Saints and Sinners, in Senior World Series, 1993, Houston, Texas and 1994, Phoenix, Arizona.
Participant, 1993 Golden Olympics basketball (55+) in Baton Rouge, Louisiana, and 1995 Nationals in San Antonio, Texas.
1993-95 Virginia State Champs.

To Be Resolved:

Whether appropriations are authorized under the Older Americans Act, and whether funds came through HHS, or any other Agency, the following questions should be resolved:

National Council of Senior Citizens, Inc. ("NCSC") is an organization exempt from taxation under Section 501(c)(4) of the Internal Revenue Code. As such, NCSC is permitted to engage in direct and grassroots lobbying. It recently played a major role in supporting President Clinton's proposals for changes in the American health care system, asserting that the President's plan "meets our core principles." The NCSC has also undertaken a crusade against the "Contract With America." One of its scalding criticisms about the Contract was that it is an "economic suicide pact drawn up by those all too willing to turn away from old 'covenant' programs, such as Social Security and Medicare."

However, during the period July 1, 1992 through June 30, 1993, NCSC reported on its Internal Revenue Service Form 990 (a document available for public inspection) that it received $68,843,321 in government contributions, and "program service revenue including government fees and contracts" of $219,172. These amounts were allegedly received to finance Federal jobs programs for senior citizens under Title 5 of the Older Americans Act of 1965.

Question: In light of the statutory prohibition against using Federal funds to lobby Congress, has HHS audited the books and records of NCSC to determine whether its Federal funds have been used lawfully or unlawfully?

Question: Do you think it is appropriate for non-profit organizations, which receive Federal funding to advance programs authorized by Congress, to engage in legislative issue advocacy and lobbying activities?

Question: Would you recommend that The Older Americans Act and comparable legislation be amended either (1) to prohibit participating non-profit private organizations from engaging in legislative issue advocacy and lobbying, or (2) to limit participating non-profit private organizations only to those which are charitable organizations exempt from taxation under Section 501(c)(3) of the Internal Revenue Code? (Under § 501(c)(3), "no substantial part" of an organization's activities may consist of lobbying.)

Follow-Up Question: If you do not think the law should be changed, would you please explain your rationale and give me and my colleagues on this Committee some comfort that we will not find organizations like the NCSC in the legislative arena, either supporting or fighting against the things we are trying to do here?

* * * * *

In addition to engaging in legislative issue advocacy and lobbying, the NCSC annually publishes a "Voting Record" on congressional issues. Among the votes used by the NCSC in compiling its recent "scorecards" have been those involving the bill to ban striker replacements and NAFTA. The NCSC has described itself as "a very liberal organization" and as "a very political organization." This internal assessment can be easily confirmed by reviewing the NCSC scorecards, the selection of votes it considers relevant to senior citizens and their congressional "rankings."

<u>Question</u>: I do not condemn the practice by non-profit organizations of communicating their philosophical views on issues, and I do not condemn the practice by non-profit organizations of keeping their members informed about the activities of Congress and Members of Congress. What I do condemn, however, is providing Federal funds to groups - wheresoever they may fall within the political or philosophical spectrum - which engage in clearly partisan activities. Do you think it is fair and equitable to American taxpayers to have their tax dollars used to fund organizations which espouse political views they find incompatible with their own?

* * * * *

The NCSC also operates a separate, segregated fund, commonly known as a "PAC." In 1992, this PAC reported making contributions approximating $221,000 to 74 Democrat candidates for Congress and "independent expenditures" <u>against</u> three Republican House candidates of approximately $11,600 and <u>for</u> nine

Democrat candidates of approximately $107,000. There do not appear to have been any contributions made or independent expenditures for any Republican congressional candidate in 1992.

Question: I am sure you are aware of the fact that Section 441b of the Federal Election Campaign Act (2 U.S.C. 441b) authorizes membership organizations and corporations without capital stock - such as the NCSC - to use funds in/their general treasury to pay the costs of establishing, administering, and soliciting contributions to their PACs. Do you think it proper for membership organizations or corporations without capital stock which receive Federal funds to use those funds to pay the overhead and solicitation costs incurred by their PACs?

Question: Has your Department audited the books and records of NCSC to determine whether Federal funds have been used to pay the administrative and solicitation expenses of NCSC's PAC?

Old Money

Why the mighty AARP spends as much furnishing its offices as it does on programs to help the elderly

by Christopher Georges

The American Association of Retired Persons (AARP) receives approximately $75 million annually from the federal government to run a pair of job training and placement programs for older Americans—two of the largest of their kind. A recent phone call to AARP's Washington, D.C., headquarters to inquire about enrollment in the programs led to the following:

The caller, after unsuccessfully attempting to explain the programs to two befuddled receptionists, was bounced to Jack Everett, an official in the organization's Senior Employment Office, who cheerfully explained that AARP offers no federally funded job placement or training programs. Everett suggested calling the Department of Labor (the agency that pays AARP $52 million to run one of the programs) for help. He also offered other ideas, like, "Try the phone book under the senior citizens section," and suggested contacting the National Council on Senior Citizens, another, smaller advocacy group for older Americans. He even threw in some job-training advice: "You'll need a resumé. That's always a good first step. . . ."

Everett's not alone. Similar inquiries at AARP offices in major cities in 16 states turned up like responses: Only six of the offices were aware that these programs even exist, although AARP literature boasts that they're offered at 108 sites across the nation. One office suggested calling Elder Temps, a privately run job-placement firm. Another advised calling the Jewish Council for the Aging. Several others suggested enrolling in an AARP job search workshop and seminar—for a fee of $35.

Christopher Georges is an editor of The Washington Monthly. *Research assistance was provided by Greg Bologna.*

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In a way, those phone calls distill what's wrong with AARP, one of America's largest and most influential nonprofit organizations: In its brochures, it's dedicated to helping seniors work, play, and wield power. In real life, however, helping itself seems to be Job One. "It's no more than a big business," grumbles Virginia Fine, who until last year was an officer of a California AARP chapter. "The whole Washington operation is simply geared toward making money." A close look at the mammoth nonprofit's Washington command central offers a fair amount of evidence to back Fine's charge. In 1990, for example, AARP spent about as much on office furniture and equipment as it did on programs to help its 33 million elderly members.

The world according to AARP

Why should you care? If you're over 50, odds are you're a member: More than half the over-50 population has paid the $5 dues to belong. Next to the Catholic Church, it's the largest membership organization in America. But even if you're not an AARP card-carrier, you're paying for the organization's extravagance anyway, because AARP receives, in addition to its federal grants, a federal subsidy equivalent to nearly $20 million a year.

Of course, AARP's nonprofit status also grants it something money can't buy—the trust of millions of older Americans: trust to represent their interests in Washington, to sell them worthy products, and to use their dues and fees in their best interest. For most of the organization's 34 years, the media and AARP members have accepted that trust at face value. But a peek at AARP's finances and lobbying efforts suggests that this trust may not always be well-earned.

AARP describes its mission as threefold: to lobby on behalf of seniors; sell them products and offer them discounts on other goods and services; and provide them with the chance to both volunteer their services and benefit from the volunteer work of others. For their $5 investment, members get an assortment of goodies: a subscription to *Modern Maturity*, AARP's bimonthly magazine (far and away America's largest, with a circulation five times that of *Time*); discounts from car rental companies, major hotel chains, airlines, and on American Express travel packages; and, of course, the opportunity to save money on health insurance, prescription drugs, and other products sold by AARP.

And sell it does. AARP's nine business enterprises sustain a cash flow of about $10 billion annually and revenues of nearly $300 million, with the greatest portion coming from AARP's centerpiece enterprise: group health insurance. With more than 5 million policy holders, it's the largest of its type. Last year, AARP profited nearly $100 million from this business alone. AARP's only role in selling the policies is as a middleman: AARP's partner, Prudential Insurance, offers the policies, which are promoted through AARP publications and direct mail solicitations. For every policy sold, AARP receives a 4 percent administrative allowance simply for collecting the premium and passing it on to Prudential.

AARP's mail-order pharmacy, one of the nation's largest, brings the organization about $3 million per year. Its direct mail operation is so massive that AARP sends more than 1 percent of the entire nation's nonprofit third-class mail. Add to this the $100 million it collects each year in membership dues and the interest on about $50 million from Treasury bills, and total annual revenues add up to about 10 times the take of the United Way.

The United Way: Come to think of it, the comparison doesn't end there. AARP devoted about $30 million last year, and just $14 million in 1990, to programs aimed at directly assisting the elderly—a pittance compared to the funds it lavished on itself. Perhaps the most conspicuous symbol of AARP's use of resources is its new 10-story Washington headquarters. Leased for about $16 million a year, the 500,000-square-foot building is one of Washington's most alluring. Fellow lobbyists refer to the structure as the "Taj Mahal"; *The Washington Post*'s architecture critic described it last year as "a knockdown surprise, a classical package whose odd vigor is at once apparitional and relentless."

It's little wonder he was impressed; The structure, crowned with a medieval-style turret, boasts a state-of-the-art radio and TV broadcast studio, a fitness center, and a beautifully appointed marble lobby. Office lights are guided by motion sensors; even the stairwells are wallpapered and carpeted.

Nor was expense spared in furnishing the thing. Dozens of mahogany bookcases costing $1,800 each, for example, are built in throughout, and stained-glass windows adorn every floor. Total costs for furnishings and equipment came to $29 million in 1990.

"Even people here wonder if it's proper for a nonprofit for the elderly to be housed this way," says one AARP insider. As for the old furniture, it now sits idle in a Virginia warehouse rented at AARP expense. AARP officials defend the costs, saying that they sought to construct a building that would last for years to come. Also, they say, internal calculations showed that moving the old furniture to the new building would have cost just as much as the new decor.

Still, the decor is chump change compared to the $43 million spent on salaries for the 1,100 headquarters employees. "There are layers of people here, many of whom have little or nothing to do," says one D.C. insider. Busier, apparently, are the organization's lawyers. AARP pays out nearly $2 million annually in lawyers' fees, which is more than it devotes to all but four of its more than a dozen elderly assistance programs. AARP, in fact, retains two sets of lawyers: an in-house counsel and a team of lawyers from the New York firm of Miller, Singer, Raives, and Branden. The two lead attorneys, Alfred Miller and Lloyd Singer, have been closely associated with AARP since 1971, when the firm was formed specifically to provide legal counsel to the organization. Former AARP executive director Jack Carlson, who was fired after a 15-week tenure in 1987 following a dispute with the board of directors, explains that the lawyers' roles range from overseeing the business enterprises to monitoring committee meetings. "They permeate the whole organization," Carlson says. "There's a heavy-duty orientation to the commercial side and they didn't want anyone to come in and sabotage it."

Overseeing the empire today is executive director Horace Deets, a former Jesuit priest who joined AARP in 1975. He is described as a low-key leader who travels frequently and who views his mission as decentralization of AARP and "intergenerational expansion" (that is, recruiting younger members). His salary is $200,000—not in the Aramony stratosphere, but at the high end of the spectrum of nonprofit executives' salaries. Deets reports to a 15-member board of directors and six national officers—all of whom are unpaid volunteers with roles limited mostly to making ceremonial appearances at functions representing AARP, attending conventions, and sitting on various committees that oversee AARP's commercial enterprises. Board members and about 250 other top-level volunteers scattered throughout the country enjoy expense accounts, free travel, and other perks that were worth about $11 million in 1990 alone.

Back in Washington, the 1,100 paid staffers are apparently not enough to get the job done at AARP-central. Every year, nearly $10 million is doled out to an army of consultants brought in to write public opinion polls, newsletter copy, and radio scripts and to perform other odd jobs, like providing "media training" to top-level volunteers preparing for radio and television appearances. AARP officials say they are unsure how many consultants are hired each year, but insiders place the number in the hundreds. Last spring, AARP paid nearly *$2 million* to a consulting firm to run an in-house workshop called "communicating with co-workers." Another consulting firm, Synectics of Cambridge, Massachusetts, was called in to instruct AARP employees on how to better provide input on projects and set priorities in the office. The amount Synectics received is unknown, but it was enough to prompt the firm to set up a satellite office in Alexandria to serve AARP. And last July, as staffers prepared to move from the old AARP building to the new headquarters, more hired guns were ushered in—in this case to help train employees in how to pack their belongings into boxes for moving.

Hot for profit

While the Washington crowd enjoys the riches of the organization, the level of support that flows back to members is rather paltry. Of the approximately

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$30 million spent assisting the elderly in 1991, $4 million went to coordinate programs such as educational forums and diet and exercise activities, $4 million was spent on the biennial convention, and $3.7 million was devoted to "education of older workers and employers in matters of obtaining employment . . . keeping employment and retirement planning." With respect to the last program, what AARP neglects to mention in its public financial records is that it also *charges* members $35 to enroll in such courses.

AARP has a penchant for charging members for services. One of the organization's most popular assistance programs is its 55/Alive driving education course for seniors. It is, of course, an important and useful service, but while AARP spends about $2.8 million to run it, it also *collects* an $8 fee from most of the 450,000 enrollees.

Leaders of local AARP chapters across the country also charge that the national office, despite its bulging bankrolls, does little to support them beyond printing pamphlets and offering moral encouragement. Many chapters hold bake sales or fundraisers to scrape up money for meetings or events. The scant support shows. So disorganized were local chapters that when phone inquiries were made regarding three of AARP's most vaunted volunteer programs (legal aid services, Medicare/Medicaid advice, and a widow support service), only about a third of the offices contacted had any idea that the programs exist.

The response wasn't much better when similar inquiries were made to the Washington headquarters about its Medicaid/Medicare assistance program and the Financial Information Program (offering advice on money-related topics). In each case, callers were told that no such programs exist. But inquiries about purchasing health insurance and prescription drugs were handled promptly.

Photo/Jennifer J Peabody

The lobby's lobby: AARP's swank new digs

Another example of AARP's emphasis on profits over service occurred last year when chapter officer Virginia Fine of the Sacramento, California, AARP asked AARP's national office for a list of all AARP members in her region in an attempt to encourage members to become more active in the local chapter. AARP refused to release the list, saying it was confidential. Eventually she and other local leaders petitioned the state attorney general to force AARP to release the names. Why the hesitancy from Washington? Its 33-million-name list is the heart of AARP's financial empire; alone it's worth millions of dollars, since direct mail solicitations are the cornerstone of its fortunes. So protective of this list is AARP that its bylaws call for expulsion or suspension of any member who releases "a complete or partial list of members" without written permission from AARP's president.

Capitol crimes

Of course, direct services to the elderly aren't AARP's only game, as officials there are quick to tell you. AARP's real forte is helping its members on Capitol Hill. AARP's legendary lobbying arm, which absorbs about $18 million of its budget, includes a team of 18 lobbyists and researchers in its policy shop, the Public Policy Institute. As expected, chief among AARP's causes are averting cuts in benefits for the elderly, protection of pensions, and various health care initiatives. AARP's lead lobbyist, John Rother, describes his team's lobbying style as "low key," presenting carefully researched data rather than holding press conferences or issuing "damning reports."

AARP has in past years been charged with neglecting the elderly poor in favor of the well-to-do, who are more likely to buy its services. More and more congressional aides and lobbyists, however, now credit AARP with placing greater emphasis on issues like low-income housing, as well as reemphasizing long-time causes like age discrimination, Social Security, and consumer-related issues. Yet some congressional AARP watchers still argue that the lobby has been conspicuously silent in several recent battles over bills designed to assist the elderly that could, coincidentally, also threaten AARP's financial empire.

➤*Medigap insurance reform:* In 1990, after investigations into Medigap insurance (policies designed to offer seniors coverage in areas not covered by Medicare), Congress, convinced that insurance sellers were swindling many seniors into buying protection they didn't need or already had, moved to clean up the mess. The reform legislation, which called for a fairer system for seniors but a less profitable one for insurance providers, won the hearty support of all seniors groups—except, according to congressional aides involved in enacting the legislation, AARP. AARP officials today insist that they fully backed the legislation. But one senior-level aide to a congressman who sponsored the measure disagrees. "They met with us and gave some suggestions, but most of these were on how to *soften* the bill."

➤*Prescription drug prices:* After congressional hearings in 1990 found that drug companies were overcharging Medicare for pharmaceuticals, legislation was introduced to force lower fees. The bill aimed not only to save the government billions of dollars, but also to help people insured through Medicare, who often faced out-of-pocket costs of 50

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cents to a dollar per prescription, limits on the types of medications covered, and in some cases restrictions on the number of times they could refill those prescriptions. The losers were, of course, the drug sellers, who'd see their profit-margins diminish. Again, full support came from almost every seniors group except—you guessed it. While Rother insists that AARP worked hard to enact the bill, Hill staffers close to the legislation again disagree. "Sure, we wished AARP would have supported it, but they weren't involved," says a senior Senate staff aide instrumental in the bill's enactment.

➤*National health insurance:* Instead of endorsing any of the nearly one dozen plans introduced in Congress, AARP recently released a preliminary draft of its own health insurance plan, one it claims is best for all Americans, not just the elderly. While it includes a few "Canadian-style" features like universal long-term care coverage, the plan is, first and foremost, a "play-or-pay" model that calls for employers to provide insurance to employees or pay into a public fund. Employer-based programs have received criticism from other elderly groups because they do less for seniors than Canadian-style systems. As a result, elderly advocates question AARP's motives in eschewing any of the proposed Canadian-style plans, noting that an employer-based model, unlike nationalized health care, would allow AARP's $100 million insurance-selling enterprise to survive.

If the profitmaking impulse occasionally affects AARP's lobbying efforts, it also sustains the group's flagship publication, *Modern Maturity*, which the organization considers a crucial tool in its mission to educate seniors. While the magazine is filled with innocuous service pieces, there is a seamier side to the publication: its thinly masked mission to promote AARP's business enterprises. A survey of recent issues showed that on average more than a third of the advertising inches promoted AARP-sponsored products or services offered by its discount partners. In fact, about one in every 10 pages featured an ad pushing an AARP product. (Competing products and services almost never appear in the magazine.)

Of course, *Modern Maturity* doesn't run articles that outright endorse any of AARP's products or services. Instead, what you'll find on, say, the page opposite the health column is a full-page ad for the organization's insurance plan. And while articles offering advice on how to wisely invest money don't make specific mention of AARP's investment service (and of course omit mention of other plans, no matter how highly rated), they do appear close to ads for AARP's Scudder investment plan. "They wouldn't write a piece on a trip to the Second Coming unless it was operated by American Express tours," says Leonard Hansen, a New Orleans-based syndicated columnist on elderly affairs.

You might think some of AARP's members would get wise to self-promotion like this and do something about it. But while there are nearly 4,000 local AARP chapters across the nation, each with its own elected leadership, members have little voice in setting AARP policy. Washington keeps a tight grip on the selection of both regional and state leaders. State directors, area vice presidents, and state coordinators are all appointed by AARP's Washington-based executive committee. In the past, members attempting to assert their own opinions on political issues have faced the wrath of the Washington office. Ted Ruhig, who served several terms as an officer of AARP's Carmichael, California, chapter, was a regional director of AARP's voter education drive in 1989. Unhappy with AARP's position on catastrophic care legislation, Ruhig spoke out publicly against the lobby. A few weeks later, he received a letter from the Washington headquarters thanking him for his years of service to AARP and dismissing him from his leadership post.

"Occasionally we have to terminate people," Rother explains, "although it's not a pleasant thing to do."

Elder hostile

From the headquarters to the magazine, AARP seems a lot more of a business than a charity or grassroots lobby. In fact, the organization has in many respects evolved into a giant merchandising company that taxpayers subsidize to the tune of millions of dollars. "If I could, I'd walk into AARP and immediately shift the money around," Kurt Vondran, a lobbyist with the National Council on Senior Citizens, says enviously, thinking of the services and programs that could be created with that glorious $300 million budget.

Of course, Vondran's wishes aside, AARP doesn't *have* to chuck the mahogany bookcases, the box-packing consultants, the $11 million executive perks, or the selling obsession. It doesn't *have* to start functioning as a nonprofit, running programs on behalf of the seniors it's chartered to serve. There's another reasonable option. AARP can keep on peddling those products and living as baroquely as it likes —just as long as it drops the charitable cover and pays its taxes like other American businesses. That'd mean, hmmm, millions of dollars saved every year by the federal government—probably a bigger help to America's older people than the AARP will ever be.

Run by activist, liberal staff, the American Association of Retired Persons ignores the conservative views of its own membership and pushes hard for higher government spending and higher taxes.

Strength from its gray roots

By Janet Novack

AARP Director of Legislation and Public Policy John Rother
"We're not here just to report the public opinion of members."

NEARLY 50% of Americans over 50 belong to the American Association of Retired Persons. And the 33-million member AARP claims to speak for those who don't just as much as for those who sent their $5 ($12.50 for three years) membership fee, which buys such perks as AARP's travel discounts and low-cost insurance plans.

The claim of universal representation is right in the AARP's annual Internal Revenue Service filing as a tax-exempt organization. The organization "represents the interest of all older persons." That claim is open to serious question, because a lot of older people disagree with AARP's definition of what's in the best interest of the over-50 crowd. As an organization, AARP stands for more government spending, government-imposed benefits, taxes and regulation.

AARP's lobbying staff, headed by Director of Legislation and Public Policy John Rother, has plenty of muscle to put behind its programs. The AARP had nearly $300 million in 1990 revenues, 44% of it from sponsorship of group health insurance and other services. Not the least of its strength comes from the threat that it can stir up the grayheads to deluge Capitol Hill with irate letters. AARP pushes its causes in its glossy bimonthly magazine, *Modern Maturity* (circulation 22 million).

Rother's staff is heavily recruited from the offices of liberal congressmen and interest groups that favor more government spending. For example, James Butler, director of AARP/Vote, a program designed to mobilize elderly voters, spent 25 years with the National Education Association. Eight of the 22 members of the AARP's National Legislative Council are retired teachers; another 8 are other retired public employees. Both the president-elect and vice president of AARP are retired teachers; the organization was founded in 1958 by a retired teacher. Where are the retired business people, whose guidance could be useful? There are a few, but they're outnumbered.

Even in defeat this activist core is formidable. AARP's staff suffered an embarrassing setback in Congress in 1989 with the repeal of the AARP-backed Medicare Catastrophic Coverage Act, which expanded benefits

(over, please)

AARP

and levied an income surtax on better-off taxpayers receiving Medicare. In spite of intense lobbying by AARP, the measure was defeated by a ground swell of protest against the surtax. When it comes to taxing and spending, the AARP staff seems clearly out of step with its dues-paying members.

The organization has since learned its lessons. For example, it now opposes any means testing of the elderly that could be used to require the better-off to pay higher Medicare premiums, the cause of its earlier pratfall. AARP's friends on the far left claim it has become much more cautious about taking any position that might antagonize the affluent elderly.

Despite the setback in Congress, however, the 135-person lobbying and public affairs staff at AARP has an agenda these days that goes well beyond protecting and expanding Social Security and Medicare benefits. In Washington, its lobbyists have pushed everything from forcing businesses to offer family leave to a requirement that banks offer special low-cost checking accounts. In state capitals, AARP volunteer lobbyists have pushed for tax hikes to finance more social spending.

The AARP's top priority is health care. AARP's leaders espouse a new federal nursing-home and long-term care program financed primarily by higher payroll, inheritance and income taxes. But they believe they're most likely to get it as part of a huge health care reform package that includes coverage for younger folks without health insurance. AARP plans to endorse its own reform package and will try to make it an issue in the 1992 elections. Who will pay? Taxpayers and business—meaning, of course, consumers, because business, especially small business, has no choice but to pass on the costs.

How can an organization get so out of touch with a membership, the majority of which has demonstrated a hearty dislike for higher taxes? At least 40% of members join for the benefits, like cheap group auto insurance or travel discounts. Only 14% join to support its lobbying activities. Surveys show that Americans, including the elderly, are unwilling to shell out to pay for medical benefits for the uninsured. A 1990 AARP survey found

Robert Denz, New Hampshire AARP/Vote coordinator, with AARP legislative representatative Catherine Brousseau
Democratic candidates come courting.

only about a fourth of its members willing to pay more than $100 a year extra to expand health care. But AARP feels relatively free to ignore what its paying members think. Says AARP's John Rother: "We're not here just to report the public opinion of members. We're here to try to solve some problems. . . . We try to take on something of a leadership role and say, 'Look guys, we've studied this and we have a more educated, informed judgment to offer you.' "

Doesn't such an approach risk driving members away? Since most members apparently join for the perks, that's not too likely. During the Medicare Catastrophic brouhaha, only 2,500 members formally quit in protest, claims Wayne Haefer, AARP's membership director. To put that surprisingly tiny number in perspective, Haefer says about 3.5 million members die or let their memberships lapse each year, to be replaced by 3.5 million new members.

Henry Pratt, a Wayne State University professor who has studied the gray lobby for 20 years, believes that what happens in AARP is much the same as in other large organizations. Most members are apathetic and leave things to the activists and staff. Most unhappy AARP members conclude, he says, "It's only $5 a year. I get some benefits. What do I care, though they don't always speak for me." Thus the AARP makes little pretense of being democratic. Only 1 million members belong to local chapters, only 400,000 are considered "active" in any real sense, and of them only a relative handful participate in policy debates. The activists, Pratt says, "tend to be more educated and liberal then the typical AARP member."

Even the members who sit on AARP's policy councils aren't elected by a membership vote. They are selected by other senior incumbents, with guidance from the staff, creating a self-perpetuating bureaucracy. Once a year 6,000 randomly chosen members are polled. But by carefully selecting the questions, the AARP can pretty much preselect the answers. In 1990 members were asked whether health care and protecting the environment should be AARP priorities, but not whether U.S. competitiveness should be a concern. The staff and top members don't feel bound by the survey results in any event.

Rebuffed over catastrophic medical care, the AARP activists have shifted some pressure from Congress to the states, where an increasing proportion of public money is now collected and spent. Staffers and the organization's leading lights are now spending considerable time and money organizing senior activists in state capitals and cultivating the grass roots support that the AARP lacked during the debate over catastrophic health care.

As part of this grass roots campaign, AARP/Vote is training hundreds of elderly volunteers to make health care a top issue in the 1992 elections. "We're trying to make sure that every time a candidate appears in a kitchen, a living room or a large auditorium we have people in there asking, 'What are you going to do about health care reform?' " says Robert Denz, the New Hampshire AARP/Vote coordinator. Already, the Democratic presidential contenders are making pilgrimages to his headquarters. AARP claims that thanks to its efforts in 1988, half the folks participating in the Iowa caucuses in 1988 were over 50; this year it is aiming higher still.

Is it any wonder that government spending continues to increase its share of national income in spite of a pretty clear message from the voters that the trend has gone too far? ■

Capital IDEAS

Volume 1, Number 3 June 1993

NTUF Finds:

AARP Agenda Costs $1 Trillion +

A new National Taxpayers Union Foundation (NTUF) study reveals that the 34 million member American Association of Retired Persons (AARP) is advocating policies that would increase annual federal spending by at least $1 trillion over the next decade—equal to an additional tax bill of almost $10,000 per American family. The association has long been regarded as one of the most powerful on Capitol Hill.

The NTUF study, the first in a series designed to expose the role of unaccountable lobbies in precipitating the deficit, concludes that AARP would radically accelerate the spiral of higher spending, taxes, and deficits that threaten the nation's economic future.

NTUF Chairman Jim Davidson said, "If Americans want to know why Congress can't balance the budget, they need look no further than AARP. Most members have no idea what is being advocated in their name. AARP's product discount program may be great, but it's not worth a piece of your political soul to save a few bucks."

The NTUF report detailed cost estimates for more than 100 separate tax and spending hikes in AARP's 400–page federal legislative agenda.

AARP Agenda, *continued on page 2*

AARP Agenda, *continued from page 1*

The price tag:

- New spending of at least $300 billion in 1993, much of it in fast–growing health care programs that could double in cost over the next 10 years.
- Spending increases to maintain current services under existing programs that will cause annual outlays to balloon by more than $700 billion by 2003.
- Tax increases—higher income, gas, alcohol, and tobacco taxes, and a new consumption tax—that could raise the tax bills of AARP members by at least half.

NTUF Vice President for Research Paul Hewitt, who authored the report, accused AARP of systematically misinforming its members on important policy issues. "AARP developed misleading studies on the cost of the Catastrophic Health Care Act of 1988 and gave Congress the impression that senior citizens supported higher taxes and spending," he said. "AARP's members subsequently revolted against the $9 billion in tax hikes contained in the measure, forcing AARP lobbyists to advocate repeal." AARP also led special interest opposition to the Balanced Budget Amendment, despite polls that showed a vast majority of its members supported the Amendment.

NTUF members can obtain the detailed report on AARP's legislative agenda by sending $4 to: NTUF, Attn. Interest Group Report, 325 Pennsylvania Ave., SE, Washington, DC 20003. ■

FROM THE NATIONAL TAXPAYERS UNION FOUNDATION

(Over, please)

AARP agenda will cost taxpayers

May, 1993

Jack Anderson

With Michael Binstein
United Feature

For a mere $8 per year, any American over the age of 55 can subscribe to an almost irresistible bargain, and 34 million of them do.

Joining this club gives members access to everything from discounted movie tickets and hotel rooms to specialized financial services that include group health insurance, no-load mutual funds and low-interest credit cards.

But joining the American Association of Retired Persons also ties one in to the largest lobbying juggernaut in Washington. There is only one thing the AARP doesn't disclose to its members: the cost of its advocacy.

The AARP's agenda would make even the most free-spending member of Congress choke on his pork — lobbying for $300 billion in new government spending for 1993 alone.

That's how much the National Taxpayers Union estimates that the AARP's legislative agenda would cost the government this year.

It's an agenda that looks great until the sticker-shock sets in.

IN A STUDY to be released later this week, a draft copy of which was obtained by our associate Jan Moller, the union puts the taxpayers' money where the AARP's mouth is.

By far the most bank-busting item on the AARP's agenda is health-care reform. White House officials privately estimate that their package may cost between $30 billion and $90 billion in new spending, an amount that pales in comparison to the package that AARP wants.

AARP is lobbying for HealthCare America, a version of the "pay or play" model Clinton was advocating early in his campaign — but with a much higher price tag.

The union study estimates that AARP's plan would come at a cost of $207 billion in new health benefits.

AARP's health plan calls for large expansions in care, including the "universal long-term care" bill that would cost about $60 billion, according to the union estimate.

THE GROUP'S platform even calls for reinstatement of the "catastrophic care" legislation.

The AARP fought for years to have catastrophic illness covered by Medicare, and finally got it signed into law. But the law was repealed two years after its passage when AARP members revolted over the $9 billion in new taxes that were required to pay for it.

The NTU study estimates that catastrophic coverage would cost taxpayers about $15 billion per year.

Like any large and sophisticated marketing operation, the AARP regularly polls its membership to gauge its priorities.

When the AARP polled its membership on health-care reform, a surprising pattern emerged: While the Washington staff has made its health-care reform plan the cornerstone of this year's lobbying efforts, less than half the members even knew that an AARP plan existed as recently as last August.

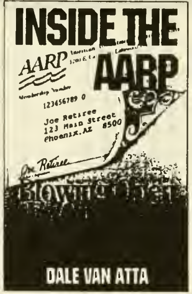
Moreover, when the AARP polled members last December, only 29 percent of those who said they were familiar with the group's health proposals believed that the AARP-backed plan would give them better coverage.

IRONICALLY, THE organization that today rarely sees a government program it doesn't like was launched with a credo of self-reliance for the elderly.

In the early days, the AARP's main concern was obtaining health insurance for the elderly. In 1964, retirees were the only age group to vote for Barry Goldwater — a presidential candidate who opposed, among other things, the Medicare program. In 1965, AARP co-founder Ethel Percy Andrus would write about the group: "AARP holds no meetings to bewail the hardships of old age, nor to formulate pressure programs, nor stress potential political strength of older folks, nor to urge government subsidy."

The AARP of today is a far different animal. It has an annual budget of more than $300 million, which doesn't include income from its related organizations.

(Over, please)



Do the lobbying efforts of the AARP reflect the needs and desires of its membership? Read Inside the AARP *and discover the "strings attached" relationship into which millions of seniors have unknowingly entered.*

March April ?

Available January 1995

Politics/Current Affairs
288 pages
6 x 9
0-89526-485-4
$22.50 hardcover

INSIDE THE AARP

What You Need to Know about the Country's Biggest Lobby

Dale Van Atta

Most people know the American Association of Retired Persons (AARP) as an organization that gives "great deals" to seniors—movie discounts, inexpensive prescription drugs, and a host of other money savers. But few know of the AARP's other side . . . its relentless push for bigger government and more spending. The AARP is the largest lobbying organization in America, claiming to represent more than 33 million members. Its sheer size gives the AARP's lobbyists unparalleled leverage over government policy makers—to the detriment of all taxpayers, especially AARP's members.

Inside the AARP details for the first time ever the sleight of hand the AARP employs to lobby and create fear on Capitol Hill with the claim that its millions of members stand behind it—when, in reality, investigative journalist Dale Van Atta proves they do not. Using a facade of consensus, the AARP constantly pushes for increased spending on entitlement programs like Social Security, Medicare, and Medicaid. But never do they propose spending cuts by Congress.

Van Atta pieces the AARP's charade together with his access to thousands of pages of internal AARP documents, sources he has cultivated within the AARP hierarchy, and an unprecedented letter-writing campaign he mounted to more than 700 newspapers. In a unique Letter-to-the-Editor, he requested information and opinions from AARP members and received thousands of responses from disgruntled members who oppose the AARP's lobbying positions.

Inside the AARP reveals previously undisclosed details of the business of the AARP. Tempting members with an $8-a-year membership fee, the organization then proceeds to tap from its members billions of dollars annually for its health insurance plan, auto and home insurance, pharmacy service, donations for its foundation, and many other projects.

If the AARP's diversified companies were counted as one for-profit entity, it would be listed among the Fortune 500 companies for its multi-billion dollar gross annual take from the members.

Inside the AARP reveals how the AARP's vision for America is leading the country down an expensive and deceptive trail. Its leaders knowingly ignore projections that the baby boomers who are paying for another generation's Social Security today, will never get a large percentage of their contributions back.

Van Atta takes a close look at the past, present, and future of the entitlement programs the AARP lobbies for so strongly and demonstrates—using incontrovertible facts and information from experts—how they fail to represent the AARP's membership and will fail to serve the millions of baby boomers who will be members in the next generation. ❖

Dale Van Atta is one of America's premier investigative journalists—and one of the most controversial. Presidents, prime ministers, CIA directors, and a host of others have been furious about his ability to uncover the most sensitive information. For 15 years he has worked side-by-side with Jack Anderson on Anderson's nationally syndicated newspaper column. In 1985, he joined the by-line to become the youngest and most widely circulated news columnist in the world. He is the author of Stormin' Norman, *the* New York Times *bestselling biography of Norman Schwarzkopf. Van Atta lives near Washington, DC.*

25,00 first printing
TV and Radio author publicity
National advertising

AARP just agreed (Aug, 1994) to pay $135 MILLION in taxes to IRS from its profit-making ventures.
[signature]

GENERATIONS UNITED

This coalition of more than 200 national advocacy organizations has four co-chairs: NCOA, Child Welfare League of America, American Association of Retired Persons, and the Children's Defense Fund. A key function of Generations United is to develop and/or support legislation that is in the best interest of all generations. One example of a successful effort: the Family Leave Act signed into law in 1993.

Generations United, along with the NCOA Family Friends Resource Center, the Temple University Center for Intergenerational Learning, and Generations Together-University of Pittsburgh—received a $200,000 grant in 1993 from the U.S. Administration on Aging to provide technical assistance for seven new AoA-funded intergenerational projects, and to promote general awareness of intergenerational programs across the country.

HIGH PRAISE FOR NCOA: First Lady Hillary Rodham Clinton, at a White House event on December 3 at which the NCOA Board statement of support for health care reform was received, said, "I don't think there's any group whose endorsement means more to us."

Directors applauded the Clinton Administration Health Security Act:

"It contains two principles that are at the heart of NCOA's public policy agenda for health care reform: universal access, and home and community-based long-term care."

Advocacy has been an NCOA hallmark since its founding in 1950. Our attention in 1993 was focused primarily on health and long-term care reform, but we also drew attention to a gamut of other issues.

1993 Financial Summary

The many programs and activities of The National Council on the Aging, Inc., are supported through a broad range of sources—public and private.

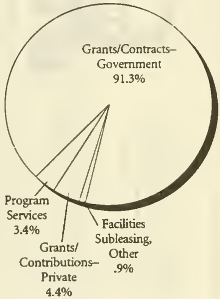
Among these are government grants and contracts as well as private foundation grants awarded to NCOA for specific purposes (and budgeted as "restricted" funds). The narrative of this Report describes the many activities conducted in 1993 under such grants and identifies the funders.

Revenue that is "unrestricted" is available for NCOA's activities in accord with an annual budget approved by the Board of Directors. Sources of this crucial support include general grants and contributions, revenue from program services (membership dues, program service fees, and publication sales), and rent from subleasing of facilities.

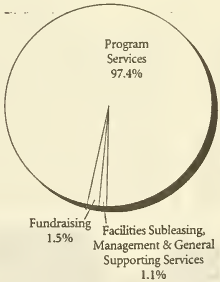
The charts at right show 1993 revenue and expenses, by percentage (combining restricted and unrestricted funds).

A summary statement for 1993 follows, on the next page, indicating the amounts of unrestricted and restricted funding received from all sources and the amounts expended in all activities.

REVENUE



EXPENSES



Amounts are prior to final audit for 1993; full audited financial statements will be available upon request.

(over)

Mr. PORTER. Mr. Martin, since I am the only one left, I want to ask a question, if I may. You said that the NCSC, which is the National Council of Senior Citizens——

Mr. MARTIN. Senior citizens, yes, sir.

Mr. PORTER [continuing]. Receives $68-plus million in grants from HHS, is it?

Mr. MARTIN. Yes, sir, among other—among others.

Mr. PORTER. Among others.

Mr. MARTIN. We haven't had the resources.

Mr. PORTER. This is not only a national advocacy group, but do they not endorse candidates for office?

Mr. MARTIN. Yes, sir.

Mr. PORTER. And so how much——

Mr. MARTIN. Excuse me, they do have a PAC.

Mr. PORTER. So they not only endorse candidates for office, they support candidates for office?

Mr. MARTIN. Oh, yes, sir. Yes, sir.

Mr. PORTER. With their funding?

Mr. MARTIN. Yes.

Mr. PORTER. A lot of their support comes from direct government grants?

Mr. MARTIN. Oh, yes, sir.

Mr. PORTER. Most of it?

Mr. ZION. Ninety-six percent of their budget is government money. And they were very active in October in promoting candidates that had a very interesting philosophy. They promoted candidates who voted for the President's tax bill, who voted for the President's health bill, who supported voter-motor registration—I don't know what that has to do with senior citizens—the President's strike bills. These were the issues that NCSC used, and they rated guys highly on the basis of that. And if Members didn't agree with this left-wing agenda, they ran against them.

Mr. PORTER. I see absolutely nothing wrong with that as long as they do it on their own funds.

Mr. ZION. Absolutely.

Mr. PORTER. If they are doing it on government grant funds, I see a great deal wrong with it. I think the American people would be outraged to know that.

Mr. ZION. They should be.

Mr. PORTER. If it was in the other direction, on the far right, I would be just as outraged. I think people have to stand on their own.

That very much surprises me that we have grants going to groups like that. We will look into that.

Mr. ZION. Thank you, sir.

Mr. PORTER. I appreciate both of you being here to testify.

Roger, good to see you; thank you. And Jim, thank you, also.

Mr. ZION. Thank you.

Mr. MARTIN. Thank you, Mr. Chairman.

Mr. PORTER. This concludes our hearing for today. The subcommittee is adjourned.

WEDNESDAY, JANUARY 18, 1995.

DEPARTMENT OF EDUCATION DOWNSIZING

WITNESSES

HON. RICHARD W. RILEY, SECRETARY OF EDUCATION

MARSHALL S. SMITH, UNDER SECRETARY

SALLY H. CHRISTENSEN, DEPUTY ASSISTANT SECRETARY FOR BUDGET

Mr. PORTER. Secretary Riley, we are very happy to welcome you here today. We are continuing our series of hearings with Cabinet Secretaries focusing on downsizing and rescissions; and, Mr. Secretary, we are delighted you have your health problems behind you and look forward to working with you in this Congress to address the problems of our country and to make government more efficient and responsive and smaller. We are very delighted you could come and testify this morning.

Secretary RILEY. Thank you.

Mr. PORTER. Mr. Obey.

Mr. OBEY. I also would like to welcome you, Mr. Secretary. I think you are doing a fine job as Secretary on behalf of the young people of this country. I apologize because I will not be here for most of the hearing. We have a conflicting Democratic Caucus today so I have to decide which meeting I want to screw up as much as possible so I will probably be over there most of the time.

Mr. PORTER. I would add that starting hearings at 9 o'clock is seemingly a good idea until both Democrats and Republicans call their caucus at the same hour. Please proceed.

INTRODUCTION OF WITNESSES

Secretary RILEY. I appreciate the opportunity of being here, and I am pleased to have Mike Smith, the Under Secretary of Education here with me and Sally Christensen, the Deputy Assistant Secretary for Budget.

OPENING STATEMENT

After two years, Mr. Chairman and Members of the subcommittee, of developing budgets under tight spending caps I recognize the burden and pressure faced by this Subcommittee.

As a Governor I balanced the State budget for eight years, and I know how difficult that is. I am by nature a careful and frugal person who likes to get a good return on our public investment.

INVESTMENT IN EDUCATION

Education, in my mind, is clearly the key investment in this Nation's future, and the American people remain strongly committed to investing in their children's education.

A recent public poll, a New York Times-CBS poll, showed that when people were asked whether they favored a balanced budget amendment to the Constitution, 81 percent said yes. But when they asked the same people whether they would favor cuts in education spending in order to balance the Federal budget, support dropped to 22 percent, a drop of 59 percent, a dramatic illustration, I think, of the values that the American people place on education.

The American people I think know that we are in a unique time of economic and social transition, and I don't think this is the time to deemphasize education, particularly as we rush forward into this new Information Age. This country gets ahead and our citizens get ahead as individuals when we invest in education. It has always been a basic working principle that has defined the Federal role in education.

FEDERAL ROLE

Historically, the Federal Government has moved to support education, to encourage economic development, to protect our national security, to ensure access to higher education and to ensure the basic rights of all Americans to have an equal opportunity to get a first-class education.

Education is a national priority, but it is a State responsibility and a local function. I recognize that the Federal Government has a limited but vital role in education. I am a firm believer in the 10th amendment. I am not an advocate of a national exam or intrusion of the Federal Government into State and local decisionmaking.

That is why we have gone to great lengths in the last two years to fundamentally change the way that we do business. That may be a good place to start my discussion—to talk to you about my vision for education.

SECRETARY'S VISION FOR EDUCATION

When I was Governor of South Carolina, I viewed the Department of Education as an agency with good intentions but one that got itself tangled up with a lot of strings and red tape. When I became the Secretary of Education, I was determined to try to turn that around. We knew school reform had to be comprehensive, not piecemeal. We also knew that flexibility and accountability had to be at the center of any changes made in Federal programs.

That is the reason my efforts have been directed to moving away from the old 1960s categorical, top down approach. Instead, we placed a strong emphasis on accountability for results and maximum flexibility in how to achieve them.

All of our new programs are defined in this new vision—the Goals 2000 Act, the School-to-Work Opportunities Act, our strong new emphasis on getting technology into the classroom, our support for charter schools, our redesigned Title I program, and our commitment to making good teachers, better teachers through the new Eisenhower Professional Development Program, and the streamlined and money-saving direct loans for student financial aid.

My concern to you then, as you review the 1995 appropriations, is that the subcommittee not penalize these programs simply because they are new. They represent our best collective thinking about how to make effective change happen. These programs have gotten strong bipartisan support because they do represent real change and go in a new direction. If the Committee singles out these new programs for rescission, I am concerned that we will miss a real opportunity to truly change what we do. This is why the Goals 2000 Act is one of my highest priorities.

GOALS 2000

In terms of our overall budget, the appropriations set-aside for the Goals 2000 Act is relatively modest, but this legislation is the culmination of thinking by a great many people about how to improve America's education.

Goals 2000 provides the framework for all of our other reform initiatives and defines the Federal role in a better and a less intrusive way. Goals 2000 is the driving force behind the ongoing effort across the country to raise standards and to get technology into the classroom, safe schools, challenging class work—more difficult, yes, but more engaging—parent involvement, emphasis on quality teaching and learning.

I want to emphasize that there are no regulations governing this $400 million program, and the State application form is only four pages long. I estimate that about 98 percent of all the funding in Goals 2000 goes directly to the States, and in this second year 90 percent of all the funding flows directly to the local school districts from the States so it is funds that go right down to the school districts.

Forty-two States have already applied for the first year funds. Let me give you some examples of how they are using that funding.

The State of Massachusetts is using its State's planning money to support the creation of 14 charter schools.

Kentucky is using its Goals 2000 money to encourage parental involvement in Kentucky's ongoing reform efforts.

In Illinois, Goals 2000 is giving local educators the rare chance to be strategic in thinking about the future, to move outside of the demands of day-to-day management to fundamentally rethink what needs to be done to improve their schools.

Oklahoma is using the $1.2 million of its initial planning money to begin implementing the recommendations of the Oklahoma Commission on Teacher Preparation and to help pull together existing but separate technology initiatives. Goals 2000 doesn't change what the State of Oklahoma wants to do. We support their process and help make new connections. Goals 2000 works because it fits local needs and not the other way around.

Goals 2000 is also central to much of the work that we have done in the last two years to redesign our Title I program which sends $7 billion to local school districts with high numbers of disadvantaged students. Two decades of research tell us that disadvantaged young people can learn more than we really expect them to learn. This is why the reform of Title I is linked to and framed by the commitment to Goals 2000 and high standards for all children.

NEED FOR CONTINUED SUPPORT

Two key facts suggest a powerful rationale for giving every young person access to high quality education. About 44 percent of those on welfare are high school dropouts. Eighty-two percent of all the people locked up in America's prisons and jails dropped out of school as well. If we want to end welfare and if we want to end the violence and the spiritual numbness that grips some of our young people, then I urge the committee to recognize what can be done if we invest in education.

FORWARD FUNDING

As you review the 1995 appropriation I want to emphasize a critical point regarding the timing of appropriations for the Department's programs. Most of our programs in education are what we call forward funded, meaning that the funds are appropriated in one year for use during the following academic year. Thus, the 1995 appropriation primarily supports school year 1995–1996, and most of these funds will be distributed after April 1 of this year.

This funding mechanism was developed by Congress over a period of years in a bipartisan effort to assure school districts and schools know in advance of their pending allocations. Most of them have already taken into account their expected 1995 awards as they have developed their overall plans and budgets in coordination with State legislators and local school boards. And many districts have almost completed their planning process for the 1995–1996 school year.

I point this out because the funding procedure, at first glance, makes it appear easy to reduce these programs because the 1995 awards have not yet been made. However, it is important to keep in mind the impact of any reductions.

Many States, for example, are required to notify teachers by State law if they are not going to be retained in the next school year. California, for example, must notify its teachers by March 15th. If funding is cut after that date, districts will have to retain the teachers whom they pay with Federal dollars even if they do not get the funding.

In my opinion, reducing an appropriation because it has been forward funded is somewhat unfair to education, and it is also I think poor budget decisionmaking, and it would certainly play havoc at the local level and I think would become another example of what people would perceive to be wrong with Washington. So I urge the committee not to go down this road.

HIGHER EDUCATION

Let me turn my attention to what we are doing in higher education. The American middle class is what it is today in large part because the Federal Government has made a national priority to give every individual who can make the grade, access to a higher education. This has been a national priority ever since the GI bill passed 50 years ago. I got my law school education with the GI bill after serving in the Navy and am very grateful for it.

In 1995, about 75 percent of all the student funding for higher education in this country comes from the Federal Government. To that end, we have modestly increased funding for Pell grants and created a new direct lending program that will save taxpayers $4.3 billion by 1998 and save students $2 billion in interest by 1998.

The direct lending program is succeeding because we have gone to great lengths to ensure customer service by providing advance training, and we are making full use of every modern technology. As a result, we have cut the processing time from three weeks to some 24 hours for the average student loan.

DEPARTMENT SIZE AND SCOPE

We have done a great deal of streamlining of the Department's programs in the last two years and will certainly do more. We are the smallest Cabinet agency in terms of employees, even though we have the eighth largest budget, and I think that is an indicator of efficiency in itself.

Here I want to speak directly to the suggestion that we can find more savings by recreating the Department as an Office of Education. When education was part of HEW's Office of Education and other related agencies, we employed some 7,700 individuals. Today, we have around 5,000 employees, even though we have been asked to manage a great many more programs over the past 15 years.

We have worked hard to create and instill a new management ethic and structure in this Department, an area of great concern that was too long ignored in past years.

We have decreased the student aid default rate from a peak of 22 percent to 15 percent at a substantial savings to taxpayers. We intend to keep driving that default rate down further. We have increased our collection efforts. In 1990, defaulters returned $879 million to the government. In 1994, we collected $1.5 billion.

In the past two years our budget request has included proposals that would have saved hundreds of millions of dollars by eliminating unnecessary programs. In the 1995 budget the President, for example, proposed to eliminate 34 programs, for a total savings of more than $600 million.

We are currently in the process of finalizing decisions on our 1996 budget, including any proposed rescissions for 1995. As you know, the President will transmit our budget to you on February 6th, and I shall be prepared to testify or to meet with you on the details of these proposals after that.

We can always do better, Mr. Chairman, in managing our programs so that they are truly accountable to the American taxpayer, and I am not averse to change or to new thinking, and I look forward to working with all of this subcommittee to understand your concerns and your priorities.

CLOSING REMARKS

In closing, I want to go back to where I started, to reemphasize to Committee Members that the American people want to invest in education if the investment is well thought out and it makes sense. They are pro-education, and it is appropriate in the times that we are living in.

I believe many Americans see deficit reduction and investing in education as two of the essential ways to secure our Nation's long-term economic prosperity. The need then to reduce the Federal budget must be balanced against the need to invest in our Nation's future.

For these reasons, I urge the Committee to recognize the work that has been done to create the bottom up reform to reach high standards for all children like Goals 2000, to be aware of the forward funding issue, and to recognize that this Department has made a commitment to streamlining and saving taxpayers dollars. Above all, I urge Committee Members to keep the broad vision of the connection between America's future and education, education being a State responsibility but a national priority.

I will be happy to respond to questions.

Mr. PORTER. Mr. Secretary, thank you for your good statement.

[The statement and biography of Secretary Riley follows:]

Testimony of
U.S. Secretary of Education
Richard W. Riley
on the
Review of Fiscal Year 1995 Appropriations

INTRODUCTION

Mr. Chairman and Members of the Committee. I appreciate the opportunity to testify before this Subcommittee. After two years of developing budgets under tight spending caps I recognize the burden and pressure faced by this Committee.

As a Governor I balanced a State budget for eight years so I know something about the process. I am by nature a prudent and frugal person. I am someone who likes to get a good return on my investment.

Education, to my mind, is clearly the key investment in this Nation's future, and the American people remain strongly committed to investing in their children's education. A recent public opinion poll clearly illustrates this point.

The poll by the New York Times and CBS News showed that when people were asked whether they favored a balanced budget amendment to the Constitution, 81 percent said yes. But when these same people were asked whether they would favor cuts in education spending in order to balance the Federal budget, support dropped to just 22 percent. That's a drop of 59 percentage points -- a dramatic illustration of the value the American people place on education.

If you believe, as I do, that the strength of this country is in the self-reliance of our citizens -- and if you believe that the "locus of power" is the self-reliant American and not the government -- then that self-reliance comes, in large part, because we see the education of the American people as an act of nation-building.

It seems to me, then, that the American people have it about right. This is no time to de-emphasize education, particularly as we rush forward into this new Information Age. This country gets ahead and they get ahead as individuals when we invest in education. This has always been the basic working principle that has defined the Federal role in education.

A NEW VISION OF WHAT WE DO

Education is a national priority but it is a State responsibility under local control. We recognize that the Federal government has a limited role in education and I am a firm believer in the 10th Amendment. I am not an advocate of a national exam or the intrusion of the Federal government into State and local decision making.

This is why we have gone to great lengths in the last two years to fundamentally change the way we do business. And, that may be a good place to start this discussion -- to talk to you about my vision of education.

When I was Governor of South Carolina, I viewed the U.S. Department of Education as an agency that had good intentions but got itself tangled up with a lot of strings and red tape. My focus was on improving results, the Department's was on monitoring compliance.

When I became the Secretary of Education, I was determined to turn that situation around. Some real thinking people, including a good number of my fellow Governors, had done some serious work in re-thinking how school improvement actually happens. We knew that school reform had to be comprehensive; that it couldn't be piecemeal. We also knew that flexibility and accountability had to be at the center of any changes made in Federal programs.

This is the reason why my efforts have been directed at moving away from the old 1960's categorical, top down approach. Instead we have placed a strong emphasis on accountability for results, and maximum flexibility in how to achieve them. We have worked very hard to open up the process; to get away from the idea of smothering the States, communities, and schools with regulations and mandates.

All of our new programs are defined by this new vision -- the Goals 2000 Act, the School-to-Work Opportunities Act, our strong emphasis on getting technology into the classroom, our support for charter schools, our re-designed Title I program,
and our commitment to making good teachers better teachers through professional development.

This is one reason why I think we got so much bipartisan support for these new programs. They really do represent effective, positive change. They are an entirely different model of how the Federal government does its business.

My concern, however, is that because these programs are so new they will be the first on the chopping block. I want to assure you that if the Committee goes in that direction then we will miss the opportunity to really change how the Federal government functions -- nothing really will have changed.

This is why the new Goals 2000 Act is one of my highest priorities. In terms of my Department's overall budget the appropriation set aside for the Goals 2000 Act is relatively modest. But this legislation is the culmination of a decade of thinking by a great many people about how to improve American education.

Goals 2000 provides the framework for all of our other reform initiatives and defines the Federal role in a better, more balanced new way. Goals 2000 is also the driving force behind the ongoing effort across this country to raise standards and get technology into the classroom.

In many respects, Goals 2000 is the strategic map or guide that Governors and educators are using to think through how they help teachers in the classroom. This $400 million program provides great flexibility to schools, school districts, and States to develop and implement reforms based on their own challenging standards. That is why three of the best teachers in the nation -- the three most recent National Teachers of the Year -- wrote me last week expressing their hope that the U.S. Department of Education and Congress will increase funding for Goals 2000.

I want to emphasize that there are no regulations governing Goals 2000, and that the State application form is just 4 pages long. I estimate that about 98 percent of all the funding in Goals 2000 goes directly to the States, and in its second year 90 percent of all funding flows directly to local school districts. This is an entirely different way of doing business for the Federal government.

Goals 2000 is a model of how Federal funds should flow to the States and that is one reason why Goals 2000 has won the support of a majority of Governors and State legislators -- Republicans and Democrats -- since it became law last April. We have now received 42 State applications for first-year funds, and have approved 41 of those applications.

Massachusetts, for example, is already using its State planning money to support the creation of 14 charter schools. Kentucky is using its money to encourage parental involvement in Kentucky's on-going reform efforts. Oregon is using its Goals 2000 money to support the Oregon Benchmarks, the citizen-based vision of education for the 21st century.

In some States like Illinois, for example, local school districts are using Goals 2000 monies for strategic planning. Goals 2000 is giving local educators the rare chance to be strategic in thinking about the future; to move outside of the box of day-to-day management to fundamentally rethink what needs to be done to improve their schools.

One of the factors contributing to rapid development of statewide reform plans is the compatibility of Goals 2000 with pre-existing State and local reform efforts. We are not asking States and school districts to start over and re-do their own plans according to some Federal blueprint. Instead, Goals 2000 provides a vehicle for pulling together State and local reform efforts into a comprehensive plan linked to high standards for all students. Let me give you an example.

Oklahoma is going to use its $1.2 million in initial planning money to (1) begin implementing the recommendations of the Oklahoma Commission on Teacher Preparation, (2) help local school districts develop their own Comprehensive Local Education Plans, which are already required by the Oklahoma State Board of Education, and (3) help to pull existing but separate technology initiatives together. Goals 2000 doesn't change what the State of Oklahoma wants to do; we speed up the process and help make the new connections.

Goals 2000 is also central to all of our efforts in the last two years to redesign our Title I program, which sends approximately $7 billion to local school districts that have a large number of high poverty schools. Title I, as you know, has been at the very center of the Federal commitment to helping disadvantaged students, and is a major factor in reducing the high school dropout rate for African-Americans, which has declined by 50 percent in the last twenty years.

But we still have a long way to go. We know, for example, that about 44 percent of all the people on welfare rolls are high school dropouts; and 82 percent of all the people in this nation's prisons and jails are also high school dropouts. That tells you something.

If we want to end welfare -- if we want to keep people from getting on welfare in the first place -- and keep them from going down the road to violence and spiritual numbness -- then we need to keep our focus on helping young people learn their way out of poverty -- and I mean all children, black and white -- and this can only be done by setting high standards.

I will be the first to tell you that about the surest way to create an angry 16-year-old illiterate dropout is to give that young person a watered-down curriculum from first grade on which tells him in no uncertain terms: young student, you aren't good enough to learn anything hard, so why even try.

We now know that changing our expectations of what poor and disadvantaged children can achieve is central to helping them learn their way out of poverty. Two decades of research tell us that disadvantaged young people can learn more than we generally expect of them. This is why reform of Title I is linked to and framed by the commitment in Goals 2000 to high academic standards.

My point in this rather lengthy explanation is to suggest to you that if you are for real change in how Federal programs function, you are going to have to resist the temptation to take the easy way out and cut the funding for these new programs.

WHY WE FORWARD FUND

As you review the 1995 appropriation, I also want to emphasize a critical point regarding the timing of appropriations for the Department's programs. Most of our programs are what we call "forward funded," meaning that funds are appropriated in one year for use during the following academic year. Thus, the 1995 appropriation primarily supports school year 1995-96, and most of these funds will be awarded after April 1 of this year.

This funding mechanism was developed by Congress over a period of years — in a bipartisan effort — to ensure that States, school districts, and schools know in advance of their pending allocations. Most of them have already taken into account their expected 1995 awards as they have developed their overall plans and budgets in coordination with State legislatures and local school boards, and many districts have almost completed their planning process for the 1995-96 school year.

I point this out because this funding procedure, at first glance, makes it appear to be easy to reduce these programs because 1995 awards have not yet been made. However, it is important that we keep in mind the impact that any reductions in these programs would have on the plans and budgets of States, school districts, and postsecondary institutions.

Many States, for example, are required by State law to notify teachers if they are not going to be retained in the next school year. California, for example, must notify its teachers by March 15th. If funding is cut after that date, districts will have to retain the teachers whom they pay with Federal dollars even if they do not get the funding. I urge the Committee to recognize that reducing forward-funded money will play havoc at the local level and would become another example of what is wrong with Washington.

HIGHER EDUCATION

Let me now turn my attention to what we are doing in higher education. The American middle class is what it is today in large part because the Federal government has made it a national priority to give every individual who can make the grade access to a higher education. This has been a national education priority ever since the G.I. Bill passed 50 years ago.

In the last 20 years alone, to illustrate this point, 40 million Americans have gone to school on a Federal student loan. I have no doubt that some Members of this Committee and your Committee staff went through college with the support of Federal student loans.

In 1995, about 75 percent of all the student aid funding in this country comes from the Federal government. So we have had a very big stake in, and continue to have a very positive role in, helping to maintain and expand the American middle class as we know it today. To that end we have modestly increased funding for Pell Grants and created a new direct lending program that will save taxpayers $4.3 billion by 1998 and save students $2 billion in interest by 1998. This program is succeeding in large part because we are making use of every modern technology, cutting the processing time from three weeks to 24 hours for the average loan.

ACCOUNTABILITY TO TAXPAYERS

We have done a great deal of streamlining of this Department's programs in the last two years and we will certainly do more. We are the smallest Cabinet agency in terms of employees even though we have the 7th largest budget--almost all of it supporting better education in local schools and colleges.

Here I want to speak directly to the suggestion that we can get a whole lot smaller by recreating this Department as an Office of Education. When Education was part of HEW, the Office of Education and other related agencies employed 7,700 individuals. Today, we have about 5,000 employees, even though we have been asked to manage a great many more programs.

We have worked hard to create and instill a new management ethic and structure in this Department, an area that was too long ignored in past years. Indeed, we have made a good down payment in fundamentally restructuring the way this Department works, including the development of a strategic plan with performance indicators.

In specific, we have decreased the student aid default rate from a peak of 22 percent to 15 percent at a substantial savings to taxpayers. We intend keep driving that default rate down even further. We have also increased our collection efforts. In 1990, defaulters returned $879 million to the government. In 1994, we collected $1.5 billion.

Finally, I would like to point out that in each of the past two years, our budget request has included proposals that would have saved hundreds of millions of dollars by eliminating unnecessary programs. At the same time, by making these tough choices, we were able to propose increases for higher priority programs and initiatives that would encourage and help communities, States, and postsecondary institutions to address today's education challenges.

In his 1995 budget, for example, the President proposed to eliminate 34 programs for a total savings of more than $600 million. Congress did agree to 14 of these proposed eliminations (included 2 that we had not recommended), for a savings of $82 million.

We are currently in the process of finalizing decisions on our 1996 budget, including any proposed rescissions for 1995. As you know, the President will transmit our budget to you on February 6, and I shall be prepared to testify or to meet with you on the details of these proposals after that date.

I want to emphasize that in developing our proposals over the past two years, we have worked very hard to take a rational, management-oriented approach to the problem of program proliferation. Cutting unnecessary programs is not just a matter of saving money, but a critical component of the President's efforts to reinvent a government that works better and costs less.

In closing I want to go back to where I started and re-emphasize to Committee Members that the American people want to invest in education. They are very pro-education. We can always do better in managing our programs so that they are truly accountable to the American taxpayer. I am not averse to change or new thinking and I look forward to working with new Committee Members to understand their concerns and priorities.

But I would urge the Committee to hesitate before putting education funding on the chopping block. The need to balance this budget must be balanced against the need to invest in our Nation's future. For many Americans deficit reduction and investing in education are the two essential ways we can secure our nation's future economic prosperity and assure all Americans a real opportunity to be part of the broad American middle class.

DEPARTMENT OF EDUCATION

Biographical Sketch

NAME	: Richard W. Riley
POSITION	: U.S. Secretary of Education
BIRTHPLACE	: Greenville County, SC
EDUCATION	: Furman University, B.A., cum laude, 1954 University of South Carolina, J.D., 1959

EXPERIENCE

January 1993-Present	: Secretary, U.S. Department of Education
1985-1993	: Senior partner, Law firm of Nelson, Mullins, Riley and Scarborough
1990	: Institute Fellow, John F. Kennedy School of Government, Harvard University
1978-1985	: Governor of South Carolina
1967-1977	: South Carolina State Senator
1963-1967	: South Carolina State Representative
1960-1963	: Attorney, family's law firm with offices in Greenville and Simpsonville, SC
1959-1960	: Legal counsel to the Judiciary Committee of the United States Senate
1955-1957	: Officer on a mine-sweeper, United States Navy
PROFESSIONAL MEMBERSHIPS	: Member, National Assessment Governing Board Member, Carnegie Foundation Task Force on Meeting the Needs of Young Children Board Member, Duke Endowment
HONORS AND AWARDS	: South Carolina Education Association's Friend of Education Award, three-time recipient Government Responsibility Award, Martin Luther King, Jr. Center, 1983 Connie Award for special conservation achievement, National Wildlife Federation, 1981

Mr. PORTER. We are pleased to be joined today by the Chairman of the Appropriations Committee, Mr. Livingston of Louisiana, and with his very difficult and heavy schedule I would like to call on him first.

GOALS 2000

Mr. LIVINGSTON. Thank you very much, Mr. Chairman, and I will try to take very little time.

Welcome, Mr. Secretary. Thank you for coming. Thank you for your statement.

I am concerned, however, that not everyone views Goals 2000 as you have described it. You say that Goals 2000 is a model of how Federal funds should flow to the States. Others believe that Goals 2000, as it has now been conceived—and perhaps was not originally intended, but as it now has been outlined by you and your Department—retains the business-as-usual agenda that has sabotaged the quality of American education for the last 20 years.

I am going to play devil's advocate here. People who are concerned about it—and I am concerned about what I read about it—suggest that more money is not the sole answer under Goals 2000 to our education failures, that Goals 2000 creates a whole new layer of bureaucracy. Three new panels are created—the National Education Standards and Improvement Council, the National Skill Standards Board and the new National Education Goals Panel. Goals 2000 creates a powerful new bureaucracy that is to concentrate on factors completely unrelated to how much our children are learning.

They say Goals 2000 requires that all States which receive Federal funds first reach arbitrary opportunity to learn standards before implementing local reforms. They say the standards have everything to do with how much we are spending and nothing to do with how much our students are learning.

They say that the funds under Goals 2000 only have to be reasonably related to school improvement, which means funding school-based clinics, multicultural programs, outcome-based education and any number of other failed reforms over the many years would be included in this effort.

They say that Goals 2000 fails to permit private and parochial school choice, that it alters the original national education goals, sending a message that education reform is subject to trends and fads, that it creates a powerful National Education Standards and Improvement Council that will develop national opportunity-to-learn standards, national content and performance standards, a national curricula and a national testing system, and that this Council will be accountable to no one.

And they say that Goals 2000 guarantees that education reform will come from the educrats of Washington, not from the parents and teachers in the cities and towns of America.

HISTORY STANDARDS

Now, I guess the criticism of this effort is epitomized by the article in The Wall Street Journal on October 20 by Ms. Cheney, who is the former Chairwoman of the National Endowment for Humanities. In that article, she says that her biggest concern is that the national standards have been diverted from their original purpose and that they border on, my word, idiocy, if I can take her comments at face value.

She says if the standards are approved by the National Education Standards and Improvement Council, part of the bureaucracy created under the Administration's Goals 2000 Act, students across the country may begin to learn their history according to them.

The documents setting forth the national standards divide American history into 10 areas and establish two to four standards for each area, for a total of 31. She says the general drift of the document becomes apparent when one realizes that not a single one of the 31 standards mentions the Constitution of the United States.

She lists subject matters of history that are mentioned and those that are not. She says that Paul Revere is not mentioned at all. But Seneca Falls—the Declaration of Seneca is mentioned nine times. Lincoln's Gettysburg address is mentioned once, but the American Federation of Labor is mentioned nine times. J. P. Morgan is not mentioned, but Harry Truman is mentioned six times. Ulysses Grant is mentioned once, but Senator Joseph McCarthy and McCarthyism is listed 19 times. Thomas Edison and the Wright brothers are not listed at all, but the Ku Klux Klan is listed 17 times.

She says that the authors tend to save their unqualified admiration for people, places and events that are politically correct while ignoring other truly historical events of this Nation.

And she says that two white males who were contemporaries of Harriet Tubman, the African-American who helped rescue slaves by way of the underground railroad, who was mentioned six times—two white males get one and zero mention, Alexander Graham Bell and Thomas Edison. They are—Ulysses Grant gets one, and Robert E. Lee who gets none. Alexander Graham Bell, Thomas Edison, Albert Einstein, Jonas Salk and the Wright brothers don't get any reference at all.

And she says that in 1992 the National Endowment of the Humanities put up $525,000 and the Department of Education put up $865,000 towards establishing these standards. I suspect that—in view of your statement—that a considerably greater amount of money from the Department of Education is going to the perfection and implementation of these standards, and my question to you is, why?

PROGRESS ON HISTORY STANDARDS

Secretary Riley. Well, Mr. Chairman, the information that you have I respectfully submit to you is largely misinformation, in my judgment, on the history standards.

However, that debate is a different issue. I do not think I should defend what this consensus group did because they were chosen by Ms. Cheney and Mr. Alexander when they were in office. They then came forth with consensus standards for history, as they were assigned to do. The standards they came up with I don't think are in question. All of the questions that Ms. Cheney raises I think deal with examples of teaching, and those perhaps were skewed.

There is a series of meetings taking place now involving lots of people—conservatives, liberals, people of all persuasions—to really try to look through these teaching examples to make sure that they are a fair representation of what they should be.

So I think you are seeing what is the first phase of a long process. And the first draft that came out from this group that Ms. Cheney and Mr. Alexander chose and contracted with, displeased her and displeased a number of others. And the numbers that you gave are, in fact, numbers, if you count those various things, in the teaching examples. I think that the revision process is moving in the right direction.

The other standards, many of them—civics, geography—that we are reading about basically are pretty well received. However, none of them have been endorsed by us or in any way are we involved in them. They are outside people that are being contracted to try to come up with consensus standards. So that is the process.

WORLD-CLASS STANDARDS

I submit that it is healthy for this country to be talking about what young people should learn in school, and that is a healthy process. That is a healthy debate. What is an education in terms of an eighth grade student? What should they know about history, about math, and so forth?

That is the whole idea of the standards process. And I think it is a bipartisan feeling that developing State standards—and that is what we believe in, not national standards—this consensus process is an effort to develop world-class standards that States then can use as they wish.

It is purely voluntary in terms of their use. If a State decides not to use them at all, that is up to them. They are not punished in any way. No funds are dependent upon their adopting these national standards if and when they are developed.

So that is a healthy process. That is the first stage of it. And I do think the debate is healthy.

When you look at Goals 2000, the other concerns that you raised, I would ask you to really look at the legislation that creates it.

EVOLUTION OF GOALS 2000

Of course, the Goals Panel is in operation now. It was in operation when we came in office. The national goals came out of the Governors' meeting, and President Bush and now President Clinton were both very much involved in that.

We think that was a State expression, and we think when we talked about a Nation at risk in the early 1980s that was important, and everybody was concerned that we were moving towards mediocrity. And I was concerned about it, and I was a Governor then.

But it was a Nation at risk. It wasn't the Nation's concern about a State or a community in a State. It was a Nation at risk, and it was a Nation's problems. So we came up with national goals. The Governors wanted that done.

Then when we came to office we felt like we needed to make those State Governors' goals part of the national goals and then to develop a process where we could develop world-class standards—

purely voluntary, but these high, high standards which would help us compete with Korea in math or whatever, and that process then calls for a council to review these standards as they come in. It calls for them to be certified by that council if they choose to certify.

This council would be appointed of course, a representative group. That is not a major part of the Goals 2000 Act because those standards are purely voluntary. Each State under Goals 2000 has to develop its own standards, and they should define what an education is in their States. If you don't know what it is you don't know what you are shooting for.

Then each State does its own assessment process measured to their own State standards. Understand, it doesn't matter what the national standards are. That simply is another issue.

Then each State develops—with the Governor and the Chief School Officer being the key people—a State panel. That panel then develops a State plan for reaching for these goals, and the goals we are familiar with—eight goals that were passed by the Congress. Then the States also develops their own standards and their own assessment processess. Then the money substantially goes right down to the school district, 90 percent of it, and the school districts likewise develops their standards, their assessments, their processes for reaching the goals, and each school then in the school district does the same thing.

MODEL REFORM INITIATIVE

And that is a very sensible, to me, process. It is State and locally driven. The goals talk about safety. They talk about discipline. They talk about the very things that the people out there are talking about and craving for. They talk about high standards. They talk about graduation.

So I respectfully submit, sir—and I understand everything you have read. I have heard over and over and over again, and I think well-intentioned people have gotten misinformation. I don't accuse anybody of anything because I think people are well-meaning and concerned about their children. They see people graduating that can't read and write. They are concerned about violence, drugs. I am.

And Goals 2000 deals with that for them to do it in their own way. I submit that it is a model for a Federal role which says we are going to put these funds there. You, the State and the local schools then will determine how to use them to reach these broad objectives.

Mr. LIVINGSTON. Mr. Secretary, thank you for your comprehensive response, but I am concerned. You say that the standards for the States are voluntary. My information was that in order to get the money they had to comply with the national standards. If they can set their own standards altogether then what is the purpose of having national standards?

VOLUNTARY STATE STANDARDS

Secretary RILEY. I am glad you point that out. Because that is right. The law is absolutely clear that not only Goals' money but other monies cannot be tied to adopting these national standards.

The reason for having them is to have a development of world-class standards for particular subject matter at particular grades and then that is a very high level of standards. And a State could come in and say, we want to adopt these world-class standards in math, but we don't like them in history. It will save the State from going out and spending the money to figure out what world-class standards would be in math. That is common sense to me.

They say they are voluntary, but they might some day not be or whatever. The whole concept is for these just to be model world-class standards for a State to use or not. And, believe me, if a State says we are not going to pay attention to those, we are going to develop our own standards, that is okay.

Mr. LIVINGSTON. Are you saying that Lynne Cheney is incorrect when she asserts that the world-class standards for history are as slanted as they are indicated in her Wall Street Journal article?

HISTORY STANDARDS

Secretary RILEY. I say that in terms of these standards themselves, I don't think she even says that the standards are slanted. I think the standards are all right. These things that she cites are teaching examples under the standards, and I think everybody pretty well understands that.

Mr. LIVINGSTON. If she is right, I am concerned that something is wrong with the process.

Secretary RILEY. It is a consensus process that she and Lamar Alexander contracted for, and we had zero thing to do with it in this process.

Mr. LIVINGSTON. If it developed that poorly I think maybe it ought to be killed in its cradle.

Secretary RILEY. It is a first stage, and please give it a chance to go through. They are having meetings now. That is why you put out a draft, for people to respond to. I think you will see some changes, and I think you will be pleased with that.

Mr. LIVINGSTON. Thank you, Mr. Secretary, and thank you, Mr. Chairman.

[CLERK'S NOTE.—Additional information was provided to the Committee from the Secretary subsequent to the hearing:]

During the hearing, Mr. Livingston and other Members brought up several issues about the Goals 2000 legislation. Four specific points are clarified for the record.

ADDITIONAL INFORMATION ABOUT GOALS 2000: EDUCATE AMERICA ACT

Under Goals 2000, three new federal bureaucracies are created.

The Goals 2000 Act established three independent boards, each of which is comprised of nonfederal employees - state and local officials, business leaders, parents, and educators, serving in volunteer positions and supported by a total staff of less than 30 people and a budget of less than $10 million. One of the boards, the National Education Goals Panel, already existed.

NESIC will be a national school board.

NESIC will not be a national school board. It will have no authority with regard to the operation of state and local education. It will have no authority with regard to federal funding or regulations. The authority of NESIC is to discuss, review, and , if appropriate, certify content and performance standards that are submitted to NESIC. It will also discuss, review, and, if appropriate, certify opportunity-to-learn standards that are submitted. No group or state is required to submit standards to NESIC and no federal funding is tied to having standards certified by NESIC.

Opportunity-to-learn standards

The Goals 2000 Act authorizes funds for the development of opportunity-to-learn standards or strategies by states. These standards or strategies are intended to serve as a guide and their implementation is voluntary.

How Goals 2000 funds are spent.

There is great flexibility in how local schools and communities can use Goals 2000 funds to improve their education systems. States and communities identify the priorities and needs of their children and make the decisions on how to spend the resources.

Mr. PORTER. Thank you for joining us this morning.

Mr. Obey, you have us outnumbered four to three at the present time. I yield to you.

Mr. HOYER. Vote.

Mr. OBEY. Just for the record, would you again tell us under which left-wing, spongy-headed liberal this process was developed under which these history standards are being discussed today?

Secretary RILEY. Congressman, I don't want to characterize anyone that way. They are friends of mine.

But the statements that the people are concerned about is that these history standards are part of Goals 2000, that we have brought about——

Mr. OBEY. You had zero involvement in the selection of the persons who developed those standards?

Secretary RILEY. Absolutely. They were contracted with and paid by the previous administration, and it took several years to complete the process.

Mr. OBEY. Because I have seen numerous references to this administration's lust for developing standards like that, and I guess this is just another example of the things that we know that ain't so that confuse the dialogue on issues like this.

CAMPUS-BASED STUDENT AID

I would like to ask you about something more concrete. The Republican Contract With America, as I understand it, suggests the elimination of campus-based student aid programs, and it suggests taking half of the money that would be cut from those programs and moving them into Pell grants. If that is done, do you have and could you list for the record the number of students who would lose such grants on a State-by-State basis?

Secretary RILEY. We could certainly supply that information for you.

Campus-based programs, of course, are programs where the funds go to the institution and it gives the institutions the opportunity then to tailor their particular programs to the students that they have.

Mr. OBEY. Right. What I am getting at is that, for instance, as I understand it, in my district that would mean that 696 students at the UW-Stevens Point campus, for instance, would lose an SEOG grant, 946 students would lose work-study grants, 1,705 students would lose loans. At UW-Superior, for instance, 975 students would lose SEOG grants, 630 would lose work-study, 1,605 would lose Perkins loans. I think it would be useful if we had that assessment on a campus-by-campus basis.

Secretary RILEY. Sally Christensen indicates that approximately 2.5 million students receive these grants from campus-based programs.

Mr. OBEY. I would like to see that number disaggregated and in the written record so that people know exactly what the impact would be on every campus and every Member's district.

Secretary RILEY. All right.

[The information follows:]

DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION
STUDENT FINANCIAL ASSISTANCE PROGRAMS
WASHINGTON, D.C. 20202

CAMPUS-BASED PROGRAMS
REPORT NO. 95-1
APRIL, 1994

Notification to Members of Congress
Regarding P.L. 89-329 The Higher Education Act of 1965, as amended

APPROVAL OF AWARDS TO INSTITUTIONS PARTICIPATING IN THE FEDERAL WORK-STUDY, FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT, AND FEDERAL PERKINS LOAN PROGRAMS

Awards to institutions listed on the following pages have been approved for the Federal Work-Study, Federal Supplemental Educational Opportunity Grant and Federal Perkins Loan Programs, authorized under Title IV of the Higher Education Act of 1965, as amended, for Award Period July 1, 1994, through June 30, 1995. The format of this notification schedule identifies: 1) the name and address of the institution; 2) the amount of the awards for the Federal Perkins Loan Federal share, the FSEOG Federal share and the FWS Federal share; 3) the estimated number of student borrowers in the Federal Perkins Loan Program, the estimated number of student awards for the Federal Supplemental Educational Opportunity Grant Program and the estimated number of students to be employed under the Federal Work-Study Program for this award period; and 4) the authorized Federal Perkins Loan level of Expenditures.

FEDERAL WORK-STUDY PROGRAM

Federal funds will provide 75 percent of student payrolls, and a matching college, university or off-campus agency contribution will generally provide the remaining 25 percent, except that the Federal share of earned compensation for employment in private sector for profit jobs may not exceed 50 percent. This schedule contains approval of a total of 3,433 institutional recipients which are estimated to benefit 747,485 students. The Federal funds being obligated at this time for FWS program operations during the Award Period 1994-95 are $612,958,362.

FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT PROGRAM

Under the Federal Supplemental Educational Opportunity Grant Program, funds will provide 75 percent of the grants ranging up to a maximum of $4,000 for each academic year of undergraduate study awarded by participating institutions of postsecondary education to students who are eligible for the program. The institution provides the remaining 25 percent. This schedule contains approval of a total of 4,038 institutional recipients which are estimated to benefit 931,603 students. The Federal funds being obligated at this time for FSEOG program operations during the Award Period 1994-95 are $577,596,272.

FEDERAL PERKINS LOAN PROGRAM

Under the Federal Perkins Loan Program, institutions make low interest loans to needy enrolled students. Federal funds will provide 75 percent of the new capital contributions to an institution's Federal Perkins Loan Program Fund and an institutional contribution will provide the remaining 25 percent. (Under the Program's expanded lending option, the Federal and institutional shares of the total new capital contribution are 50 percent each.) This schedule contains approval of a total of 2,479 institutional Federal Perkins Loan authorizations which are estimated to benefit 812,180 students. The total Federal funds being obligated at this time for Federal Perkins Loan program operations during the Award Period 1994-95 are $157,107,442. An institution in this report with an authorized Federal Perkins Loan Level of Expenditures, but no Federal Perkins Loan Federal funds, is authorized to use cash in its Fund from borrower repayments and other resources up to the amount shown.

Further information about these awards may be obtained from Mr. Robert R. Coates, Director, Campus-Based Programs Financial Management Division, Student Financial Assistance Programs, Department of Education, Telephone: Area Code (202) 708-7741.

STATE OF ALABAMA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ALABAMA AGRICULTURAL & MECHANICAL UNIVERSITY	FEDERAL PERKINS LOAN		96	$125,920
PO BOX 907	FSEOG	$172,544	278	
NORMAL AL 35762	FWS	$173,579	212	
ALABAMA AVIATION AND TECHNICAL COL	FSEOG	$20,056	32	
PO BOX 1209	FWS	$14,594	18	
OZARK AL 36361				
ALABAMA SOUTHERN COMMUNITY COLLEGE	FSEOG	$22,625	36	
PO BOX 2000	FWS	$29,388	36	
MONROEVILLE AL 36461				
ALABAMA STATE UNIVERSITY	FEDERAL PERKINS LOAN		84	$110,474
915 SOUTH JACKSON STREET	FSEOG	$286,427	462	
MONTGOMERY AL 36195	FWS	$1,371,146	1,672	
ATHENS STATE COLLEGE	FSEOG	$30,860	50	
BEATY STREET	FWS	$30,310	37	
ATHENS AL 35611				
AUBURN UNIVERSITY-AUBURN	FEDERAL PERKINS LOAN		1,815	$2,360,007
203 MARY MARTIN HALL	FSEOG	$256,128	413	
AUBURN UNIVERSITY AL 36849	FWS	$575,067	701	
AUBURN UNIVERSITY-MONTGOMERY	FEDERAL PERKINS LOAN	$134,353	341	$443,723
7300 UNIVERSITY DRIVE	FSEOG	$70,752	114	
MONTGOMERY AL 36117	FWS	$97,034	118	
BALDWIN COUNTY SCH OF COSMETOLOGY	FSEOG	$39	0	
27339-A1 US HIGHWAY 98				
DAPHNE AL 36526				
BESSEMER STATE TECNICAL COLLEGE	FSEOG	$50,628	82	
PO BOX 308 HIGHWAY 11 SOUTH	FWS	$59,666	73	
BESSEMER AL 35021				
BEVILL STATE CMTY COLLEGE	FSEOG	$53,835	87	
BOX 800	FWS	$63,682	78	
SUMITON AL 35148				
BIRMINGHAM SOUTHERN COLLEGE	FEDERAL PERKINS LOAN	$85,874	304	$396,081
B S C BOX A-39	FSEOG	$112,897	182	
BIRMINGHAM AL 35254	FWS	$152,847	186	
BISHOP STATE COMMUNITY COLLEGE	FSEOG	$39,143	63	
925 DAUPHIN ISLAND PARKWAY	FWS	$18,153	22	
MOBILE AL 36605				

STATE OF ALABAMA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BISHOP STATE COMMUNITY COLLEGE-CARVER CAMPUS	FSEOG	$33,177	54	
414 STANTON STREET	FWS	$23,948	29	
MOBILE AL 36617				
C.A. FREDD STATE TECHNICAL COLLEGE	FSEOG	$28,576	46	
3401-32ND AVENUE	FWS	$30,000	37	
TUSCALOOSA AL 35401				
CAPPS COLLEGE	FEDERAL PERKINS LOAN		0	$1,000
3100 COTTAGE HILL RD, BLDG 5	FSEOG	$21,420	35	
MOBILE AL 36606	FWS	$1,650	2	
CAREER DEVELOPMENT INSTITUTE	FSEOG	$44,520	72	
2233 4TH AVE N				
BIRMINGHAM AL 35203				
CENTRAL ALABAMA COMMUNITY COLLEGE	FSEOG	$32,525	52	
PO BOX 699	FWS	$41,975	51	
ALEXANDER CITY AL 35010				
CHATTAHOOCHEE VALLEY CMTY COLLEGE	FSEOG	$23,559	38	
2602 COLLEGE DRIVE	FWS	$64,329	78	
PHOENIX CITY AL 36869				
CHAUNCEY SPARKS STATE TECH COLLEGE	FSEOG	$36,197	58	
P O DRAWER 580				
EUFAULA AL 36027				
COASTAL TRAINING INSTITUTE OF MONTGOMERY	FEDERAL PERKINS LOAN		34	$45,336
5950 S MONTICELLO DR	FSEOG	$90,705	146	
MONTGOMERY AL 36117	FWS	$39,941	49	
CONCORDIA COLLEGE	FSEOG	$34,163	55	
1804 GREEN STREET	FWS	$37,695	46	
SELMA AL 36701				
DOUGLAS MACARTHUR STATE TECH CO	FSEOG	$33,069	53	
PO DRAWER 649 HWY 331 N	FWS	$28,193	34	
OPP AL 36467				
DRAUGHONS JUNIOR COLLEGE	FEDERAL PERKINS LOAN	$18,190	35	$46,180
122 COMMERCE ST	FSEOG	$51,086	82	
MONTGOMERY AL 36104	FWS	$33,263	41	
ENTERPRISE STATE JR COLLEGE	FSEOG	$25,122	41	
P O BOX 1300	FWS	$94,514	115	
ENTERPRISE AL 36331				

STATE OF ALABAMA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
FAULKNER UNIVERSITY	FEDERAL PERKINS LOAN	$19,905	83	$108,034
5345 ATLANTA HIGHWAY	FSEOG	$183,121	295	
MONTGOMERY AL 36193	FWS	$131,412	160	
GADSDEN BUSINESS COLLEGE INC	FEDERAL PERKINS LOAN	$27,552	167	$217,167
PO BOX 1544	FSEOG	$27,262	44	
GADSDEN AL 35902	FWS	$21,751	27	
GADSDEN STATE CMTY COLLEGE	FSEOG	$75,000	121	
GEORGE WALLACE DRIVE	FWS	$75,000	91	
GADSDEN AL 35903				
GEO C WALLACE ST CMTY COL-DOTHAN	FSEOG	$40,000	65	
	FWS	$78,756	96	
DOTHAN AL 36303				
GEORGE C WALLACE STATE CMTY CO	FSEOG	$105,524	170	
PO BOX 2000	FWS	$105,510	129	
HANCEVILLE AL 35077				
GEORGE CORLEY WALLACE STATE CMTY COL-SELMA	FWS	$59,322	72	
PO BOX 1049				
SELMA AL 36702				
HERZING INSTITUTES	FSEOG	$48,962	79	
1218 SOUTH 20TH STREET	FWS	$23,560	29	
BIRMINGHAM AL 35205				
HUNTINGDON COLLEGE	FEDERAL PERKINS LOAN	$856	85	$110,627
1500 EAST FAIRVIEW AVE	FSEOG	$90,472	146	
MONTGOMERY AL 36106	FWS	$65,649	80	
INTERNATIONAL BIBLE COLLEGE	FSEOG	$5,407	9	
PO BOX IBC	FWS	$3,326	4	
FLORENCE AL 35630				
JACKSONVILLE STATE UNIVERSITY	FEDERAL PERKINS LOAN		304	$396,313
PELHAM ROAD	FSEOG	$241,101	389	
JACKSONVILLE AL 36265	FWS	$383,687	468	
JAMES H FAULKNER STATE COMMUNITY COLLEGE	FSEOG	$42,324	68	
	FWS	$132,718	162	
BAY MINETTE AL 36507				
JEFFERSON DAVIS STATE JR COLLEGE	FSEOG	$23,956	39	
PO DRAWER N	FWS	$25,265	31	
BREWTON AL 36426				

STATE OF ALABAMA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
JEFFERSON STATE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$81,501	120	$156,018
2601 CARSON ROAD	FSEOG	$328,690	530	
BIRMINGHAM AL 35215	FWS	$396,390	483	
JOHN C CALHOUN STATE CMTY COL	FSEOG	$114,015	184	
PO BOX 2216	FWS	$96,569	118	
DECATUR AL 35602				
JUDSON COLLEGE	FEDERAL PERKINS LOAN		31	$40,565
	FSEOG	$10,275	17	
MARION AL 36756	FWS	$21,094	26	
LAWSON STATE CMTY COLLEGE	FSEOG	$40,000	65	
3060 WILSON ROAD SW	FWS	$168,731	206	
BIRMINGHAM AL 35221				
LIVINGSTON UNIVERSITY	FEDERAL PERKINS LOAN	$821	101	$131,648
STATION 3	FSEOG	$57,757	93	
LIVINGSTON AL 35470	FWS	$184,571	225	
LURLEEN B WALLACE STATE JR COLLEGE	FSEOG	$20,526	33	
P O BOX 1418	FWS	$109,516	134	
ANDALUSIA AL 36420				
MARION MILITARY INSTITUTE	FSEOG	$14,024	23	
WASHINGTON STREET	FWS	$9,934	12	
MARION AL 36756				
MILES COLLEGE	FEDERAL PERKINS LOAN		34	$45,313
P O BOX 3800	FSEOG	$292,951	473	
BIRMINGHAM AL 35208	FWS	$294,127	359	
NEW WORLD COLLEGE OF BUSINESS	FEDERAL PERKINS LOAN		12	$16,523
P.O. BOX 2287	FSEOG	$28,807	46	
ANNISTON AL 36202	FWS	$4,519	6	
NORTHEAST ALABAMA STATE COMMUNITY COLLEGE	FSEOG	$31,995	52	
PO BOX 159	FWS	$33,929	41	
RAINSVILLE AL 35986				
OAKWOOD COLLEGE	FSEOG	$280,801	453	
OAKWOOD ROAD NW	FWS	$181,694	222	
HUNTSVILLE AL 35806				
OPELIKA STATE TECHNICAL COLLEGE	FSEOG	$36,948	60	
1701 LAFAYETTE PARKWAY POB2268	FWS	$7,693	9	
OPELIKA AL 36803				

STATE OF ALABAMA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PHILLIPS COLLEGE	FEDERAL PERKINS LOAN		0	$1,000
3446 DEMETROPOLIS RD	FSEOG	$18,805	30	
MOBILE AL 36693				
PHILLIPS JR COLLEGE	FEDERAL PERKINS LOAN		37	$49,186
115 OFFICE PARK DRIVE	FSEOG	$308,752	498	
MOUNTAIN BROOK AL 35223	FWS	$182,813	223	
RICE COLLEGE	FEDERAL PERKINS LOAN		7	$9,170
2116 BESSEMER ROAD	FSEOG	$7,677	12	
BIRMINGHAM AL 35208				
S D BISHOP STATE JR COLLEGE	FSEOG	$61,655	99	
351 NO BROAD STREET	FWS	$121,976	149	
MOBILE AL 36690				
SAMFORD UNIVERSITY	FEDERAL PERKINS LOAN	$168,125	526	$684,041
800 LAKESHORE DRIVE	FSEOG	$128,357	207	
BIRMINGHAM AL 35229	FWS	$196,974	240	
SELMA UNIVERSITY	FEDERAL PERKINS LOAN		3	$4,289
1501 LAPSLEY STREET	FSEOG	$25,202	41	
SELMA AL 36701	FWS	$21,963	27	
SHELTON STATE COMMUNITY COLLEGE	FSEOG	$93,500	151	
202 SKYLAND BLVD.	FWS	$107,952	132	
TUSCALOOSA AL 35405				
SHOALS CMTY COLLEGE	FSEOG	$68,880	111	
PO BOX 2545	FWS	$66,053	81	
MUSCLE SHOALS AL 35662				
SNEAD STATE COMMUNITY COLLEGE	FSEOG	$26,538	43	
PO DRAWER D	FWS	$43,489	53	
BOAZ AL 35957				
SOUTHEASTERN BIBLE COLLEGE	FSEOG	$11,807	19	
3001 HIGHWAY 280 E	FWS	$9,314	11	
BIRMINGHAM AL 35243				
SOUTHERN CHRISTIAN UNIVERSITY	FSEOG	$5,568	9	
1200 TAYLOR ROAD PO BOX 240240	FWS	$5,113	6	
MONTGOMERY AL 36117				
SOUTHERN UNION STATE JR COLLEGE	FEDERAL PERKINS LOAN		16	$21,479
	FSEOG	$68,482	110	
WADLEY AL 36276	FWS	$87,399	107	

STATE OF ALABAMA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SOUTHERN VOCATIONAL COLLEGE	FSEOG	$27,473	44	
PO BOX 688	FWS	$28,818	35	
TUSKEGEE AL 36088				
SPRING HILL COLLEGE	FEDERAL PERKINS LOAN	$1,179	186	$242,945
4000 DAUPHIN ST	FSEOG	$112,515	181	
MOBILE AL 36608	FWS	$87,800	107	
STEP AHEAD COSMETOLOGY SCHOOL	FSEOG	$178	0	
26 B PHILLIPS DRIVE				
BIRMINGHAM AL 35228				
STILLMAN COLLEGE	FEDERAL PERKINS LOAN		44	$58,386
PO DRAWER 1430	FSEOG	$315,377	509	
TUSCALOOSA AL 35403	FWS	$194,055	237	
TALLADEGA COLLEGE	FEDERAL PERKINS LOAN		46	$60,024
627 WEST BATTLE STREET	FSEOG	$314,208	507	
TALLADEGA AL 35160	FWS	$148,145	181	
TRENHOLM STATE TECHNICAL COLLEGE	FSEOG	$61,076	99	
1225 AIR BASE BLVD/PO BOX 9039	FWS	$38,971	48	
MONTGOMERY AL 36108				
TROY STATE UNIVERSITY	FEDERAL PERKINS LOAN		639	$831,427
UNIVERSITY AVENUE	FSEOG	$245,096	395	
TROY AL 36082	FWS	$473,364	577	
TUSKEGEE UNIVERSITY	FEDERAL PERKINS LOAN		1,814	$2,358,900
PO BOX 88	FSEOG	$1,129,083	1,821	
TUSKEGEE INSTIT AL 36088	FWS	$919,513	1,121	
UNITED STATES SPORTS ACADEMY	FEDERAL PERKINS LOAN	$39,063	98	$127,573
ONE ACADEMY DRIVE	FWS	$20,626	25	
DAPHNE AL 36526				
UNIVERSITY OF ALABAMA	FEDERAL PERKINS LOAN	$8,468	2,153	$2,799,615
P O BOX 870162	FSEOG	$494,808	798	
TUSCALOOSA AL 35487	FWS	$1,341,793	1,636	
UNIVERSITY OF ALABAMA-BIRMINGHAM	FEDERAL PERKINS LOAN	$451,161	2,124	$2,761,866
UNIVERSITY STATION	FSEOG	$664,158	1,071	
BIRMINGHAM AL 35294	FWS	$1,148,332	1,400	
UNIVERSITY OF ALABAMA-HUNTSVILLE	FEDERAL PERKINS LOAN	$23,959	112	$145,897
124 UNIVERSITY CENTER	FSEOG	$79,759	129	
HUNTSVILLE AL 35899	FWS	$75,863	93	

STATE OF ALABAMA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF MOBILE	FEDERAL PERKINS LOAN		33	$43,840
PO BOX 13220	FSEOG	$50,842	82	
MOBILE AL 36663	FWS	$71,281	87	
UNIVERSITY OF MONTEVALLO	FEDERAL PERKINS LOAN		182	$237,174
STATION 6050	FSEOG	$171,334	276	
MONTEVALLO AL 35115	FWS	$169,028	206	
UNIVERSITY OF NORTH ALABAMA	FEDERAL PERKINS LOAN	$2,940	378	$492,037
PO BOX 5151	FSEOG	$135,311	218	
FLORENCE AL 35632	FWS	$229,042	279	
UNIVERSITY OF SOUTH ALABAMA	FEDERAL PERKINS LOAN		311	$404,668
270 ADMINISTRATION BUILDING	FSEOG	$176,661	285	
MOBILE AL 36688	FWS	$292,026	356	
WALKER COLLEGE	FEDERAL PERKINS LOAN		1	$2,496
GAMBLE AVENUE	FSEOG	$26,816	43	
JASPER AL 35501	FWS	$41,564	51	

STATE OF ALABAMA	FEDERAL PERKINS LOAN	$1,063,947	6,813	NO. INSTITUTIONS 37
	FSEOG	$8,539,889	13,773	NO. INSTITUTIONS 75
	FWS	$11,718,964	14,293	NO. INSTITUTIONS 71

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ALASKA JUNIOR COLLEGE			FEDERAL PERKINS LOAN	$59,713	156	$203,395
800 E DIMOND BLVD			FSEOG	$28,375	46	
ANCHORAGE	AK	99515	FWS	$6,460	8	
ALASKA PACIFIC UNIVERSITY			FSEOG	$26,424	43	
4101 UNIVERSITY DRIVE			FWS	$29,033	35	
ANCHORAGE	AK	95508				
SHELDON JACKSON COLLEGE			FEDERAL PERKINS LOAN	$74,640	91	$118,427
801 LINCOLN			FSEOG	$34,085	55	
SITKA	AK	99835	FWS	$100,395	122	
UNIVERSITY OF ALASKA-ANCHORAGE			FEDERAL PERKINS LOAN		121	$157,701
3211 PROVIDENCE DRIVE			FSEOG	$327,285	528	
ANCHORAGE	AK	99504	FWS	$276,256	337	
UNIVERSITY OF ALASKA-FAIRBANKS			FSEOG	$244,780	395	
FAIRBANKS	AK	99775	FWS	$317,150	387	
UNIVERSITY OF ALASKA-JUNEAU			FSEOG	$15,044	24	
11120 GLACIER HWY			FWS	$10,566	13	
JUNEAU	AK	99801				

STATE OF ALASKA				
FEDERAL PERKINS LOAN	$134,353	247	NO. INSTITUTIONS	3
FSEOG	$675,993	1,091	NO. INSTITUTIONS	6
FWS	$739,860	902	NO. INSTITUTIONS	6

STATE OF ARIZONA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ABC TECHNICAL & TRADE SCHOOL	FEDERAL PERKINS LOAN		50	$65,374
3761 E AVIATION HIGHWAY	FSEOG	$38,623	62	
TUCSON AZ 85713				
ACADEMY OF BUSINESS	FSEOG	$15,630	25	
3320 W CHERYL DRIVE # 115	FWS	$8,704	11	
PHOENIX AZ 85021				
AL COLLINS GRAPHIC DESIGN SCHOOL	FEDERAL PERKINS LOAN		6	$8,381
1140 SOUTH PRIEST	FSEOG	$63,201	102	
TEMPE AZ 85280				
ALLURE CAREER COL. OF BEAUTY	FEDERAL PERKINS LOAN	$7,315	29	$37,771
3210 E SPEEDWAY	FSEOG	$10,435	17	
TUCSON AZ 85716				
ALLURE CAREER COLLEGE OF BEAUTY	FEDERAL PERKINS LOAN	$5,063	22	$29,486
7730 EAST MCDOWELL ROAD	FSEOG	$5,568	9	
SCOTTSDALE AZ 85251				
AMERICAN GRAD SCHOOL OF INT MGT	FEDERAL PERKINS LOAN	$85,477	505	$656,847
THUNDERBIRD CAMPUS	FWS	$205,742	251	
GLENDALE AZ 85306				
AMERICAN INDIAN BIBLE COLLEGE	FSEOG	$11,016	18	
10020 NORTH 15 AVENUE	FWS	$6,496	8	
PHOENIX AZ 85021				
AMERICAN INST OF COURT REPORTING	FSEOG	$900	1	
3443 NORTH CENTRAL AVENUE				
PHOENIX AZ 85004				
APOLLO COLLEGE OF MED & DENT CAREER	FEDERAL PERKINS LOAN		18	$23,699
8503 N 27TH AVENUE	FSEOG	$75,841	122	
PHOENIX AZ 85021				
ARIZONA ACADEMY OF BEAUTY	FEDERAL PERKINS LOAN		5	$6,810
6015 E BROADWAY	FSEOG	$6,762	11	
TUCSON AZ 85711				
ARIZONA ACADEMY OF BEAUTY-NORTH	FEDERAL PERKINS LOAN		4	$6,057
4046 N ORACLE ROAD	FSEOG	$7,990	13	
TUCSON AZ 85705				
ARIZONA COLLEGE OF THE BIBLE	FSEOG	$7,364	12	
2045 WEST NORTHERN AVENUE	FWS	$6,362	8	
PHOENIX AZ 85021				

STATE OF ARIZONA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ARIZONA INSTITUTE OF BUSINESS & TECHNOLOGY 6049 NORTH 43RD AVENUE PHOENIX AZ 85019	FSEOG FWS	$52,685 $15,823	85 19	
ARIZONA STATE UNIVERSITY BOX 870412 TEMPE AZ 85287	FEDERAL PERKINS LOAN FSEOG FWS	 $1,773,800 $1,445,463	2,152 2,861 1,763	$2,798,461
ARIZONA WESTERN COLLEGE BOX 929 YUMA AZ 85364	FEDERAL PERKINS LOAN FSEOG FWS	 $233,366 $282,991	60 376 345	$78,943
AZTECH COLLEGE 941 S DOBSON RD SUITE 120 TEMPE AZ 85202	FSEOG	$4,446	7	
BEEBES ACADEMY OF BEAUTY CULTURE 184 W 25TH STREET YUMA AZ 85364	FSEOG	$5,568	9	
CAD INSTITUTE 4100 EAST BROADWAY #180 PHOENIX AZ 85040	FSEOG FWS	$54,945 $15,000	89 18	
CENTRAL ARIZONA COLLEGE 8470 N OVERFIELD ROAD COOLIDGE AZ 85228	FSEOG FWS	$55,978 $71,077	90 87	
CHANDLER-GILBERT COMMUNITY COLLEGE 2626 E PECOS RD CHANDLER AZ 85225	FEDERAL PERKINS LOAN FSEOG FWS	 $76,310 $35,404	3 123 43	$5,187
CHAPARRAL CAREER COLLEGE 4585 E SPEEDWAY SUITE 104 TUCSON AZ 85712	FEDERAL PERKINS LOAN FSEOG	$9,562 $44,278	41 71	$53,905
CLINTON TECHNICAL INSTITUTE 2844 W DEER VALLEY ROAD PHOENIX AZ 85027	FEDERAL PERKINS LOAN FSEOG	$20,189 $100,544	48 162	$63,151
COCHISE COLLEGE 4190 W HWY 80 DOUGLAS AZ 85607	FSEOG FWS	$100,000 $91,518	161 112	
COLLEGE OF BEAUTY ARTS&SCIENCES 1790 EAST SANTA FE AVENUE FLAGSTAFF AZ 86001	FSEOG	$5,864	9	

STATE OF ARIZONA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
DEVOE COLLEGE OF BEAUTY	FSEOG	$1,863	3	
750 BARSTOW DRIVE P O BOX 1571				
SIERRA VISTA AZ 85636				
DEVRY INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$974,920	2,550	$3,315,475
2149 WEST DUNLAP AVENUE	FSEOG	$618,452	998	
PHOENIX AZ 85021	FWS	$256,432	313	
EARLS ACADEMY OF BEAUTY	FSEOG	$4,620	7	
1826 W BROADWAY #12A-13A				
MESA AZ 85202				
EASTERN ARIZONA COLLEGE	FSEOG	$102,096	165	
626 CHURCH STREET	FWS	$210,689	257	
THATCHER AZ 85552				
GATEWAY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		51	$66,559
108 NORTH 40TH STREET	FSEOG	$113,123	182	
PHOENIX AZ 85034	FWS	$88,525	108	
GLENDALE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		60	$79,023
6000 W OLIVE AVENUE	FSEOG	$271,005	437	
GLENDALE AZ 85302	FWS	$497,260	606	
GRAND CANYON UNIVERSITY	FEDERAL PERKINS LOAN	$197,374	448	$582,974
3300 W CAMELBACK RD BOX 11097	FSEOG	$189,626	306	
PHOENIX AZ 85061	FWS	$210,593	257	
HIGH-TECH ELECTRONIC INSTITUTE	FEDERAL PERKINS LOAN		10	$13,192
1515 E INDIAN SCHOOL ROAD	FSEOG	$150,000	242	
PHOENIX AZ 85014	FWS	$40,920	50	
HOUSE OF MICHAEL BEAUTY ACADEMY	FSEOG	$20,171	33	
1946 W MAIN STREET	FWS	$8,588	10	
MESA AZ 85201				
INTERNATIONAL ACADEMY OF HAIR DESIGN	FSEOG	$5,494	9	
4415 N RURAL RD				
TEMPE AZ 85257				
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN	$27,325	68	$88,962
4837 E MCDOWELL ROAD	FSEOG	$72,781	117	
PHOENIX AZ 85004	FWS	$27,100	33	
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		9	$12,894
1840 EAST BENSON HIGHWAY	FSEOG	$70,000	113	
TUCSON AZ 85714	FWS	$18,887	23	

STATE OF ARIZONA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LAMSON BUSINESS COLLEGE	FEDERAL PERKINS LOAN		1	$2,251
6367 E TANQUE VERDE RD STE100	FSEOG	$13,343	22	
TUCSON AZ 85715	FWS	$7,827	10	
LAMSON COLLEGES	FEDERAL PERKINS LOAN		15	$20,523
1980 WEST MAIN STE 250	FSEOG	$83,699	135	
MESA AZ 85201	FWS	$29,299	36	
LONG MEDICAL INSTITUTE	FSEOG	$33,697	54	
4126 N BLACK CANYON HIGHWAY	FWS	$13,021	16	
PHOENIX AZ 85017				
MARICOPA BEAUTY COLLEGE	FEDERAL PERKINS LOAN	$4,976	11	$14,857
515 W WESTERN AVENUE	FSEOG	$5,568	9	
AVONDALE AZ 85323				
MESA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		105	$137,292
1833 W. SOUTHERN AVE	FSEOG	$338,362	546	
MESA AZ 85202	FWS	$409,040	499	
MOHAVE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		14	$18,878
1971 JAGERSON AVENUE	FSEOG	$33,532	54	
KINGMAN AZ 86401	FWS	$21,070	26	
NATIONAL EDUCATION CTR-ARIZONA AUTOMOTIVE CAMPUS	FEDERAL PERKINS LOAN		241	$313,648
6829 N 46TH AVENUE	FSEOG	$260,110	420	
GLENDALE AZ 85301				
NAVAJO COMMUNITY COLLEGE	FSEOG	$38,629	62	
TSAILE LAKE	FWS	$40,475	49	
TSAILE AZ 86556				
NORTHERN APIZONA INSTITUTE OF TECHNOLOGY	FSEOG	$28,147	45	
1120 KAIBAB LANE	FWS	$9,834	12	
FLAGSTAFF AZ 86001				
NORTHERN ARIZONA UNIVERSITY	FEDERAL PERKINS LOAN	$887	904	$1,175,244
BOX 4108	FSEOG	$426,727	688	
FLAGSTAFF AZ 86011	FWS	$592,020	722	
NORTHLAND PIONEER COLLEGE	FSEOG	$132,325	213	
1200 E HERMOSA DRIVE BOX 610	FWS	$94,534	115	
HOLBROOK AZ 86025				
PARADISE VALLEY COMMUNITY COLLEGE CENTER	FSEOG	$49,665	80	
18401 NORTH 32ND ST	FWS	$45,631	56	
PHOENIX AZ 85032				

STATE OF ARIZONA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PEDIGREE CAREER INSTITUTE	FEDERAL PERKINS LOAN		5	$6,673
3781 E TECHNICAL DR	FSEOG	$4,961	8	
TUCSON AZ 85713				
PEDIGREE CAREER INSTITUTE	FEDERAL PERKINS LOAN		5	$6,673
3037 W CLARENDON	FSEOG	$6,006	10	
PHOENIX AZ 85017				
PHOENIX ACADEMY OF BEAUTY CULTURE	FEDERAL PERKINS LOAN		6	$7,988
5925 W OLIVE	FSEOG	$5,037	8	
GLENDALE AZ 85302				
PHOENIX COLLEGE	FEDERAL PERKINS LOAN	$44,446	142	$185,098
1202 W. THOMAS RD	FSEOG	$171,557	277	
PHOENIX AZ 85013	FWS	$392,883	479	
PHOENIX THERAPEUTIC MASSAGE COLLEGE INC	FSEOG	$7,180	12	
2720 E THOMAS RD STE-140/160				
PHOENIX AZ 85016				
PIMA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$248,801	389	$506,562
4907 E BROADWAY	FSEOG	$352,810	569	
TUCSON AZ 85709	FWS	$485,332	592	
PIMA MEDICAL INSTITUTE	FEDERAL PERKINS LOAN		52	$68,607
3350 E GRANT AVENUE	FSEOG	$100,000	161	
TUCSON AZ 85716				
PRESCOTT COLLEGE	FEDERAL PERKINS LOAN		3	$4,382
220 GROVE AVENUE	FSEOG	$63,361	102	
PRESTCOTT AZ 86301	FWS	$23,061	28	
RIO SALADO COLLEGE	FEDERAL PERKINS LOAN		5	$7,718
640 N FIRST AVENUE	FSEOG	$32,775	53	
PHOENIX AZ 85003	FWS	$4,659	6	
SCOTTSDALE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		40	$52,975
9000 EAST CHAPARRAL ROAD	FSEOG	$69,655	112	
SCOTTSDALE AZ 85253	FWS	$64,590	79	
SOUTH MOUNTAIN COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		20	$26,238
7050 S 24TH STREET	FSEOG	$67,352	109	
PHOENIX AZ 85040	FWS	$79,734	97	
SOUTHWESTERN CONSERVATIVE BAPTIST BIBLE COLLEGE	FEDERAL PERKINS LOAN	$995	5	$6,729
2625 EAST CACTUS ROAD	FSEOG	$13,422	22	
PHOENIX AZ 85032	FWS	$9,160	11	

STATE OF ARIZONA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
THE ART CENTER OF TUCSON	FSEOG	$21,529	35	
2525 N COUNTRY CLUB RD	FWS	$5,746	7	
TUCSON AZ 85716				
THE REFRIGERATION SCHOOL	FEDERAL PERKINS LOAN		4	$6,176
4210 E WASHINGTON	FSEOG	$20,388	33	
PHOENIX AZ 85034	FWS	$3,627	4	
TUCSON COLLEGE	FEDERAL PERKINS LOAN		5	$7,304
7302-10 E 22ND ST	FSEOG	$48,940	79	
TUCSON AZ 85710				
UNITED ACADEMY OF BEAUTY	FSEOG	$4,742	8	
4105 S CENTRAL				
PHOENIX AZ 85040				
UNIVERSAL TECHNICAL INST	FEDERAL PERKINS LOAN	$42,908	443	$576,273
3121 WEST WELDON AVENUE	FSEOG	$360,000	581	
PHOENIX AZ 85017	FWS	$27,306	33	
UNIVERSITY OF ARIZONA	FEDERAL PERKINS LOAN		1,562	$2,031,147
ADMINISTRATION BLDG RM 201	FSEOG	$611,230	986	
TUCSON AZ 85721	FWS	$756,970	923	
WESTERN INTERNATIONAL UNIVERSITY	FSEOG	$32,287	52	
9215 NORTH BLACK CANYON HWY	FWS	$14,256	17	
PHOENIX AZ 85021				
YAVAPAI COLLEGE	FEDERAL PERKINS LOAN	$32,037	93	$120,967
1100 EAST SHELDON	FSEOG	$79,539	128	
PRESCOTT AZ 86301	FWS	$72,655	89	

STATE OF ARIZONA	FEDERAL PERKINS LOAN	$1,702,275	5,698	NO. INSTITUTIONS	43
	FSEOG	$7,886,920	12,720	NO. INSTITUTIONS	67
	FWS	$6,746,304	8,228	NO. INSTITUTIONS	43

STATE OF ARKANSAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ARKANSAS BAPTIST COLLEGE	FSEOG	$10,766	17	
1600 BISHOP STREET	FWS	$34,091	42	
LITTLE ROCK AR 72202				
ARKANSAS COLLEGE	FEDERAL PERKINS LOAN		229	$298,890
P O BOX 2317	FSEOG	$42,000	68	
BATESVILLE AR 72503	FWS	$86,900	106	
ARKANSAS STATE UNIVERSITY	FEDERAL PERKINS LOAN	$204,489	1,129	$1,468,039
PO BOX 1620	FSEOG	$298,826	482	
STATE UNIVERSITY AR 72467	FWS	$535,386	653	
ARKANSAS TECH UNIVERSITY	FEDERAL PERKINS LOAN	$49,262	319	$415,737
	FSEOG	$83,070	134	
RUSSELLVILLE AR 72801	FWS	$160,799	196	
ARKANSAS VALLEY TECHNICAL INSTITUTE	FSEOG	$8,781	14	
PO BOX 506 HWY 23 NORTH	FWS	$3,578	4	
OZARK AR 72949				
CENTRAL BAPTIST COLLEGE	FWS	$20,234	25	
CBC STATION				
CONWAY AR 72032				
COSSATOT VOC TECH SCHOOL	FSEOG	$13,359	22	
PO BOX 960	FWS	$5,736	7	
DEQUEEN AR 71832				
EAST ARKANSAS CMTY COLLEGE	FSEOG	$76,512	123	
BOX 4000 NEWCASTLE RD	FWS	$68,819	84	
FORREST CITY AR 72335				
GARLAND COUNTY COMMUNITY COLLEGE	FSEOG	$27,832	45	
100 COLLEGE DR POB 3470	FWS	$43,285	53	
HOT SPRINGS AR 71913				
HARDING UNIVERSITY	FEDERAL PERKINS LOAN	$10,605	1,091	$1,419,080
900 E CTR BOX 772	FSEOG	$266,232	429	
SEARCY AR 72149	FWS	$330,306	403	
HENDERSON STATE UNIVERSITY	FEDERAL PERKINS LOAN		327	$425,395
1100 HENDERSON STREET	FSEOG	$98,062	158	
ARKADELPHIA AR 71999	FWS	$213,404	260	
HENDRIX COLLEGE	FEDERAL PERKINS LOAN	$50,379	409	$531,849
1601 HARKRIDER	FSEOG	$80,818	130	
CONWAY AR 72032	FWS	$112,353	137	

STATE OF ARKANSAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
JOHN BROWN UNIVERSITY	FEDERAL PERKINS LOAN	$65,399	243	$316,173
P O BOX 600	FSEOG	$64,330	104	
SILOAM SPRINGS AR 72761	FWS	$117,941	144	
MISSISSIPPI COUNTY CMTY COLLEGE	FEDERAL PERKINS LOAN	$9,273	9	$12,364
PO BOX 1109	FSEOG	$22,112	36	
BLYTHEVILLE AR 72315	FWS	$46,799	57	
NAT'L EDUC CTR - ARKANSAS COLLEGE OF TECH	FEDERAL PERKINS LOAN		94	$122,686
9720 RODNEY PARHAM DRIVE	FSEOG	$65,232	105	
LITTLE ROCK AR 72207	FWS	$18,002	22	
NEWPORT SCHOOL OF BEAUTY CULTURE	FSEOG	$5,500	9	
123 WALNUT				
NEWPORT AR 72112				
NORTH ARKANSAS CMTY COLLEGE	FEDERAL PERKINS LOAN		9	$12,198
PIONEER RIDGE	FSEOG	$34,705	56	
HARRISON AR 72601	FWS	$121,258	148	
NORTH WEST ARKANSAS COMMUNITY COLLEGE	FSEOG	$84,442	136	
PO BOX 1408	FWS	$56,341	69	
BENTONVILLE AR 72712				
NORTHWEST TECHNICAL INSTITUTE	FSEOG	$872	1	
HIGHWAY 265 & FORD AVE DRAWERA				
SPRINGDALE AR 72764				
OUACHITA BAPTIST UNIVERSITY	FEDERAL PERKINS LOAN		177	$230,293
OBU BOX 3774	FSEOG	$87,839	142	
ARKADELPHIA AR 71998	FWS	$308,377	376	
PAT GOINS JONESBORO BEAUTY SCHOOL	FSEOG	$3,941	6	
3512 NETTLETON				
JONESBORO AR 72401				
PAT GOINS PINE BLUFF BEAUTY SCHOOL	FSEOG	$4,803	8	
2801 S OLIVE #3A				
PINE BLUFF AR 71601				
PETIT JEAN TECHNICAL COLLEGE	FSEOG	$15,030	24	
HIGHWAY 9 N/PO BOX 586	FWS	$18,408	22	
MORRILTON AR 72110				
PHILANDER SMITH COLLEGE	FEDERAL PERKINS LOAN		37	$48,714
812 W 13TH STREET	FSEOG	$57,567	93	
LITTLE ROCK AR 72202	FWS	$129,078	157	

STATE OF ARKANSAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PHILLIPS COUNTY COMMUNITY COLLEGE	FSEOG	$95,000	153	
PO BOX 785	FWS	$95,860	117	
HELENA AR 72342				
RED RIVER TECHNICAL COLLEGE	FSEOG	$15,254	25	
PO BOX 140	FWS	$4,168	5	
HOPE AR 71801				
RICH MOUNTAIN COMMUNITY CLLG	FSEOG	$11,216	18	
PO BOX 1347-601 BUSH ST	FWS	$15,724	19	
MENA AR 71953				
SHORTER COLLEGE	FSEOG	$50,524	81	
604 LOCUST STREET	FWS	$28,960	35	
NO LITTLE ROCK AR 72114				
SOUTH ARKANSAS COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		5	$7,052
PO BOX 7010	FSEOG	$19,010	31	
EL DORADO AR 71731	FWS	$24,706	30	
SOUTH CENTRAL CAREER COLLEGE	FSEOG	$50,770	82	
4500 W COMMERCIAL DRIVE				
NORTH LITTLE ROCK AR 72116				
SOUTHERN ARKANSAS UNIVERSITY	FEDERAL PERKINS LOAN		65	$84,962
MCNEIL HWY	FSEOG	$95,323	154	
MAGNOLIA AR 71753	FWS	$431,795	527	
SOUTHERN ARKANSAS UNIVERSITY-TECHNICAL BRANCH	FSEOG	$50,000	81	
SAU TECH STATION	FWS	$18,376	22	
EAST CAMDEN AR 71701				
UNIVERSITY OF ARKANSAS	FEDERAL PERKINS LOAN	$307,268	1,583	$2,058,781
	FSEOG	$914,590	1,475	
FAYETTEVILLE AR 72701	FWS	$930,867	1,135	
UNIVERSITY OF ARKANSAS FOR MEDICAL SCIENCES	FEDERAL PERKINS LOAN	$79,616	416	$541,770
4301 W MARKHAM ST	FSEOG	$29,414	47	
LITTLE ROCK AR 72205	FWS	$151,537	185	
UNIVERSITY OF ARKANSAS-LITTLE ROCK	FEDERAL PERKINS LOAN		121	$158,242
2801 SOUTH UNIVERSITY	FSEOG	$198,642	320	
LITTLE ROCK AR 72204	FWS	$263,667	322	
UNIVERSITY OF ARKANSAS-MONTICELLO	FEDERAL PERKINS LOAN	$4,149	194	$252,581
PO BOX 3470	FSEOG	$101,150	163	
MONTICELLO AR 71655	FWS	$184,130	225	

STATE OF ARKANSAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF ARKANSAS-PINE BLUFF	FEDERAL PERKINS LOAN		198	$258,192
PO BOX 4098	FSEOG	$319,296	515	
PINE BLUFF AR 71601	FWS	$314,691	384	
UNIVERSITY OF CENTRAL ARKANSAS	FEDERAL PERKINS LOAN	$335,649	1,168	$1,519,666
DONAGHEY AVENUE 201 BERNARD	FSEOG	$190,546	307	
CONWAY AR 72032	FWS	$476,484	581	
UNIVERSITY OF THE OZARKS	FEDERAL PERKINS LOAN	$9,952	31	$40,538
415 COLLEGE AVENUE	FSEOG	$41,467	67	
CLARKSVILLE AR 72830	FWS	$74,660	91	
WESTARK COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		2	$3,705
PO BOX 3649	FSEOG	$55,226	89	
FORT SMITH AR 72913	FWS	$80,178	98	
WILLIAMS BAPTIST COLLEGE	FEDERAL PERKINS LOAN		18	$23,706
PO BOX 3661	FSEOG	$52,060	84	
WALNUT RIDGE AR 72476	FWS	$191,279	233	

STATE OF ARKANSAS	FEDERAL PERKINS LOAN	$1,126,041	6,592	NO. INSTITUTIONS	23
	FSEOG	$3,742,119	6,034	NO. INSTITUTIONS	40
	FWS	$5,718,177	6,974	NO. INSTITUTIONS	36

STATE OF CALIFORNIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ABRAM FRIEDMAN OCCUPATIONAL CENTER	FWS	$35,854	44	
1646 SOUTH OLIVE STREET				
LOS ANGELES CA 90015				
ACADEMY OF ART COLLEGE	FSEOG	$114,802	185	
540 POWELL STREET	FWS	$53,016	65	
SAN FRANCISCO CA 94108				
ACADEMY PACIFIC BUSINESS & TRAVEL COLLEGE	FEDERAL PERKINS LOAN	$14,074	53	$69,813
1777 N. VINE ST	FSEOG	$87,008	140	
LOS ANGELES CA 90028	FWS	$29,758	36	
ADRIAN'S BEAUTY COLLEGE OF TURLOCK	FSEOG	$5,588	9	
2253 GEER ROAD				
TURLOCK CA 95380				
ADVERTISING ARTS COLLEGE	FSEOG	$10,162	16	
10025 MESA RIM RD	FWS	$2,128	3	
SAN DIEGO CA 92121				
AL TATE BEAUTY COLLEGE	FEDERAL PERKINS LOAN		3	$5,099
2650 E COLORADO BLVD	FSEOG	$11,932	19	
PASADENA CA 91107				
ALAMEDA BEAUTY COLLEGE	FEDERAL PERKINS LOAN		0	$1,131
2318 CENTRAL AVE	FSEOG	$4,152	7	
ALAMEDA CA 94501				
ALHAMBRA BEAUTY COLLEGE	FEDERAL PERKINS LOAN		0	$1,244
200W. MAIN STREET	FSEOG	$10,012	16	
ALHAMBRA CA 91801				
ALLAN HANCOCK COLLEGE	FSEOG	$72,210	116	
800 SO COLLEGE DRIVE	FWS	$64,729	79	
SANTA MARIA CA 93454				
ALMADEN BEAUTY COLLEGE	FSEOG	$3,658	6	
942A BLOSSOM HILL ROAD				
SAN JOSE CA 95123				
AMBASSADOR BEAUTY COLLEGE	FEDERAL PERKINS LOAN		0	$1,000
2107 N GLENOAKS BLVD	FSEOG	$7,533	12	
BURBANK CA 91505				
AMERICAN ACADEMY OF DRAMATIC ARTS/WEST	FSEOG	$20,372	33	
2550 PALOMA ST	FWS	$9,365	11	
PASADENA CA 91107				

STATE OF CALIFORNIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
AMERICAN BEAUTY COLLEGE	FSEOG	$6,937	11	
16811 BELLFLOWER BLVD				
BELLFLOWER CA 90706				
AMERICAN COLLEGE OF OPTECHS	FEDERAL PERKINS LOAN	$11,443	11	$15,257
4021 ROSEWOOD AVE, 1ST FLR	FSEOG	$21,576	35	
LOS ANGELES CA 90004	FWS	$728	1	
AMERICAN CONSERVATORY THEATRE	FSEOG	$7,706	12	
30 GRANT AVE	FWS	$15,101	18	
SAN FRANCISCO CA 94108				
ANDON COLLEGE	FSEOG	$36,106	58	
1201 NORTH EL DORADO STREET	FWS	$10,823	13	
STOCKTON CA 95202				
ANDON COLLEGE OF MODESTO	FSEOG	$16,902	27	
1314 H STREET	FWS	$9,262	11	
MODESTO CA 95354				
ANTELOPE VALLEY COLLEGE	FSEOG	$61,616	99	
3041 WEST AVE K	FWS	$48,379	59	
LANCASTER CA 93536				
ART CENTER COLLEGE OF DESIGN	FEDERAL PERKINS LOAN		106	$137,821
1700 LIDA STREET	FSEOG	$209,215	337	
PASADENA CA 91103	FWS	$97,032	118	
ART INSTITUTE OF SOUTHERN CALIFORNIA	FSEOG	$18,124	29	
2222 LAGUNA CANYON ROAD	FWS	$10,340	13	
LAGUNA BEACH CA 92651				
ASSOCIATED TECHNICAL COLLEGE	FEDERAL PERKINS LOAN		12	$16,676
1670 WILSHIRE BLVD	FSEOG	$50,420	81	
LOS ANGELES CA 90017	FWS	$80,224	98	
ASSOCIATED TECHNICAL COLLEGE	FEDERAL PERKINS LOAN		9	$12,613
1475 6TH AVENUE	FSEOG	$72,207	116	
SAN DIEGO CA 92101	FWS	$41,404	50	
ASSOCIATED TECHNICAL COLLEGE	FEDERAL PERKINS LOAN		13	$17,676
1177 N MAGNOLIA AVE	FSEOG	$25,071	40	
ANAHEIM CA 92801	FWS	$36,192	44	
AZUSA PACIFIC UNIVERSITY	FEDERAL PERKINS LOAN	$112,066	542	$705,594
CITRUS AND ALOSTA	FSEOG	$207,579	335	
AZUSA CA 91702	FWS	$177,822	217	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BAKERSFIELD COLLEGE	FSEOG	$100,691	162	
1801 PANORAMA DRIVE	FWS	$80,696	98	
BAKERSFIELD CA 93305				
BARSTOW COLLEGE	FSEOG	$29,441	47	
2700 BARSTOW ROAD	FWS	$51,619	63	
BARSTOW CA 92311				
BAY VISTA COLLEGE OF BEAUTY	FEDERAL PERKINS LOAN		16	$21,024
1520 PLAZA BLVD	FSEOG	$11,580	19	
NATIONAL CITY CA 92050				
BEHAVIOR SCIENCE RESOURCE & EDUCATION CENTER	FSEOG	$5,568	9	
260 MAPLE COURT, SUITE 117	FWS	$424	1	
VENTURA CA 93003				
BETHANY BIBLE COLLEGE	FEDERAL PERKINS LOAN		163	$212,919
800 BETHANY DRIVE	FSEOG	$63,929	103	
SANTA CRUZ CA 95066	FWS	$69,614	85	
BIOLA UNIVERSITY, INC	FEDERAL PERKINS LOAN	$47,566	409	$532,788
13800 BIOLA AVE	FSEOG	$239,118	386	
LA MIRADA CA 90639	FWS	$132,498	162	
BJORNS HAIRSTYLING ACADEMY	FEDERAL PERKINS LOAN		17	$22,462
96 SPRINGSTOWN CENTER	FSEOG	$9,141	15	
VALLEJO CA 94591				
BNS TECHNICAL INSTITUTE	FSEOG	$45,454	73	
160 W CERRITOS, BLDG 4	FWS	$30,361	37	
ANAHEIM CA 92805				
BROOKS COLLEGE	FEDERAL PERKINS LOAN		55	$71,761
4825 E PACIFIC COAST HWY	FSEOG	$76,787	124	
LONG BEACH CA 90804	FWS	$32,629	40	
BROOKS INSTITUTE OF PHOTOGRAPHY	FSEOG	$52,382	84	
801 ALSTON ROAD	FWS	$18,212	22	
SANTA BARBARA CA 93108				
BRYAN SCHS INC DBA BRYAN COLL OF COURT REPORTING	FEDERAL PERKINS LOAN		1	$2,327
2511 BEVERLY BOULEVARD	FSEOG	$30,435	49	
LOS ANGELES CA 90057				
BUTTE COMMUNITY COLLEGE	FSEOG	$176,803	285	
3536 BUTTE CAMPUS DR	FWS	$199,186	243	
OROVILLE CA 95965				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CABOT COLLEGE	FEDERAL PERKINS LOAN		4	$5,222
41 EAST 12TH STREET	FSEOG	$40,000	65	
NATIONAL CITY CA 92050	FWS	$22,000	27	
CABRILLO COLLEGE	FSEOG	$131,816	213	
6500 SOQUEL DRIVE	FWS	$121,402	148	
APTOS CA 95003				
CALIFORNIA ACADEMY OF MERCHANDISING ART AND DESI	FSEOG	$5,568	9	
1333 HOWE AVENUE SUITE 208	FWS	$5,113	6	
SACRAMENTO CA 95825				
CALIFORNIA BAPTIST COLLEGE	FEDERAL PERKINS LOAN	$7,165	120	$156,564
8432 MAGNOLIA AVE	FSEOG	$118,043	190	
RIVERSIDE CA 92504	FWS	$41,711	51	
CALIFORNIA BEAUTY SCHOOL	FSEOG	$5,457	9	
1115 15TH STREET				
MODESTO CA 95354				
CALIFORNIA BUSINESS INSTITUTE	FSEOG	$36,310	59	
3550 JOHNSON AVE	FWS	$17,230	21	
EL MONTE CA 91731				
CALIFORNIA CAREER COLLEGE	FSEOG	$4,648	7	
123 EAST GISH ROAD	FWS	$1,238	2	
SAN JOSE CA 95112				
CALIFORNIA CAREER SCHOOLS	FEDERAL PERKINS LOAN		10	$13,193
392 W CERRITOS AVE	FSEOG	$13,008	21	
ANAHEIM CA 92805	FWS	$5,000	6	
CALIFORNIA COLLEGE OF ARTS & CRAFTS	FEDERAL PERKINS LOAN	$67,051	179	$233,814
5212 BROADWAY	FSEOG	$131,443	212	
OAKLAND CA 94618	FWS	$70,892	86	
CALIFORNIA COLLEGE OF PODIATRIC MED	FEDERAL PERKINS LOAN	$222,772	590	$768,285
1210 SCOTT ST	FWS	$51,499	63	
SAN FRANCISCO CA 94115				
CALIFORNIA COSMETOLOGY COLLEGE, SAN JOSE	FSEOG	$8,352	13	
303 SOUTH CAPITOL AVENUE				
SAN JOSE CA 95127				
CALIFORNIA CULINARY ACADEMY	FEDERAL PERKINS LOAN		31	$41,358
625 POLK STREET	FSEOG	$112,405	181	
SAN FRANCISCO CA 94102	FWS	$45,218	55	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CALIFORNIA HAIR DESIGN	FEDERAL PERKINS LOAN	$5,020	8	$10,687
5315 EL CAJON BLVD	FSEOG	$11,557	19	
SAN DIEGO CA 92115				
CALIFORNIA INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$445,180	1,268	$1,649,163
1201 E CALIFORNIA BLVD	FSEOG	$197,489	319	
PASADENA CA 91125	FWS	$486,147	593	
CALIFORNIA INSTITUTE OF THE ARTS	FEDERAL PERKINS LOAN	$218,445	537	$699,114
24700 MCBEAN PARKWAY	FSEOG	$149,320	241	
VALENCIA CA 91355	FWS	$226,677	276	
CALIFORNIA LUTHERAN UNIVERSITY	FEDERAL PERKINS LOAN		221	$287,879
60 OLSEN ROAD	FSEOG	$161,398	260	
THOUSAND OAKS CA 91360	FWS	$79,500	97	
CALIFORNIA MARITIME ACADEMY	FEDERAL PERKINS LOAN	$44,885	155	$201,950
P O BOX 1392	FSEOG	$65,313	105	
VALLEJO CA 94590	FWS	$20,486	25	
CALIFORNIA NANNIE COLLEGE	FEDERAL PERKINS LOAN		8	$10,415
910 HOWE AVENUE	FSEOG	$32,188	52	
SACRAMENTO CA 95825	FWS	$389		
CALIFORNIA PARAMEDICAL & TECH COL	FEDERAL PERKINS LOAN	$99,317	257	$334,685
3745 LONG BEACH BLVD	FSEOG	$83,894	135	
LONG BEACH CA 90807	FWS	$16,131	20	
CALIFORNIA POLY STATE UNIVERSITY	FEDERAL PERKINS LOAN		1,080	$1,404,588
	FSEOG	$796,635	1,285	
SAN LUIS OBISPO CA 93407	FWS	$384,065	468	
CALIFORNIA SCHOOL OF COURT REPORTING	FSEOG	$30,000	48	
1201 N MAIN ST	FWS	$18,849	23	
SANTA ANA CA 92701				
CALIFORNIA SCHOOL OF COURT REPORTING	FSEOG	$25,000	40	
3510 ADAMS STREET	FWS	$14,245	17	
RIVERSIDE CA 92504				
CALIFORNIA SCHOOL OF PROFESSIONAL PSYCHOLOGY	FEDERAL PERKINS LOAN	$398,081	1,221	$1,588,534
2749 HYDE STREET	FWS	$304,400	371	
SAN FRANCISCO CA 94109				
CALIFORNIA STATE POLY UNIV-POMONA	FEDERAL PERKINS LOAN		899	$1,169,961
3801 W TEMPLE AVE	FSEOG	$313,787	506	
POMONA CA 91768	FWS	$317,037	387	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CALIFORNIA STATE UNIVERSITY	FEDERAL PERKINS LOAN		684	$889,560
25800 CARLOS BEE BLVD	FSEOG	$288,577	465	
HAYWARD CA 94542	FWS	$413,413	504	
CALIFORNIA STATE UNIVERSITY DOMINGUEZ	FEDERAL PERKINS LOAN	$32,793	245	$319,325
1000 E VICTORIA STREET	FSEOG	$250,312	404	
CARSON CA 90747	FWS	$165,231	202	
CALIFORNIA STATE UNIVERSITY NORTHRIDGE	FEDERAL PERKINS LOAN		1,302	$1,693,588
18111 NORDHOFF STREET	FSEOG	$597,321	963	
NORTHRIDGE CA 91330	FWS	$954,014	1,163	
CALIFORNIA STATE UNIVERSITY-BAKERSFIELD	FEDERAL PERKINS LOAN	$38,185	225	$293,715
9001 STOCKDALE HWY	FSEOG	$85,098	137	
BAKERSFIELD CA 93311	FWS	$87,525	107	
CALIFORNIA STATE UNIVERSITY-CHICO	FEDERAL PERKINS LOAN	$158,267	1,250	$1,625,576
	FSEOG	$689,005	1,111	
CHICO CA 95929	FWS	$692,225	844	
CALIFORNIA STATE UNIVERSITY-FRESNO	FEDERAL PERKINS LOAN		983	$1,278,327
MAPLE AND SHAW AVENUE	FSEOG	$366,409	591	
FRESNO CA 93740	FWS	$481,507	587	
CALIFORNIA STATE UNIVERSITY-LA	FEDERAL PERKINS LOAN		1,193	$1,551,381
5151 STATE UNIVERSITY DR	FSEOG	$711,261	1,147	
LOS ANGELES CA 90032	FWS	$557,265	680	
CALIFORNIA STATE UNIVERSITY-LONG BC	FEDERAL PERKINS LOAN		1,317	$1,712,553
1250 BELLFLOWER BLVD	FSEOG	$813,523	990	
LONG BEACH CA 90840	FWS	$843,194	1,028	
CALIFORNIA STATE UNIVERSITY-SACMNTO	FEDERAL PERKINS LOAN	$135,963	887	$1,153,181
6000 J STREET	FSEOG	$407,728	658	
SACRAMENTO CA 95819	FWS	$404,835	494	
CALIFORNIA STATE UNIVERSITY-SAN BERNARDINO	FEDERAL PERKINS LOAN	$50,439	240	$312,205
5500 UNIVERSITY PKWY	FSEOG	$209,863	338	
SAN BERNARDINO CA 92407	FWS	$169,378	207	
CALIFORNIA STATE UNIVERSITY-STANISLAUS	FEDERAL PERKINS LOAN		164	$213,547
801 W MONTE VISTA AVE	FSEOG	$86,378	139	
TURLOCK CA 95380	FWS	$112,478	137	
CALIFORNIA STATE UNIVERSITY, FULLERTON	FEDERAL PERKINS LOAN	$77,035	837	$1,088,514
800 NO STATE COLLEGE BLVD	FSEOG	$411,376	664	
FULLERTON CA 92634	FWS	$452,048	551	

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CALIFORNIA STATE UNIVERSITY, SAN MARCOS	FEDERAL PERKINS LOAN		45	$59,732
820 WEST LOS VALLECITOS	FSEOG	$41,366	67	
SAN MARCOS CA 92069	FWS	$37,902	46	
CALIFORNIA WESTERN SCH OF LAW	FEDERAL PERKINS LOAN	$144,305	385	$500,777
350 CEDAR ST	FWS	$110,552	135	
SAN DIEGO CA 92101				
CANADA COLLEGE	FEDERAL PERKINS LOAN		32	$42,245
4200 FARM HILL BLVD	FSEOG	$80,357	130	
REDWOOD CITY CA 94061	FWS	$57,642	70	
CAREER ACADEMY OF BEAUTY	FSEOG	$11,292	18	
12111 SEAL BEACH BOULEVARD				
SEAL BEACH CA 90740				
CARMICHAEL BEAUTY COLLEGE	FEDERAL PERKINS LOAN		7	$9,858
6243 FAIR OAKS	FSEOG	$5,878	9	
CARMICHAEL CA 95608				
CASA LOMA COLLEGE	FEDERAL PERKINS LOAN	$18,920	68	$88,444
14445 OLIVE VAN DRIVE	FSEOG	$83,784	135	
SYLMAR CA 91342				
CATHERINE COLLEGE	FEDERAL PERKINS LOAN		0	$1,000
8155 VAN NUYS BLVD #200	FSEOG	$37,081	60	
PANORAMA CITY CA 91402	FWS	$8,481	10	
CENTER FOR EMPLOYMENT TRAINING	FEDERAL PERKINS LOAN		150	$195,215
701 VINE STREET	FSEOG	$183,408	296	
SAN JOSE CA 95110	FWS	$43,846	53	
CENTURY SCHOOLS	FEDERAL PERKINS LOAN		9	$11,836
2665 FIFTH AVENUE	FSEOG	$114,869	185	
SAN DIEGO CA 92103	FWS	$40,557	49	
CERRITOS CMTY COLLEGE	FSEOG	$130,000	210	
11110 E ALONDRA BLVD	FWS	$84,621	103	
NORWALK CA 90650				
CERRO COSO COMMUNITY COLLEGE	FSEOG	$22,647	37	
3000 COLLEGE HEIGHTS BOULEVARD	FWS	$27,462	33	
RIDGECREST CA 93555				
CHABOT COLLEGE	FSEOG	$142,466	230	
25555 HESPERIAN BLVD	FWS	$55,907	68	
HAYWARD CA 94545				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CHAFFEY CMTY COLLEGE	FSEOG	$194,666	314	
5885 HAVEN AVE	FWS	$129,575	158	
RANCHO CUCAMONGA CA 91737				
CHAPMAN UNIVERSITY	FEDERAL PERKINS LOAN	$72,701	243	$315,949
333 N GLASSELL STREET	FSEOG	$263,818	426	
ORANGE CA 92666	FWS	$180,088	220	
CHRIST COLLEGE IRVINE	FSEOG	$34,786	56	
1530 CONCORDIA	FWS	$29,841	36	
IRVINE CA 92715				
CHRISTIAN HERITAGE COLLEGE	FEDERAL PERKINS LOAN	$9,952	48	$63,321
2100 GREENFIELD DRIVE	FSEOG	$50,000	81	
EL CAJON CA 92019	FWS	$21,640	26	
CHURCH DIVINITY SCH OF THE PACIFIC	FWS	$13,586	17	
2451 RIDGE RD				
BERKELEY CA 94709				
CITRUS COLLEGE	FSEOG	$58,406	94	
1000 W FOOTHILL BLVD	FWS	$47,405	58	
GLENDORA CA 91740				
CITY COLLEGE OF SAN FRANCISCO	FEDERAL PERKINS LOAN	$200,035	445	$579,651
50 PHELAN AVENUE	FSEOG	$641,020	1,034	
SAN FRANCISCO CA 94112	FWS	$501,492	612	
CLAREMONT GRADUATE SCHOOL	FEDERAL PERKINS LOAN	$17,283	220	$286,333
	FWS	$101,284	124	
CLAREMONT CA 91711				
CLAREMONT MCKENNA COLLEGE CLAREMONT CALIFORNIA	FEDERAL PERKINS LOAN	$118,602	249	$324,140
890 COLUMBIA	FSEOG	$165,324	267	
CLAREMONT CA 91711	FWS	$99,709	122	
CLEVELAND CHIROPRACTIC COLLEGE	FEDERAL PERKINS LOAN	$15,127	46	$60,097
590 N VERMONT AVENUE	FSEOG	$30,000	48	
LOS ANGELES CA 90004	FWS	$43,507	53	
COAST COMMUNITY COLLEGE DISTRICT	FEDERAL PERKINS LOAN	$157,651	483	$628,586
1370 ADAMS AVE	FSEOG	$296,913	479	
COSTA MESA CA 92626	FWS	$438,546	535	
COGSWELL COLLEGE	FEDERAL PERKINS LOAN	$5,060	35	$46,770
10420 BUBB ROAD	FSEOG	$20,841	34	
CUPERTINO CA 95014	FWS	$13,345	16	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
COLEMAN COLLEGE	FSEOG	$57,925	93	
7380 PARKWAY DRIVE	FWS	$22,860	28	
LA MESA CA 92041				
COLLEEN O'HARA BEAUTY ACADEMY	FSEOG	$11,685	19	
102 N GLASSELL STREET				
ORANGE CA 92666				
COLLEGE AMERICA-SAN FRANCISCO	FEDERAL PERKINS LOAN		11	$15,591
814 MISSION STREET 3RD FLR	FSEOG	$13,111	21	
SAN FRANCISCO CA 94103	FWS	$2,199	3	
COLLEGE OF ALAMEDA	FSEOG	$206,823	334	
555 ATLANTIC AVE	FWS	$148,816	181	
ALAMEDA CA 94501				
COLLEGE OF MARIN	FSEOG	$161,576	281	
835 COLLEGE AVE	FWS	$227,694	278	
KENTFIELD CA 94904				
COLLEGE OF NOTRE DAME	FEDERAL PERKINS LOAN		52	$88,262
1500 RALSTON AVE	FSEOG	$47,240	76	
BELMONT CA 94002	FWS	$32,507	40	
COLLEGE OF OCEANEERING	FEDERAL PERKINS LOAN		8	$11,640
LA HARBOR-272 SOUTH FRIES AVE	FSEOG	$64,883	105	
WILMINGTON CA 90744	FWS	$18,655	23	
COLLEGE OF OSTEOPATHIC MEDICINE OF THE PACIFIC	FEDERAL PERKINS LOAN	$307,554	861	$1,119,925
COLLEGE PLAZA	FSEOG	$14,538	23	
POMONA CA 91786	FWS	$25,300	31	
COLLEGE OF SAN MATEO	FEDERAL PERKINS LOAN		242	$314,623
1700 W HILLSDALE BLVD	FSEOG	$201,020	324	
SAN MATEO CA 94402	FWS	$77,138	94	
COLLEGE OF THE CANYONS	FSEOG	$38,333	59	
26455 NORTH ROCKWELL CANYON RD	FWS	$32,414	40	
SANTA CLARITA CA 91355				
COLLEGE OF THE DESERT	FEDERAL PERKINS LOAN		8	$10,823
43-500 MONTEREY AVE	FSEOG	$64,008	103	
PALM DESERT CA 92260	FWS	$35,404	43	
COLLEGE OF THE REDWOODS	FSEOG	$109,198	176	
7351 TOMPKINS HILL RD	FWS	$166,295	203	
EUREKA CA 95501				

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COLLEGE OF THE SEQUOIAS	FSEOG	$86,326	139	
915 S MOONEY BLVD	FWS	$77,472	94	
VISALIA CA 93277				
COLLEGE OF THE SISKIYOUS	FSEOG	$28,980	47	
800 COLLEGE AVE	FWS	$42,572	52	
WEED CA 96094				
COLUMBIA COLLEGE	FEDERAL PERKINS LOAN		34	$45,184
PO BOX 1849	FSEOG	$37,638	61	
COLUMBIA CA 95310	FWS	$36,772	45	
COLUMBIA COLLEGE-HOLLYWOOD	FSEOG	$9,330	15	
925 N. LABREA AVENUE	FWS	$1,631	2	
HOLLYWOOD CA 90038				
COMPTON COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		0	$1,000
1111 EAST ARTESIA BLVD	FSEOG	$85,102	137	
COMPTON CA 90221	FWS	$474,824	579	
COMPUTER BUSINESS COLLEGE	FEDERAL PERKINS LOAN		15	$20,372
1673 MABURY RD	FSEOG	$8,939	14	
SAN JOSE CA 95133	FWS	$8,383	10	
CONCORDE CAREER INSTITUTE	FEDERAL PERKINS LOAN		26	$34,076
1290 N FIRST ST	FSEOG	$28,698	46	
SAN JOSE CA 95112				
CONCORDE CAREER INSTITUTE	FEDERAL PERKINS LOAN	$9,167	30	$40,096
123 CAMINO DE LA REINA	FSEOG	$26,614	43	
SAN DIEGO CA 92116				
CONCORDE CAREER INSTITUTE	FEDERAL PERKINS LOAN	$44,156	120	$157,206
600 N SIERRA WAY	FSEOG	$81,903	132	
SAN BERNARDINO CA 92401				
CONCORDE CAREER INSTITUTE	FEDERAL PERKINS LOAN		23	$30,214
1717 SO BROOKHURST STREET	FSEOG	$45,149	73	
ANAHEIM CA 92804				
CONCORDE CAREER INSTITUTE	FEDERAL PERKINS LOAN		33	$43,381
4150 LANKERSHIM BLVD	FSEOG	$80,877	130	
NORTH HOLLYWOOD CA 91602				
CONCORDE CAREER INSTITUTE	FEDERAL PERKINS LOAN		5	$7,068
6850 VAN NUYS BLVD #110	FSEOG	$25,227	41	
VAN NUYS CA 91405				

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CONTEMPO SCHOOL OF BEAUTY	FEDERAL PERKINS LOAN		12	$18,089
316 EAST MANCHESTER BLVD	FSEOG	$20,308	33	
INGLEWOOD CA 90301	FWS	$1,911	2	
CONTRA COSTA COLLEGE	FSEOG	$163,869	264	
2600 MISSION BELL DRIVE	FWS	$70,339	86	
SAN PABLO CA 94806				
CUESTA COLLEGE	FSEOG	$57,823	93	
PO BOX 8106	FWS	$24,747	30	
SAN LUIS OBISPO CA 93403				
CUYAMACA COLLEGE	FSEOG	$30,610	49	
2950 JAMACHA ROAD	FWS	$58,416	69	
EL CAJON CA 92019				
CYNTHIA'S BEAUTY ACADEMY	FEDERAL PERKINS LOAN		14	$18,989
4130 E GAGE AVE	FSEOG	$18,058	29	
BELL CA 90201				
CYPRESS COLLEGE	FSEOG	$88,221	142	
9200 VALLEY VIEW	FWS	$124,660	152	
CYPRESS CA 90630				
D Q UNIVERSITY	FSEOG	$75,612	122	
P O BOX 409	FWS	$11,554	14	
DAVIS CA 95617				
DE ANZA COLLEGE	FEDERAL PERKINS LOAN	$59,251	302	$392,721
21250 STEVENS CREEK BLVD	FSEOG	$323,160	521	
CUPERTINO CA 95014	FWS	$206,904	255	
DEAN'S WESTSIDE BEAUTY COLLEGE	FEDERAL PERKINS LOAN		4	$6,092
1581 MERIDIAN AVENUE	FSEOG	$16,037	26	
SAN JOSE CA 95125				
DESIGN INSTITUTE OF SAN DIEGO	FSEOG	$16,256	26	
8555 COMMERCE	FWS	$4,157	5	
SAN DIEGO CA 92121				
DEVRY INSTITUTE OF TECHNOLOGY	FSEOG	$253,726	409	
901 CORPORATE CENTER DR	FWS	$118,007	144	
POMONA CA 91768				
DIABLO VALLEY COLLEGE	FSEOG	$58,353	94	
321 GOLF CLUB ROAD	FWS	$36,128	44	
PLEASANT HILL CA 94523				

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DICKINSGN-WARREN BUSINESS COLLEGE	FSEOG	$10,600	17	
1001 SOUTH 57TH STREET	FWS	$3,702	5	
RICHMOND CA 94804				
DOMINICAN COLLEGE OF SAN RAFAEL	FEDERAL PERKINS LOAN	$23,284	217	$283,363
50 ACACIA AVE	FSEOG	$102,330	165	
SAN RAFAEL CA 94901	FWS	$52,040	63	
DON BOSCO TECHNICAL INSTITUTE	FSEOG	$8,164	13	
1151 SAN GABRIEL BLVD	FWS	$1,566	2	
ROSEMEAD CA 91770				
DON'S BEAUTY SCHOOL	FEDERAL PERKINS LOAN		2	$3,637
42 NORTH B STREET	FSEOG	$4,973	8	
SAN MATEO CA 94401				
DUBLIN BEAUTY COLLEGE	FSEOG	$39	0	
7305 VILLAGE PARKWAY				
DUBLIN CA 94568				
EAST LOS ANGELES COLLEGE	FEDERAL PERKINS LOAN		136	$177,153
1301 BROOKLYN AVENUE	FSEOG	$133,678	216	
MONTEREY PARK CA 91754	FWS	$212,467	259	
EAST LOS ANGELES OCCUPATIONAL CTR	FWS	$8,000	10	
2100 MARENGO STREET				
LOS ANGELES CA 90033				
EDUCORP CAREER COLLEGE, ROSSTON SCHOOL	FSEOG	$47,519	77	
230 E THIRD STREET	FWS	$17,616	21	
LONG BEACH CA 90802				
EL CAMINO COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		12	$16,599
16007 CRENSHAW BLVD	FSEOG	$183,179	295	
VIA TORRANCE CA 90506	FWS	$102,989	126	
ELDORADO COLLEGE	FEDERAL PERKINS LOAN	$29,272	94	$122,590
2204 EL CAMINO REAL, STE 105	FSEOG	$80,000	129	
OCEANSIDE CA 92054	FWS	$31,426	38	
ELEGANTE BEAUTY COLLEGE	FEDERAL PERKINS LOAN		0	$1,000
24731 ALICIA PARKWAY SUITE C&D	FSEOG	$5,667	9	
LAGUNA HILLS CA 92653				
ELEGANTE BEAUTY COLLEGE	FSEOG	$5,471	9	
505 LONG BEACH BLVD				
LONG BEACH CA 90802				

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ELEGANTE BEAUTY COLLEGE 31739 RIVERSIDE DR. SUITE J LAKE ELSINORE CA 92330	FSEOG	$9,174	15	
ELEGANTE SCHOOL OF HAIR DESIGN 17337 VALLEY BLVD LA PUENTE CA 91744	FSEOG	$4,708	8	
EMPIRE COLLEGE 3033 CLEVELAND SANTA ROSA CA 95401	FEDERAL PERKINS LOAN		18	$23,813
	FSEOG	$25,880	42	
ESTELLE HARMAN ACTORS WORKSHOP 522 NO LA BREA AVE LOS ANGLES CA 90036	FEDERAL PERKINS LOAN		2	$3,088
ESTES INSTITUTE OF COSMETOLOGY ARTS & SCIENCES 223 E MAIN STREET VISALIA CA 93291	FSEOG	$5,567	9	
EXXEL COLLEGE OF BUSINESS 2975 WILSHIRE BLVD STE 200 LOS ANGELES CA 90010	FSEOG	$22,262	36	
FASHION CAREERS OF CALIFORNIA 1923 MORENA BLVD SAN DIEGO • CA 92110	FSEOG	$5,075	8	
FASHION INST DESIGN & MERCHANDISING 919 S. GRAND AVE. SUITE 220F LOS ANGELES CA 90015	FEDERAL PERKINS LOAN	$313,489	826	$1,074,913
	FSEOG	$366,858	592	
	FWS	$89,478	109	
FEATHER RIVER COLLEGE P O BOX 1110 QUINCY CA 95971	FSEOG	$21,856	35	
	FWS	$22,569	28	
FEDERICO COLLEGES OF HAIRSTYLING 2100 ARDEN WAY STE 265 SACRAMENTO CA 95625	FEDERAL PERKINS LOAN		12	$16,503
	FSEOG	$24,179	39	
FEDERICOS TULARE CTY CLLG OF BTY 2544 SO MOONEY BLVD VISALIA CA 93277	FSEOG	$2,520	4	
FERNANDO ROMERO INTERNATIONAL ACADEMY OF BEAUTY 2662 E FLORENCE AVE HUNTINGTON PARK CA 90255	FEDERAL PERKINS LOAN		9	$11,805
	FSEOG	$10,664	17	

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FIRST CALIFORNIA BEAUTY COLLEGE	FEDERAL PERKINS LOAN		7	$9,525
4085 TWEEDY BLVD	FSEOG	$25,000	40	
SOUTHGATE CA 90280				
FLAVIO TORRANCE BEAUTY COLLEGE	FEDERAL PERKINS LOAN		36	$47,943
1978 WEST CARSON STREET	FSEOG	$18,848	30	
TORRANCE CA 90501				
FOOTHILL COLLEGE	FEDERAL PERKINS LOAN	$14,671	139	$181,327
12345 EL MONTE ROAD	FSEOG	$67,362	109	
LOS ALTOS HLS CA 94022	FWS	$137,528	168	
FREMONT BEAUTY COLLEGE	FSEOG	$7,187	12	
4149 PERALTA BLVD				
FREMONT CA 94536				
FRESNO CITY COLLEGE	FSEOG	$305,136	492	
1101 E UNIVERSITY AVENUE	FWS	$241,863	295	
FRESNO CA 93741				
FRESNO PACIFIC COLLEGE	FEDERAL PERKINS LOAN		181	$236,220
1717 SO CHESTNUT AVE	FSEOG	$110,947	179	
FRESNO CA 93702	FWS	$71,365	87	
FULLER THEOLOGICAL SEMINARY	FEDERAL PERKINS LOAN		175	$227,673
135 NO OAKLAND AVE	FWS	$62,048	76	
PASADENA CA 91182				
FULLERTON COLLEGE	FSEOG	$79,033	127	
321 EAST CHAPMAN AVE	FWS	$130,164	169	
FULLERTON CA 92634				
GALEN COLLEGE OF MEDICAL & DENTAL ASSISTANTS	FEDERAL PERKINS LOAN	$26,122	61	$80,495
1325 NORTH WISHON	FSEOG	$48,346	78	
FRESNO CA 93728				
GANAYE ACADEMY OF COSMETOLOGY INC	FSEOG	$4,899	8	
830 MIDDLEFIELD RD				
REDWOOD CITY CA 94063				
GAVILAN COLLEGE	FSEOG	$18,987	31	
5055 SANTA TERESA BLVD	FWS	$83,438	102	
GILROY CA 95020				
GEMOLOGICAL INSTITUTE OF AMERICA	FEDERAL PERKINS LOAN		43	$56,823
1660 STEWART STREET	FSEOG	$54,888	89	
SANTA MONICA CA 90404	FWS	$20,665	25	

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GINO ROBAIR BEAUTY COLLEGE 3582 ADAMS STREET RIVERSIDE CA 92504	FEDERAL PERKINS LOAN		16	$22,099
	FSEOG	$6,209	10	
GLENDALE CAREER COLLEGE 1021 GRANDVIEW AVE GLENDALE CA 91201	FEDERAL PERKINS LOAN		5	$6,667
	FSEOG	$100,000	161	
	FWS	$16,949	21	
GLENDALE CMTY COLLEGE 1500 NO VERDUGO ROAD GLENDALE CA 91208	FSEOG	$182,327	294	
	FWS	$190,077	232	
GOLDEN GATE UNIVERSITY 536 MISSION STREET SAN FRANCISCO CA 94105	FEDERAL PERKINS LOAN	$43,620	460	$598,781
	FSEOG	$56,855	92	
	FWS	$214,170	261	
GRADUATE THEOLOGICAL UNION 2400 RIDGE ROAD BERKELEY CA 94709	FEDERAL PERKINS LOAN		72	$94,489
	FWS	$57,001	70	
GROSSMONT COLLEGE 8800 GROSSMONT COLLEGE DRIVE EL CAJON CA 92020	FSEOG	$123,543	199	
	FWS	$240,510	293	
HACIENDA/LA PUENTE UNIFIED SCHOOL DIST-VALLEY VO 320 N WILLOW LA PUENTE CA 91746	FSEOG	$25,000	40	
	FWS	$75,000	91	
HAIRMASTERS UNIVERSITY OF BEAUTY 208 WEST HIGHLAND AVE SAN BERNADINO CA 92405	FEDERAL PERKINS LOAN		0	$1,000
	FSEOG	$5,568	9	
HARBOR OCCUPATIONAL CENTER 740 N PACIFIC AVENUE SAN PEDRO CA 90731	FWS	$4,823	6	
HARTNELL COMMUNITY COLLEGE 156 HOMESTEAD AVE SALINAS CA 93901	FSEOG	$125,952	203	
	FWS	$93,258	114	
HARVEY MUDD COLLEGE PITZER HALL CLAREMONT CA 91711	FEDERAL PERKINS LOAN	$98,367	203	$264,823
	FSEOG	$129,891	210	
	FWS	$66,330	81	
HASTINGS COLLEGE OF THE LAW 200 MCALLISTER STREEET SAN FRANCISCO CA 94102	FEDERAL PERKINS LOAN	$260,456	2,234	$2,904,628
	FWS	$319,826	390	

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HEALD BUSINESS COLLEGE	FSEOG	$678,303	1,094	
1453 MISSION STREET	FWS	$154,283	188	
SAN FRANCISCO CA 94103				
HILLTOP BEAUTY SCHOOL INC	FSEOG	$17,380	28	
6317 MISSION ST				
DALY CITY CA 94104				
HOLY NAMES COLLEGE	FEDERAL PERKINS LOAN	$3,149	60	$78,819
3500 MOUNTAIN BLVD	FSEOG	$57,218	92	
OAKLAND CA 94619	FWS	$46,642	57	
HUMBOLDT STATE UNIVERSITY	FEDERAL PERKINS LOAN		658	$855,451
	FSEOG	$246,327	397	
ARCATA CA 95521	FWS	$483,970	590	
HUMPHREYS COLLEGE	FSEOG	$46,382	75	
6650 INGLEWOOD AVE	FWS	$21,409	26	
STOCKTON CA 95207				
HYPNOSIS MOTIVATION INSTITUTE	FSEOG	$9,541	15	
18607 VENTURA BLVD #310	FWS	$1,036	1	
TARZANA CA 91356				
IMPERIAL COMMUNITY COLLEGE DIST	FSEOG	$291,394	470	
P O BOX 158	FWS	$351,469	429	
IMPERIAL CA 92251				
INSTITUTE FOR BUSINESS & TECHNOLOGY	FEDERAL PERKINS LOAN		6	$8,886
2550 SCOTT BLVD	FSEOG	$41,966	68	
SANTA CLARA CA 95050				
INSTITUTE OF COMPUTER TECHNOLOGY	FSEOG	$47,697	77	
3200 WILSHIRE BLVD	FWS	$22,816	28	
LOS ANGELES CA 90010				
INTERNATIONAL BUSINESS INSTITUTE	FEDERAL PERKINS LOAN		5	$6,667
23201 LAKE CENTER DR	FSEOG	$7,590	12	
LAKE FOREST CA 90802	FWS	$5,113	6	
INTERNATIONAL SCHOOL OF COSMETOLOGY	FEDERAL PERKINS LOAN		5	$6,898
12004 HAWTHORNE PLAZA	FSEOG	$22,847	37	
HAWTHORNE CA 90250				
IRVINE COLLEGE OF BUSINESS	FSEOG	$9,298	15	
16591 NOYES AVE				
IRVINE CA 92714				

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INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ITT TECHNICAL INSTITUTE			FEDERAL PERKINS LOAN	$27,866	59	$77,231
9680 GRANITE RIDGE DRIVE			FSEOG	$75,000	121	
SAN DIEGO	CA	92123	FWS	$22,063	27	
ITT TECHNICAL INSTITUTE			FEDERAL PERKINS LOAN		50	$65,770
1530 W CAMERON AVENUE			FSEOG	$93,334	151	
WEST COVINA	CA	91790	FWS	$31,467	38	
ITT TECHNICAL INSTITUTE			FEDERAL PERKINS LOAN		26	$33,909
7100 KNOTT AVE PLAZA SUITE 145			FSEOG	$70,000	113	
BUENA PARK	CA	90620	FWS	$26,409	32	
ITT TECHNICAL INSTITUTE			FEDERAL PERKINS LOAN		46	$59,931
6723 VAN NUYS BOULEVARD			FSEOG	$52,542	85	
VAN NUYS	CA	91405	FWS	$23,501	29	
ITT TECHNICAL INSTITUTE			FEDERAL PERKINS LOAN		22	$29,169
630 E BRIER DRIVE, SUITE 150			FSEOG	$40,000	65	
SAN BERNARDINO	CA	92408	FWS	$22,462	27	
ITT TECHNICAL INSTITUTE			FEDERAL PERKINS LOAN		15	$20,096
9700 GOETHE ROAD			FSEOG	$45,000	73	
SACRAMENTO	CA	95827	FWS	$18,875	23	
ITT TECHNICAL INSTITUTE			FEDERAL PERKINS LOAN		20	$26,636
2035 E 223RD STREET			FSEOG	$45,000	73	
CARSON	CA	90810	FWS	$20,317	25	
JE BOUTIQUE COLLEGE OF BEAUTY			FEDERAL PERKINS LOAN		15	$20,210
1073 E MAIN STREET			FSEOG	$9,357	15	
EL CAJON	CA	92021				
JERRY LEE BEAUTY COLLEGE			FEDERAL PERKINS LOAN		0	$1,000
200 WHYTE AVENUE			FSEOG	$2,243	4	
ROSEVILLE	CA	95678				
JERRYLEE BEAUTY COLLEGE			FEDERAL PERKINS LOAN	$4,478	6	$8,613
2526 WATT AVE			FSEOG	$5,566	9	
SACRAMENTO	CA	95841				
JOHN F KENNEDY UNIVERSITY			FEDERAL PERKINS LOAN		53	$69,958
12 ALTARINDA ROAD			FSEOG	$17,688	29	
ORINDA	CA	94563				
KAY MICHAEL SCHOOL OF HAIR DESIGN			FSEOG	$34	0	
16371 GOTHARD, STE B						
HUNTINGTON BEACH	CA	92647				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
KELSEY-JENNEY COLLEGE	FSEOG	$170,725	275	
201 A STREET	FWS	$36,860	45	
SAN DIEGO CA 92101				
KENNETH'S COLLEGE OF HAIRSTYLING	FEDERAL PERKINS LOAN		2	$2,717
3365 SONOMA BLVD, STE 10	FSEOG	$5,801	9	
VALLEJO CA 94590				
KINGS RIVER COMMUNITY COLLEGE	FSEOG	$91,585	148	
995 N REED AVE	FWS	$98,804	120	
REEDLEY CA 93654				
KRISTOFER'S SCHOOL OF BEAUTY	FSEOG	$4,583	7	
122 W CANON PERDIDO				
SANTA BARBARA CA 93101				
L I F E BIBLE COLLEGE	FSEOG	$13,805	22	
1100 COVINA BLVD	FWS	$11,830	14	
SAN DIMAS CA 91773				
LA SIERRA UNIVERSITY	FEDERAL PERKINS LOAN	$226,141	657	$855,099
4700 PIERCE STREET	FSEOG	$209,931	339	
RIVERSIDE CA 92515	FWS	$273,713	334	
LAKE TAHOE CMTY COLLEGE	FSEOG	$13,817	22	
PO BOX 14445 SO LAKE	FWS	$9,566	12	
SOUTH LAKE TAHOE CA 96151				
LANCASTER BEAUTY SCHOOL	FEDERAL PERKINS LOAN		0	$1,140
44646 NO 10TH STREET WEST	FSEOG	$1,284	2	
LANCASTER CA 93534				
LANEY COLLEGE	FSEOG	$292,469	472	
900 FALLON STREET	FWS	$192,202	234	
OAKLAND CA 94607				
LAS POSITAS COLLEGE	FSEOG	$17,920	29	
3033 COLLIER CANYON RD	FWS	$8,937	11	
LIVERMORE CA 94550				
LASSEN COLLEGE	FSEOG	$67,272	109	
P O BOX 3000	FWS	$291,366	355	
SUSANVILLE CA 96130				
LAUREL BEAUTY ACADEMY	FEDERAL PERKINS LOAN		1	$1,573
6219 LAUREL CANYON BLVD	FSEOG	$12,270	20	
NORTH HOLLYWOOD CA 91606				

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LEDERWOLFF CULINARY ACADEMY	FEDERAL PERKINS LOAN		2	$3,728
3300 STOCKTON BLVD	FSEOG	$14,795	24	
SACRAMENTO CA 95820	FWS	$2,592	3	
LIFE CHIROPRACTIC COLLEGE-WEST	FEDERAL PERKINS LOAN		18	$24,551
2005 VIA BARRETT	FSEOG	$10,066	16	
SAN LORENZO CA 94580	FWS	$59,721	73	
LOLA BEAUTY COLLEGE	FSEOG	$6,796	11	
11883 VALLEY VIEW STREET				
GARDEN GROVE CA 92641				
LOMA LINDA UNIVERSITY	FEDERAL PERKINS LOAN	$200,540	944	$1,227,519
STUDENT FINANCE	FSEOG	$72,888	118	
LOMA LINDA CA 92350	FWS	$225,160	275	
LONG BEACH CITY COLLEGE	FEDERAL PERKINS LOAN		192	$250,740
4901 EAST CARSON STREET	FSEOG	$392,843	634	
LONG BEACH CA 90808	FWS	$561,525	685	
LOS ANGELES CITY COLLEGE	FEDERAL PERKINS LOAN		168	$218,770
855 NO VERMONT AVE	FSEOG	$182,000	294	
LOS ANGELES CA 90029	FWS	$220,000	268	
LOS ANGELES CNTY MED CTR SCHOOL OF NURSING	FEDERAL PERKINS LOAN	$8,470	25	$33,349
1200 N STATE STREET	FSEOG	$14,526	23	
LOS ANGELES CA 90033	FWS	$7,901	10	
LOS ANGELES COL OF CHIROPRACTIC	FSEOG	$22,269	36	
16200 E AMBER VALLEY DRIVE	FWS	$122,107	149	
WHITTIER CA 90604				
LOS ANGELES HARBOR COLLEGE	FEDERAL PERKINS LOAN		34	$45,196
1111 FIGUEROA PLACE	FSEOG	$53,260	86	
WILMINGTON CA 90744	FWS	$60,443	74	
LOS ANGELES MISSION COLLEGE	FEDERAL PERKINS LOAN		20	$26,019
13356 ELDRIDGE AVENUE	FSEOG	$36,474	59	
SYLMAR CA 91342	FWS	$46,888	57	
LOS ANGELES ORT TECHNICAL INSTITUTE	FSEOG	$39,465	64	
635 S HARVARD BLVD	FWS	$272		
LOS ANGELES CA 90005				
LOS ANGELES PIERCE COLLEGE	FEDERAL PERKINS LOAN	$14,972	63	$82,612
6201 WINNETKA AVE	FSEOG	$109,886	177	
WOODLAND HILLS CA 91371	FWS	$150,569	184	

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LOS ANGELES SOUTHWEST COLLEGE	FEDERAL PERKINS LOAN		35	$46,753
1600 WEST IMPERIAL HIGHWAY	FSEOG	$172,404	278	
LOS ANGELES CA 90047	FWS	$110,949	135	
LOS ANGELES TRADE TECHNICAL COLLEGE	FEDERAL PERKINS LOAN		227	$296,347
400 WEST WASHINGTON BLVD	FSEOG	$361,072	582	
LOS ANGELES CA 90015	FWS	$259,011	316	
LOS ANGELES VALLEY COLLEGE	FEDERAL PERKINS LOAN		86	$112,841
5800 FULTON AVE	FSEOG	$109,112	176	
VAN NUYS CA 91401	FWS	$109,298	133	
LOS MEDANOS COLLEGE	FSEOG	$96,248	155	
2700 E LELAND ROAD	FWS	$76,280	93	
PITTSBURG CA 94565				
LOS RIOS CMTY COLLEGE DISTRICT	FSEOG	$720,538	1,162	
1919 SPANOS COURT	FWS	$478,324	583	
SACRAMENTO CA 95825				
LOUISE SALINGER ACADEMY OF FASHION	FSEOG	$5,759	9	
101 JESSIE STREET	FWS	$862	1	
SAN FRANCISCO CA 94105				
LOYOLA MARYMOUNT UNIVERSITY	FEDERAL PERKINS LOAN	$259,113	1,594	$2,073,286
LOYOLA BOULEVARD WEST 80TH ST	FSEOG	$637,466	1,028	
LOS ANGELES CA 90045	FWS	$922,383	1,125	
LU ROSS ACADEMY OF HAIR DESIGN	FSEOG	$15,488	25	
97 SOUTH OAK STREET				
VENTURA CA 93001				
LYLE'S FRESNO COLLEGE OF BEAUTY	FEDERAL PERKINS LOAN		17	$23,323
3125 W SHAW	FSEOG	$22,561	36	
FRESNO CA 93721				
LYLE'S TULARE COLLEGE OF BEAUTY	FEDERAL PERKINS LOAN		1	$1,982
1400 WEST INYO STREET	FSEOG	$5,035	8	
TULARE CA 93274				
LYTLE'S REDWOOD EMPIRE BTY COLLEGE	FEDERAL PERKINS LOAN	$2,196	6	$8,137
186 WIKIUP DRIVE	FSEOG	$7,211	12	
SANTA ROSA CA 95403				
M T I WESTERN BUSINESS COLLEGE	FSEOG	$81,270	131	
5221 MADISON AVE	FWS	$11,269	14	
SACRAMENTO CA 95841				

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MADERA BEAUTY COLLEGE	FEDERAL PERKINS LOAN		14	$18,922
200 W. OLIVE AVE, STE 4	FSEOG	$5,301	9	
MADERA CA 93637				
MANCHESTER BEAUTY COLLEGE	FEDERAL PERKINS LOAN		16	$20,850
3756 N BLACKSTONE	FSEOG	$25,295	41	
FRESNO CA 93726				
MARIC COLLEGE OF MEDICAL CAREERS	FSEOG	$50,000	61	
7202 PRINCES VIEW DR	FWS	$30,923	36	
SAN DIEGO CA 92120				
MARIC COLLEGE OF MEDICAL CAREERS	FSEOG	$50,000	61	
1300 RANCHEROS DRIVE	FWS	$16,796	20	
SAN MARCOS CA 92069				
MARIN BEAUTY COLLEGE	FSEOG	$6,957	11	
827 FOURTH ST				
SAN RAFAEL CA 94901				
MARINELLO SCHOOLS OF BEAUTY	FEDERAL PERKINS LOAN		135	$175,797
716 S BROADWAY 2ND FLOOR	FSEOG	$117,259	189	
WHITTIER CA 90601				
MARYMOUNT COLLEGE, PALOS VERDES CALIFORNIA	FEDERAL PERKINS LOAN		19	$25,625
30800 PALOS VERDES DRIVE EAST	FSEOG	$76,618	124	
RANCHO PALOS VERDES CA 90274	FWS	$28,983	35	
MASTER'S COLLEGE (THE)	FEDERAL PERKINS LOAN		136	$180,084
21726 PLACERITA CANYON ROAD	FSEOG	$69,709	112	
NEWHALL CA 91322	FWS	$43,774	53	
MCGEORGE SCHOOL OF LAW-U OF PACIFIC	FEDERAL PERKINS LOAN	$203,395	1,021	$1,328,017
3200 FIFTH AVE	FWS	$508,905	618	
SACRAMENTO CA 95817				
MENDOCINO-LAKE COMMUNITY COLLEGE DISTRICT	FSEOG	$33,466	54	
PO BOX 3000	FWS	$23,613	29	
UKIAH CA 95482				
MENLO COLLEGE	FEDERAL PERKINS LOAN		10	$13,902
1000 EL CAMINO REAL	FSEOG	$45,907	74	
ATHERTON CA 94027				
MERCED COLLEGE	FSEOG	$241,894	390	
3600 M STREET	FWS	$423,225	516	
MERCED CA 95348				

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MERIT COLLEGE	FEDERAL PERKINS LOAN		58	$76,139
7101 SEPULVEDA BLVD	FSEOG	$125,000	202	
VAN NUYS CA 91405	FWS	$10,446	13	
MERRITT COLLEGE	FSEOG	$195,913	316	
12500 CAMPUS DRIVE	FWS	$152,529	188	
OAKLAND CA 94619				
MILLS COLLEGE	FEDERAL PERKINS LOAN	$85,050	308	$400,819
5000 MACARTHUR BLVD	FSEOG	$154,886	250	
OAKLAND CA 94613	FWS	$94,446	115	
MILPITAS BEAUTY COLLEGE	FSEOG	$9,906	16	
1350 SOUTH PARK VICTORIA DR				
MILPITAS CA 95035				
MILPITAS ELECTROLYSIS & THERMOLYSIS COLLEGE	FSEOG	$5,568	9	
500 E CALAVERAS BLVD STE 204				
MILPITAS CA 95035				
MIRA COSTA COLLEGE	FSEOG	$54,413	88	
ONE BARNARD DRIVE	FWS	$80,696	98	
OCEANSIDE CA 92056				
MISSION COLLEGE	FEDERAL PERKINS LOAN		18	$24,675
3000 MISSION COLLEGE BLVD.	FSEOG	$101,808	164	
SANTA CLARA CA 95054	FWS	$56,667	69	
MODERN BEAUTY ACADEMY	FEDERAL PERKINS LOAN		9	$12,313
699 SOUTH C STREET	FSEOG	$5,919	10	
OXNARD CA 93030				
MODERN BEAUTY ACADEMY - COMMERCE	FEDERAL PERKINS LOAN		5	$6,699
5730 E WHITTIER BLVD	FSEOG	$5,568	9	
LOS ANGELES CA 90022				
MODERN TECHNOLOGY SCHOOL OF X-RAY	FSEOG	$18,980	31	
8180 LAUREL CANYON BLVD	FWS	$702	1	
NORTH HOLLYWOOD CA 91606				
MODERN TECHNOLOGY SCHOOL OF X-RAY	FSEOG	$22,516	38	
1232 E KATELLA AVE				
ANAHEIM CA 92805				
MODESTO JR COLLEGE	FEDERAL PERKINS LOAN	$24,880	129	$168,179
435 COLLEGE AVENUE	FSEOG	$120,265	194	
MODESTO CA 95350	FWS	$249,336	304	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MOLER BARBER COLLEGE 50 MASON STREET SAN FRANCISCO CA 94102	FSEOG	$4,691	8	
MOLER BARBER COLLEGE 727 J STREET SACRAMENTO CA 95814	FEDERAL PERKINS LOAN FSEOG	 $9,370	2 15	$3,025
MOLER BARBER COLLEGE-OAKLAND 3500 BROADWAY OAKLAND CA 94611	FSEOG	$3,198	5	
MONTEREY ACADEMY OF HAIR DESIGN 345 E SANTA CLARA AVE SAN JOSE CA 95113	FEDERAL PERKINS LOAN FSEOG	 $4,411	10 7	$13,076
MONTEREY INSTITUTE OF INTERNATIONAL STUDIES 425 VAN BUREN MONTEREY CA 93940	FEDERAL PERKINS LOAN FSEOG FWS	$70,377 $20,055 $102,832	527 32 125	$686,360
MONTEREY PENINSULA COLLEGE 980 FREMONT MONTEREY CA 93940	FSEOG FWS	$91,316 $124,668	147 152	
MORO BEAUTY COLLEGE 124 N BRAND BLVD GLENDALE CA 91203	FSEOG	$6,890	11	
MOUNT SAINT MARY'S COLLEGE 12001 CHALON ROAD LOS ANGELES CA 90049	FEDERAL PERKINS LOAN FSEOG FWS	 $175,591 $87,698	143 283 107	$186,894
MOUNT SAN ANTONIO COLLEGE 1100 NO GRAND AVE WALNUT CA 91789	FEDERAL PERKINS LOAN FSEOG FWS	 $270,697 $215,442	60 437 263	$78,169
MOUNT SAN JACINTO COLLEGE 1499 NORTH STATE STREET SAN JACINTO CA 92583	FSEOG FWS	$65,108 $41,928	105 51	
MT DIABLO ADULT EDUCATION 1266 SAN CARLOS AVENUE CONCORD CA 94518	FSEOG FWS	$20,000 $20,000	32 24	
MUSICIANS' INSTITUTE 1655 MCCADDEN PLACE HOLLYWOOD CA 90028	FSEOG	$30,508	49	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NAPA VALLEY COLLEGE	FSEOG	$220,651	356	
2277 NAPA VALLEJO HWY	FWS	$125,791	153	
NAPA CA 94558				
NATIONAL EDUC CTR-BRYMAN CAMPUS	FEDERAL PERKINS LOAN		45	$58,900
3505 NORTH HART AVENUE	FSEOG	$50,642	82	
ROSEMEAD CA 91770				
NATIONAL EDUC CTR-BRYMAN CAMPUS	FEDERAL PERKINS LOAN		67	$87,785
1120 NO BROOKHURST ST	FSEOG	$29,429	47	
ANAHEIM CA 92801				
NATIONAL EDUC CTR-BRYMAN CAMPUS	FEDERAL PERKINS LOAN		15	$20,211
20835 SHERMAN WAY	FSEOG	$24,404	39	
CANOGA PARK CA 91306				
NATIONAL EDUC CTR-BRYMAN CAMPUS	FEDERAL PERKINS LOAN		34	$44,824
5350 ATLANTIC AVENUE	FSEOG	$32,538	52	
LONG BEACH CA 90805				
NATIONAL EDUC CTR-BRYMAN CAMPUS	FEDERAL PERKINS LOAN		93	$121,227
1017 WILSHRE BLVD	FSEOG	$38,430	62	
LOS ANGELES CA 90017				
NATIONAL EDUC CTR-BRYMAN CAMPUS	FEDERAL PERKINS LOAN		60	$78,855
731 MARKET STREET	FSEOG	$26,156	42	
SAN FRANCISCO CA 94103				
NATIONAL EDUC CTR-BRYMAN CAMPUS	FEDERAL PERKINS LOAN		37	$49,357
2015 NAGLEE AVE	FSEOG	$48,064	78	
SAN JOSE CA 95128				
NATIONAL EDUC CTR-BRYMAN CAMPUS	FEDERAL PERKINS LOAN		40	$52,893
4212 W ARTESIA BLVD	FSEOG	$23,517	38	
TORRANCE CA 90504				
NATIONAL EDUC CTR-SAWYER CAMPUS	FEDERAL PERKINS LOAN		54	$70,718
8475 JACKSON RD	FSEOG	$32,973	53	
SACRAMENTO CA 95826				
NATIONAL EDUC CTR-SAWYER CAMPUS	FEDERAL PERKINS LOAN		88	$115,557
5500 S EASTERN AVE	FSEOG	$74,185	120	
LOS ANGELES CA 90040	FWS	$21,448	26	
NATIONAL EDUC CTR-SKADRON CLLG OF BUS CAMPUS	FEDERAL PERKINS LOAN		92	$119,992
825 E. HOSPITALITY LANE	FSEOG	$81,741	132	
SAN BERNARDINO CA 92408				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NATIONAL HISPANIC UNIVERSITY	FSEOG	$11,325	18	
135 EAST GISH RD #201	FWS	$7,066	9	
SAN JOSE CA 95112				
NATIONAL HOLISTIC INSTITUTE	FSEOG	$29,848	48	
5900 HOLLIS STREET SUITE J	FWS	$5,510	7	
EMERYVILLE CA 94608				
NATIONAL UNIVERSITY	FEDERAL PERKINS LOAN	$189,529	466	$605,963
4025 CAMINO DEL RIO SOUTH	FSEOG	$451,037	727	
SAN DIEGO CA 92108	FWS	$147,515	180	
NATIONWIDE BEAUTY COLLEGE	FEDERAL PERKINS LOAN		5	$6,673
252 SECOND STREET	FSEOG	$10,329	17	
POMONA CA 91766				
NEW COLLEGE OF CALIFORNIA	FEDERAL PERKINS LOAN		50	$65,400
50 FELL STREET	FSEOG	$78,368	126	
SAN FRANCISCO CA 94102	FWS	$207,613	253	
NEWBERRY SCHOOLS OF BTY	FEDERAL PERKINS LOAN		5	$6,944
22906 VAN OWEN STREET	FSEOG	$4,375	7	
WEST HILLS CA 91307				
NEWBRIDGE COLLEGE	FEDERAL PERKINS LOAN		5	$6,673
700 EL CAMINO REAL	FSEOG	$27,360	44	
TUSTIN CA 92680				
NORTH ADRIAN'S BEAUTY COLLEGE	FEDERAL PERKINS LOAN		1	$2,062
124 FLOYD AVENUE	FSEOG	$6,529	11	
MODESTO CA 95350				
NORTH AMERICAN HEATING & AIR CONDITIONING TRAINI	FSEOG	$14,901	24	
1598 NORTH H STREET				
SAN BERNARDINO CA 92405				
NORTH PARK COLLEGE	FEDERAL PERKINS LOAN		10	$14,095
3956 30TH STREET	FSEOG	$23,635	38	
SAN DIEGO CA 92104	FWS	$18,418	20	
NORTH-WEST COL OF MED & DENT AST-PO	FEDERAL PERKINS LOAN	$24,880	32	$42,283
134 WEST HOLT AVE	FSEOG	$25,442	41	
POMONA CA 91768	FWS	$6,098	7	
NORTH-WEST COLLEGE OF MED AND DENT ASST	FEDERAL PERKINS LOAN	$44,784	119	$154,773
2121 W GARVEY AVE NORTH	FSEOG	$23,393	38	
WEST COVINA CA 91790	FWS	$13,696	17	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NORTH-WEST COLLEGE OF MEDICAL & DENTAL ASSISTANT	FEDERAL PERKINS LOAN		7	$9,944
530 EAST UNION	FSEOG	$6,884	11	
PASADENA CA 91101	FWS	$534	1	
OAKLAND BEAUTY SCHOOL	FEDERAL PERKINS LOAN		4	$5,742
330 THIRTEENTH STREET	FSEOG	$2,504	4	
OAKLAND CA 94612				
OAKLAND COLLEGE OF COURT REPORTING	FSEOG	$15,961	26	
449 15TH STREET 2ND FLR	FWS	$5,089	6	
OAKLAND CA 94612				
OCCIDENTAL COLLEGE	FEDERAL PERKINS LOAN	$189,088	483	$628,887
1600 CAMPUS ROAD	FSEOG	$230,768	372	
LOS ANGELES CA 90041	FWS	$115,993	141	
OCEANSIDE COLLEGE OF BEAUTY	FEDERAL PERKINS LOAN		18	$24,069
1575 SOUTH HILL STREET	FSEOG	$6,946	11	
OCEANSIDE CA 92054				
OHLONE COLLEGE	FSEOG	$47,931	77	
43600 MISSION BLVD	FWS	$24,248	30	
FREMONT CA 94539				
OTIS ART INSTITUTE OF PARSONS SCHOOL OF DESIGN	FSEOG	$78,093	126	
2401 WILSHIRE BLVD	FWS	$46,990	57	
LOS ANGELES CA 90057				
PACIFIC CHRISTIAN COLLEGE	FEDERAL PERKINS LOAN	$15,923	35	$45,966
2500 E NUTWOOD AVE	FSEOG	$30,667	49	
FULLERTON CA 92631	FWS	$19,505	24	
PACIFIC COAST COLLEGE	FEDERAL PERKINS LOAN		557	$725,007
118 W 5TH STREET	FSEOG	$482,583	778	
SANTA ANA CA 92701	FWS	$109,561	134	
PACIFIC GATEWAY COLLEGE	FSEOG	$40,766	66	
3018 CARMEL STREET	FWS	$16,268	20	
LOS ANGELES CA 90065				
PACIFIC GRADUATE SCHOOL OF PSYCHOLOGY	FEDERAL PERKINS LOAN		1	$1,533
935 E. MEADOW DRIVE	FWS	$22,906	28	
PALO ALTO CA 94303				
PACIFIC LUTHERAN THEOLOGICAL SEMINARY	FWS	$14,568	18	
2770 MARIN AVE				
BERKELEY CA 94708				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PACIFIC OAKS COLLEGE	FEDERAL PERKINS LOAN	$5,971	85	$111,234
5 WESTMORELAND PLACE	FSEOG	$22,590	36	
PASADENA CA 91103	FWS	$40,558	49	
PACIFIC SCHOOL OF RELIGION	FEDERAL PERKINS LOAN	$21,981	76	$98,943
1798 SCENIC AVE	FWS	$71,796	88	
BERKELEY CA 94709				
PACIFIC TRAVEL SCHOOL	FEDERAL PERKINS LOAN		11	$14,337
2515 N MAIN STREET	FSEOG	$36,999	60	
SANTA ANA CA 92701				
PACIFIC UNION COLLEGE	FEDERAL PERKINS LOAN		583	$757,949
COLLEGE AVENUE	FSEOG	$354,417	572	
ANGWIN CA 94508	FWS	$110,473	135	
PAGE BEAUTY SCHOOL	FSEOG	$4,553	7	
601 W LANCASTER BLVD				
LANCASTER CA 93534				
PALM SPRINGS BEAUTY COLLEGE	FEDERAL PERKINS LOAN		10	$13,410
611 S PALM CANYON DR	FSEOG	$9,702	16	
PALM SPRINGS CA 92264				
PALMER COLLEGE OF CHIROPRACTIC-WEST	FEDERAL PERKINS LOAN	$59,713	150	$196,044
90 E TASMAN	FSEOG	$19,295	31	
SAN JOSE CA 95134	FWS	$60,000	73	
PALO VERDE COLLEGE	FSEOG	$14,619	24	
811 CHANSLORWAY	FWS	$11,613	14	
BLYTHE CA 92225				
PALOMAR COMMUNITY COLLEGE	FSEOG	$191,144	308	
1140 W MISSION RD	FWS	$113,458	138	
SAN MARCOS CA 92069				
PALOMAR INSTITUTE OF COSMETOLOGY	FSEOG	$8,390	14	
355 VIA VERA CRUZ				
SAN MARCOS CA 92069				
PARAMOUNT SCHOOL OF BEAUTY	FSEOG	$4,558	7	
16260 PARAMOUNT BLVD #G-H				
PARAMOUNT CA 90723				
PARIS BEAUTY COLLEGE	FSEOG	$7,049	11	
1950 MARKET STREET				
CONCORD CA 94520				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PASADENA CITY COLLEGE	FEDERAL PERKINS LOAN	$16,757	149	$193,946
1570 E COLORADO BLVD	FSEOG	$447,946	722	
PASADENA CA 91106	FWS	$413,056	504	
PATTEN COLLEGE	FEDERAL PERKINS LOAN	$2,072	3	$4,157
2433 COOLIDGE AVE	FSEOG	$65,000	105	
OAKLAND CA 94601	FWS	$20,000	24	
PEPPERDINE UNIVERSITY	FEDERAL PERKINS LOAN	$382,892	1,955	$2,542,266
24255 PACIFIC COAST HWY	FSEOG	$348,207	562	
MALIBU CA 90263	FWS	$373,862	456	
PHILLIPS COLLEGE, INLAND EMPIRE CAMPUS	FEDERAL PERKINS LOAN		9	$12,878
4300 CENTRAL AVE	FSEOG	$57,306	92	
RIVERSIDE CA 92506	FWS	$3,957	5	
PHILLIPS JR COLLEGE	FEDERAL PERKINS LOAN		14	$18,698
8520 BALBOA BOULEVARD	FSEOG	$60,000	97	
NORTHRIDGE CA 91325	FWS	$30,000	37	
PHILLIPS JR COLLEGE CONDIE CAMPUS	FEDERAL PERKINS LOAN	$23,522	83	$108,325
1 W CAMPBELL-BLDG A SUITE 4	FSEOG	$152,482	246	
CAMPBELL CA 95008	FWS	$39,065	48	
PITZER COLLEGE	FEDERAL PERKINS LOAN	$87,851	326	$423,857
1050 N MILLS AVENUE	FSEOG	$177,996	287	
CLAREMONT CA 91711	FWS	$139,788	170	
POINT LOMA COLLEGE	FEDERAL PERKINS LOAN		315	$410,341
3900 LOMALAND DR.	FSEOG	$150,000	242	
SAN DIEGO CA 92106	FWS	$108,923	133	
POMONA COLLEGE	FEDERAL PERKINS LOAN	$267,367	558	$726,340
333 COLLEGE WAY	FSEOG	$314,524	507	
CLAREMONT CA 91711	FWS	$218,357	266	
POMONA UNIFIED SCH DISTRICT-CAREER & CONTINUING	FSEOG	$6,736	11	
605 N PARK AVENUE	FWS	$3,084	4	
POMONA CA 91768				
PORTERVILLE COLLEGE	FSEOG	$56,000	90	
100 EAST COLLEGE AVENUE	FWS	$66,309	81	
PORTERVILLE CA 93257				
PRACTICAL SCHOOLS	FEDERAL PERKINS LOAN		21	$28,528
900 E. BALL RD	FSEOG	$31,091	50	
ANAHEIM CA 92806				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PROFESSIONAL INSTITUTE OF BEAUTY	FSEOG	$8,030	13	
10801 E VALLEY MALL				
EL MONTE CA 91731				
RANCHO SANTIAGO COLLEGE	FEDERAL PERKINS LOAN	$73,525	192	$249,636
17TH ST AT BRISTOL	FSEOG	$189,314	305	
SANTA ANA CA 92706	FWS	$263,255	321	
RANDY'S BEAUTY COLLEGE	FEDERAL PERKINS LOAN		1	$2,321
678 NORTH MARKET STREET	FSEOG	$7,947	13	
REDDING CA 96003				
RICHARDS BEAUTY COLLEGE	FEDERAL PERKINS LOAN		8	$10,927
200 NORTH EUCLID AVE	FSEOG	$5,568	9	
ONTARIO CA 91762				
RICHARDS BEAUTY COLLEGE	FEDERAL PERKINS LOAN		2	$2,675
16803 ARROW BLVD	FSEOG	$5,568	9	
FONTANA CA 92335				
RICHARDS BEAUTY COLLEGE	FSEOG	$15,882	26	
200 E HIGHLAND				
SAN BERNADINO CA 92404				
RIO HONDO COLLEGE	FEDERAL PERKINS LOAN		43	$57,027
3600 WORKMAN MILL ROAD	FSEOG	$120,343	194	
WHITTIER CA 90608	FWS	$143,171	175	
RIVERSIDE COMMUNITY COLLEGE	FSEOG	$235,000	379	
4800 MAGNOLIA AVE	FWS	$153,932	188	
RIVERSIDE CA 92506				
ROSEMEAD BEAUTY SCHOOL	FEDERAL PERKINS LOAN	$4,606	24	$32,103
8531 E VALLEY BLVD	FSEOG	$13,430	22	
ROSEMEAD CA 91770				
ROSSTON SCHOOL OF MEN'S HAIR DESIGN	FSEOG	$26,034	42	
673 W 5TH STREET				
SAN BERNARDINO CA 92410				
SADDLEBACK COMMUNITY COLLEGE DISTRICT	FEDERAL PERKINS LOAN	$36,832	84	$110,212
28000 MARGUERITE PARKWAY	FSEOG	$65,402	105	
MISSION VIEJO CA 92692	FWS	$55,235	67	
SAINT MARY'S COLLEGE OF CALIFORNIA	FEDERAL PERKINS LOAN	$51,256	240	$312,403
SAINT MARY'S COLLEGE	FSEOG	$214,819	346	
MORAGA CA 94575				

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SALINAS BEAUTY COLLEGE INC	FSEOG	$1,903	3	
918 SOUTH MAIN STREET				
SALINAS CA 93901				
SALVATORE'S COLLEGE OF HAIRSTYLING	FEDERAL PERKINS LOAN		4	$5,487
8275 FLORIN RD	FSEOG	$12,716	21	
SACRAMENTO CA 95828				
SAMUEL MERRITT COLLEGE OF NURSING	FSEOG	$75,230	121	
370 HAWTHORNE AVE	FWS	$32,918	40	
OAKLAND CA 94609				
SAN BERNARDINO VALLEY COLLEGE	FEDERAL PERKINS LOAN		50	$66,109
701 SO MT VERNON AVE	FSEOG	$160,000	258	
SAN BERNARDINO CA 92410	FWS	$154,339	188	
SAN DIEGO CITY COLLEGE	FSEOG	$289,114	486	
1313 TWELFTH AVENUE	FWS	$304,362	371	
SAN DIEGO CA 92101				
SAN DIEGO CNTY COLL-CONTINUING EDUCATION CENTERS	FSEOG	$103,377	167	
1400 PARK BLVD #122	FWS	$68,772	84	
SAN DIEGO CA 92101				
SAN DIEGO COL FOR MED & DENT ASST	FEDERAL PERKINS LOAN		51	$86,718
5952 EL CAJON BLVD	FSEOG	$187,729	303	
SAN DEIGO CA 92115	FWS	$222		
SAN DIEGO MESA COLLEGE	FSEOG	$234,337	378	
7250 MESA COLLEGE DRIVE	FWS	$206,776	252	
SAN DIEGO CA 92111				
SAN DIEGO MIRAMAR COLLEGE	FSEOG	$26,365	43	
10440 BLACK MOUNTAIN ROAD	FWS	$15,299	19	
SAN DIEGO CA 92126				
SAN DIEGO STATE UNIVERSITY	FEDERAL PERKINS LOAN		1,612	$2,096,477
5300 CAMPANILE DR	FSEOG	$786,939	1,269	
SAN DIEGO CA 92182	FWS	$756,329	922	
SAN FERNANDO BEAUTY ACADEMY	FSEOG	$17,770	29	
13714 FOOTHILL BLVD				
SYLMAR CA 91342				
SAN FRANCISCO ART INSTITUTE	FSEOG	$109,998	177	
800 CHESTNUT STREET	FWS	$98,885	121	
SAN FRANCISCO CA 94133				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SAN FRANCISCO COMMUNITY COLLEGE CENTERS	FSEOG	$44,661	72	
33 GOUGH STREET	FWS	$17,960	22	
SAN FRANCISCO CA 94103				
SAN FRANCISCO CONSERVATORY OF MUSIC	FEDERAL PERKINS LOAN	$29,696	87	$114,145
1201 ORTEGA STREET	FSEOG	$16,379	26	
SAN FRANCISCO CA 94122	FWS	$20,031	24	
SAN FRANCISCO STATE UNIVERSITY	FEDERAL PERKINS LOAN	$468,017	2,227	$2,896,329
1600 HOLLOWAY AVE	FSEOG	$849,921	1,371	
SAN FRANCISCO CA 94132	FWS	$1,243,474	1,516	
SAN GORGONIO BEAUTY COLLEGE	FSEOG	$3,343	5	
1335 WEST RAMSEY STREET				
BANNING CA 92220				
SAN JOAQUIN COLLEGE OF LAW	FSEOG	$11,185	18	
3385 E SHIELDS AVE	FWS	$10,000	12	
FRESNO CA 93726				
SAN JOAQUIN DELTA COLLEGE	FSEOG	$521,789	842	
5151 PACIFIC AVE	FWS	$467,920	571	
STOCKTON CA 95207				
SAN JOAQUIN VALLEY COLLEGE	FEDERAL PERKINS LOAN		3	$5,128
8400 W MINERAL KING	FSEOG	$53,059	86	
VISALIA CA 93291	FWS	$30,000	37	
SAN JOAQUIN VALLEY COLLEGE	FEDERAL PERKINS LOAN		4	$6,086
201 NEW STINE RD	FSEOG	$44,729	72	
BAKERSFIELD CA 93309	FWS	$20,000	24	
SAN JOSE BEAUTY COLLEGE	FEDERAL PERKINS LOAN		5	$7,102
1030 THE ALAMEDA	FSEOG	$8,609	14	
SAN JOSE CA 95126				
SAN JOSE CHRISTIAN COLLEGE	FSEOG	$14,242	23	
790 S. 12TH ST	FWS	$7,960	10	
SAN JOSE CA 95112				
SAN JOSE CMTY COLLEGE DISTRICT	FSEOG	$369,644	596	
4750 SAN FELIPE ROAD	FWS	$253,195	309	
SAN JOSE CA 95121				
SAN JOSE STATE UNIVERSITY	FEDERAL PERKINS LOAN		2,031	$2,640,633
ONE WASHINGTON SQUARE	FSEOG	$1,003,898	1,619	
SAN JOSE CA 95192	FWS	$1,082,465	1,320	

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SANTA BARBARA BUSINESS COLLEGE	FEDERAL PERKINS LOAN	$24,295	68	$89,104
4025 FOOTHILL RD	FSEOG	$119,475	193	
SANTA BARBARA CA 93110	FWS	$52,430	64	
SANTA BARBARA CITY COLLEGE	FEDERAL PERKINS LOAN		32	$41,930
721 CLIFF DRIVE	FSEOG	$185,396	299	
SANTA BARBARA CA 93109	FWS	$352,031	429	
SANTA CLARA BEAUTY COLLEGE	FSEOG	$9,394	15	
2630 EL CAMINO REAL				
SANTA CLARA CA 95051				
SANTA MARIA BEAUTY COLLEGE	FSEOG	$11,524	19	
135 W CARMEN LANE				
SANTA MARIA CA 93454				
SANTA MONICA COLLEGE	FSEOG	$393,917	635	
1900 PICO BLVD	FWS	$312,940	382	
SANTA MONICA CA 90405				
SANTA ROSA BEAUTY COLLEGE	FEDERAL PERKINS LOAN		1	$1,858
815 HEALDSBURG AVE	FSEOG	$15,419	25	
SANTA ROSA CA 95401				
SANTA ROSA JR COLLEGE	FSEOG	$188,927	305	
1501 MENDOCINO AVE	FWS	$234,893	286	
SANTA ROSA CA 95401				
SAWYER COLLEGE	FSEOG	$66,623	107	
441 W TRIMBLE RD	FWS	$19,568	24	
SAN JOSE CA 95131				
SAWYER COLLEGE AT POMONA	FEDERAL PERKINS LOAN		20	$26,403
1021 E HOLT AVE	FSEOG	$50,706	82	
POMONA CA 91767	FWS	$18,126	22	
SAWYER COLLEGE AT VENTURA	FEDERAL PERKINS LOAN		56	$73,400
2101 E GONZALEZ RD	FSEOG	$97,151	157	
VENTURA CA 93030	FWS	$7,549	9	
SCRIPPS COLLEGE	FEDERAL PERKINS LOAN	$38,300	217	$282,921
1030 COLUMBIA	FSEOG	$141,846	229	
CLAREMONT CA 91711	FWS	$138,221	166	
SEQUOIA INSTITUTE	FSEOG	$150,232	242	
420 WHITNEY PLACE	FWS	$80,924	74	
FREMONT CA 94539				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SHASTA COLLEGE	FSEOG	$98,573	159	
1065 N OLD OREGON PO BX 496006	FWS	$89,993	110	
REDDING CA 96049				
SIERRA ACADEMY OF AERONAUTICS TECHNICIANS INSTIT	FSEOG	$42,197	68	
P O BOX 6774				
OAKLAND CA 94603				
SIERRA COLLEGE OF BEAUTY	FSEOG	$7,348	12	
1340 WEST 18TH STREET				
MERCED CA 95340				
SIERRA COMMUNITY COLLEGE	FSEOG	$106,926	172	
5000 ROCKLIN ROAD	FWS	$119,155	145	
ROCKLIN CA 95677				
SILICON VALLEY COLLEGE	FSEOG	$51,085	82	
41350 CHRISTY STREET	FWS	$16,210	20	
FREMONT CA 94538				
SIMPSON COLLEGE	FEDERAL PERKINS LOAN	$6,276	6	$8,368
2211 COLLEGE VIEW DR	FSEOG	$45,139	73	
REDDING CA 96003	FWS	$35,573	43	
SKYLINE COLLEGE	FEDERAL PERKINS LOAN		28	$36,739
3300 COLLEGE DRIVE	FSEOG	$143,133	231	
SAN BRUNO CA 94066	FWS	$168,726	206	
SOLANO COMMUNITY COLLEGE	FSEOG	$104,145	168	
4000 SUISUN VALLEY	FWS	$104,103	127	
SUISUN CITY CA 94585				
SONOMA STATE UNIVERSITY	FEDERAL PERKINS LOAN	$23,893	369	$480,533
1801 EAST COTATI AVENUE	FSEOG	$194,801	314	
ROHNERT PARK CA 94928	FWS	$333,446	407	
SOUTH BAYLO UNIVERSITY	FSEOG	$20,440	33	
12012 S MAGNOLIA STREET	FWS	$9,828	12	
GARDEN GROVE CA 92641				
SOUTH COAST COLLEGE OF COURT REPORTING	FSEOG	$35,526	57	
7122 MAPLE	FWS	$18,024	22	
WESTMINSTER CA 92683				
SOUTHERN CALIF COL OF OPTOMETRY	FEDERAL PERKINS LOAN	$147,462	506	$658,011
2001 ASSOCIATED ROAD	FWS	$82,061	100	
FULLERTON CA 92631				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SOUTHERN CALIFORNIA COLLEGE	FEDERAL PERKINS LOAN		352	$458,798
FIFTY-FIVE FAIR DRIVE	FSEOG	$90,268	146	
COSTA MESA CA 92626	FWS	$47,921	58	
SOUTHERN CALIFORNIA COLLEGE OF BUSINESS & LAW	FSEOG	$39,986	64	
595 W LAMBERT RD	FWS	$13,386	16	
BREA CA 92621				
SOUTHERN CALIFORNIA COLLEGE OF CHIROPRACTIC	FSEOG	$4,325	7	
8420 BEVERLY ROAD	FWS	$20,859	25	
PICO RIVERA CA 90660				
SOUTHERN CALIFORNIA COLLEGE OF COURT REPORTING	FSEOG	$25,000	40	
1100 S CLAUDINA PLACE	FWS	$15,000	18	
ANAHEIM CA 92805				
SOUTHERN CALIFORNIA INST OF ARCHITECTURE	FEDERAL PERKINS LOAN		6	$8,759
5454 BEETHOVEN STREET	FSEOG	$36,104	58	
LOS ANGELES CA 90066	FWS	$33,974	41	
SOUTHERN CALIFORNIA SCHOOL OF THEOLOGY	FEDERAL PERKINS LOAN		53	$69,746
1325 NO COLLEGE AVE	FWS	$25,556	31	
CLAREMONT CA 91711				
SOUTHWESTERN COLLEGE	FEDERAL PERKINS LOAN		28	$36,490
900 OTAY LAKES ROAD	FSEOG	$227,087	366	
CHULA VISTA CA 92010	FWS	$354,005	432	
SOUTHWESTERN UNIVERSITY SCH OF LAW	FEDERAL PERKINS LOAN	$328,325	802	$1,043,742
675 S WESTMORELAND AVENUE	FWS	$221,521	270	
LOS ANGELES CA 90005				
ST JOHN'S SEMINARY COLLEGE	FSEOG	$10,000	16	
5118 SEMINARY RD	FWS	$5,000	6	
CAMARILLO CA 93012				
STANFORD UNIVERSITY	FEDERAL PERKINS LOAN	$1,642,085	5,765	$7,494,836
	FSEOG	$1,074,994	1,734	
STANFORD CA 94305	FWS	$1,564,292	1,908	
STARR KING SCHOOL FOR THE MINISTRY	FWS	$22,661	28	
2441 LECONTE AVE				
BERKELEY CA 94709				
SYSTEMS PROGRAMMING DEVELOPMENT INC	FSEOG	$17,943	29	
4900 TRIGGS STREET				
COMMERCE CA 90022				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
TAFT COLLEGE	FSEOG	$13,414	22	
29 EMMONS PARK DRIVE	FWS	$28,339	35	
TAFT CA 93268				
TECHNICAL HEALTH CAREERS SCHOOL	FEDERAL PERKINS LOAN		2	$2,848
11603 S. WESTERN AVE	FSEOG	$29,350	47	
LOS ANGELES CA 90047				
THE WRIGHT INSTITUTE	FEDERAL PERKINS LOAN	$38,929	141	$184,061
2728 DURANT AVE	FWS	$26,827	33	
BERKELEY CA 94704				
TRAVEL AND TRADE CAREER INSTITUTE	FEDERAL PERKINS LOAN		14	$19,058
3635 ATLANTIC AVENUE	FSEOG	$50,696	82	
LONG BEACH CA 90807				
TREBAS INSTITUTE OF RECORDING ARTS	FSEOG	$8,205	10	
6464 SUNSET BLVD	FWS	$257		
LOS ANGELES CA 90028				
TRINITY BUSINESS COLLEGE	FSEOG	$83,082	102	
620 FOLSOM STREET	FWS	$16,325	20	
SAN FRANCISCO CA 94107				
UNITED ARTISTS BEAUTY COLLEGE	FEDERAL PERKINS LOAN		7	$9,275
81-695 HIGHWAY III	FSEOG	$6,235	10	
INDIO CA 92201				
UNITED EDUCATION INSTITUTE	FEDERAL PERKINS LOAN		27	$35,345
3727 W. 6TH ST., STE 617	FSEOG	$443,332	715	
LOS ANGELES CA 90020	FWS	$231,260	282	
UNITED STATES INTERNATIONAL UNIV	FEDERAL PERKINS LOAN		305	$397,740
10455 POMERADO ROAD	FSEOG	$198,072	319	
SAN DIEGO CA 92131	FWS	$381,719	466	
UNIV OF CALIFORNIA-LOS ANGELES	FEDERAL PERKINS LOAN	$992,460	6,076	$7,698,821
405 HILGARD-MURPHY HALL A-129	FSEOG	$1,700,433	2,743	
LOS ANGELES CA 90024	FWS	$2,929,335	3,572	
UNIV OF CALIFORNIA-SAN DIEGO STUDENT FINANCIAL S	FEDERAL PERKINS LOAN	$418,790	2,109	$2,742,170
MAIL CODE Q-013	FSEOG	$612,776	988	
LA JOLLA CA 92093	FWS	$689,903	841	
UNIVERSAL COLLEGE OF BEAUTY	FSEOG	$45,833	74	
8619 S VERMONT AVE				
LOS ANGELES CA 90044				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSAL COMPUTING INSTITUTE INC	FSEOG	$39	0	
18341 SHERMAN WAY, STE 210	FWS	$5,113	6	
RESEDA CA 91335				
UNIVERSITY OF CALIFORNIA	FEDERAL PERKINS LOAN	$370,459	1,261	$1,639,844
500 PARNASSUS AVE MU 201	FWS	$218,927	267	
SAN FRANCISCO CA 94143				
UNIVERSITY OF CALIFORNIA-BERKELEY	FEDERAL PERKINS LOAN		3,382	$4,371,885
201 SPROUL HALL-FINANCIAL AID	FSEOG	$1,441,208	2,325	
BERKELEY CA 94720	FWS	$2,703,896	3,297	
UNIVERSITY OF CALIFORNIA-DAVIS	FEDERAL PERKINS LOAN	$1,068,983	4,975	$6,488,332
OFF OF RESEARCH 275 MRAK HALL	FSEOG	$686,413	1,107	
DAVIS CA 95616	FWS	$1,409,958	1,719	
UNIVERSITY OF CALIFORNIA-IRVINE	FEDERAL PERKINS LOAN	$285,322	1,148	$1,492,706
ADM 102 FINANCIAL AID	FSEOG	$612,385	988	
IRVINE CA 92717	FWS	$536,776	655	
UNIVERSITY OF CALIFORNIA-RIVERSIDE FINANCIAL AID	FEDERAL PERKINS LOAN		442	$575,482
1156 ADMINISTRATION BLDG	FSEOG	$196,992	318	
RIVERSIDE CA 92521	FWS	$211,882	258	
UNIVERSITY OF CALIFORNIA-SA BARBARA	FEDERAL PERKINS LOAN	$44,203	2,196	$2,855,119
	FSEOG	$840,827	1,356	
SANTA BARBARA CA 93106	FWS	$816,491	996	
UNIVERSITY OF CALIFORNIA-SANTA CRUZ	FEDERAL PERKINS LOAN	$221,506	1,140	$1,483,211
292 CENTRAL SERVICES	FSEOG	$422,370	681	
SANTA CRUZ CA 95064	FWS	$657,531	802	
UNIVERSITY OF JUDAISM	FSEOG	$7,525	12	
15600 MULHOLLAND DRIVE	FWS	$18,473	23	
LOS ANGELES CA 90077				
UNIVERSITY OF LA VERNE	FEDERAL PERKINS LOAN	$63,683	307	$400,163
1950 3RD STREET	FSEOG	$169,502	273	
LA VERNE CA 91750	FWS	$182,141	222	
UNIVERSITY OF REDLANDS	FEDERAL PERKINS LOAN	$98,304	306	$398,839
1200 E COLTON AVE	FSEOG	$223,929	361	
REDLANDS CA 92373	FWS	$137,726	168	
UNIVERSITY OF SAN DIEGO	FEDERAL PERKINS LOAN	$227,282	840	$1,092,508
5998 ALCALA PARK	FSEOG	$430,200	694	
SAN DIEGO CA 92110	FWS	$436,716	533	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF SAN DIEGO-SCH OF LAW	FEDERAL PERKINS LOAN	$107,626	506	$657,984
5998 ALCALA PARK	FWS	$183,969	224	
SAN DIEGO CA 92110				
UNIVERSITY OF SAN FRANCISCO	FEDERAL PERKINS LOAN	$282,329	1,069	$1,389,966
2130 FULTON STREET	FSEOG	$382,577	617	
SAN FRANCISCO CA 94117	FWS	$500,000	610	
UNIVERSITY OF SANTA CLARA	FEDERAL PERKINS LOAN	$87,420	1,201	$1,561,771
	FSEOG	$364,366	588	
SANTA CLARA CA 95053	FWS	$313,312	382	
UNIVERSITY OF SOUTHERN CALIFORNIA	FEDERAL PERKINS LOAN	$1,014,566	6,505	$8,457,049
UNIV PARK - SAS ROOM 209	FSEOG	$2,983,877	4,813	
LOS ANGELES CA 90089	FWS	$3,360,009	4,098	
UNIVERSITY OF THE PACIFIC	FEDERAL PERKINS LOAN	$161,231	1,601	$2,081,517
3601 PACIFIC AVE	FSEOG	$667,372	1,076	
STOCKTON CA 95211	FWS	$430,856	525	
VALLEY COMMERCIAL COLLEGE	FEDERAL PERKINS LOAN	$25,751	68	$89,469
910 12TH ST	FSEOG	$26,646	43	
MODESTO CA 95354				
VENTURA COUNTY COMMUNITY COL DIST	FSEOG	$283,980	458	
71 DAY ROAD	FWS	$318,124	388	
VENTURA CA 93003				
VICTOR VALLEY BEAUTY COLLEGE	FSEOG	$8,883	14	
16424 VICTOR STREET				
VICTORVILLE CA 92392				
VICTOR VALLEY COLLEGE	FSEOG	$107,524	173	
18422 BEAR VALLEY ROAD	FWS	$80,441	98	
VICTORVILLE CA 92392				
VISTA COLLEGE	FSEOG	$13,057	21	
2020 MILVIA STREET	FWS	$7,048	9	
BERKELEY CA 94704				
WATTERSON COLLEGE	FSEOG	$33,080	53	
1165 E COLO BLVD	FWS	$15,246	19	
PASADENA CA 91106				
WATTERSON COLLEGE	FEDERAL PERKINS LOAN		16	$21,337
815 NORTH OXNARD BLVD.	FSEOG	$56,579	91	
OXNARD CA 93030				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WATTERSON COLLEGE	FSEOG	$47,195	76	
1422 SOUTH AZUSA AVE				
WEST COVINA CA 91790				
WAYNE'S COLLEGE OF BEAUTY	FSEOG	$5,266	8	
1119 FREEDOM BLVD				
WATSONVILLE CA 95076				
WAYNES COLLEGE OF BEAUTY-SANTA CRUZ	FSEOG	$5,516	9	
189 WALNUT STREET				
SANTA CRUZ CA 95060				
WEST HILLS COMMUNITY COLLEGE	FSEOG	$113,194	183	
300 CHERRY LANE	FWS	$57,828	71	
COALINGA CA 93210				
WEST LOS ANGELES COLLEGE	FEDERAL PERKINS LOAN		52	$68,662
4800 FRESHMAN DRIVE	FSEOG	$105,080	169	
CULVER CITY CA 90230	FWS	$54,898	67	
WEST VALLEY COLLEGE	FEDERAL PERKINS LOAN		37	$49,252
14000 FRUITVALE AVE	FSEOG	$129,232	208	
SARATOGA CA 95070	FWS	$145,886	178	
WEST VALLEY OCCUPATIONAL CENTER	FWS	$20,943	26	
6200 WINNETKA AVE				
WOODLAND HILLS CA 91367				
WESTERN BEAUTY COLLEGE	FEDERAL PERKINS LOAN		14	$18,465
439 S WESTERN AVENUE	FSEOG	$16,786	27	
LOS ANGELES CA 90005				
WESTERN CAREER COLLEGE	FEDERAL PERKINS LOAN	$7,888	104	$136,296
8909 FOLSOM BLVD	FSEOG	$104,622	169	
SACRAMENTO CA 95826	FWS	$11,861	14	
WESTERN ST UNIV COL LAW-ORANGE CO	FEDERAL PERKINS LOAN	$141,070	255	$331,561
1111 NORTH STATE COLLEG BLVD	FSEOG	$73,269	118	
FULLERTON CA 92631	FWS	$232,524	284	
WESTGATE BEAUTY COLLEGE	FSEOG	$5,121	8	
1600 SARATOGA AVENUE				
SAN JOSE CA 92125				
WESTMONT COLLEGE	FEDERAL PERKINS LOAN	$49,760	212	$275,738
955 LA PAZ RD	FSEOG	$128,222	207	
SANTA BARBARA CA 93108	FWS	$106,604	130	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WHITTIER COLLEGE 13406 E PHILOA ST WHITTIER CA 90608	FEDERAL PERKINS LOAN FSEOG FWS	$54,737 $268,408 $187,524	391 433 229	$508,760
WILLOW GLEN BEAUTY COLLEGE 1045 WILLOW STREET SAN JOSE CA 95125	FSEOG	$12,238	20	
WOODBURY UNIVERSITY 7500 GLENOAKS BLVD PO BOX 7846 BURBANK CA 91510	FEDERAL PERKINS LOAN FSEOG FWS	$89,667 $110,944 $49,291	240 179 60	$313,097
YESHIVA OHR ELCHONON CHABAD-W COAST TALMUDICAL S 7215 WARING AVENUE LOS ANGELES CA 90046	FSEOG FWS	$5,568 $5,113	9 6	
YO SAN UNIVERSITY 1314 2ND STREET SANTA MONICA CA 90401	FSEOG FWS	$5,568 $5,113	9 6	
YUBA COLLEGE 2088 NO BEALE RD MARYSVILLE CA 95901	FSEOG FWS	$131,171 $145,873	212 178	
ZENZI'S BEAUTY COLLEGE 677 PORTOLA DR, SUITE 200 SAN FRANCISCO CA 94127	FEDERAL PERKINS LOAN FSEOG	 $10,578	2 17	$3,132

STATE OF CALIFORNIA					
	FEDERAL PERKINS LOAN	$15,362,283	69,960	NO. INSTITUTIONS	270
	FSEOG	$54,159,998	87,346	NO. INSTITUTIONS	439
	FWS	$54,099,252	65,973	NO. INSTITUTIONS	326

STATE OF COLORADO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ACADEMY OF BEAUTY CULTURE	FSEOG	$10,304	17	
2992 NORTH AVENUE				
GRAND JUNCTION CO 81504				
ADAMS STATE COLLEGE	FEDERAL PERKINS LOAN		278	$362,343
	FSEOG	$142,060	229	
ALAMOSA CO 81102	FWS	$214,757	262	
AIMS CMTY COLLEGE	FEDERAL PERKINS LOAN	$7,174	56	$73,974
PO BOX 69	FSEOG	$73,655	119	
GREELEY CO 80632	FWS	$50,956	62	
AMERICAN DIESEL & AUTOMOTIVE SCHOOL, LTD	FSEOG	$9,865	16	
1002 SOUTH JASON STREET				
DENVER CO 80223				
AMERICANA BEAUTY COLLEGE	FSEOG	$11,107	18	
730 S CAMINO DEL RIO				
DURANGO CO 81301				
AMERICANA BEAUTY COLLEGE II	FEDERAL PERKINS LOAN		5	$7,738
3650 AUSTIN BLUFFS PKY S182	FSEOG	$14,832	24	
COLORADO SPRINGS CO 80907				
AMERICANA BEAUTY COLLEGE III	FSEOG	$5,567	9	
228 WEST 29TH STREET				
PUEBLO CO 81008				
AMERICANA BEAUTY COLLEGE VI	FSEOG	$5,568	9	
1435 MAIN STREET				
ALAMOSA CO 81101				
ARAPAHOE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		49	$64,150
2500 WEST COLLEGE DR BOX 9002	FSEOG	$84,374	136	
LITTLETON CO 80160	FWS	$68,928	84	
BARNES BUSINESS COLLEGE	FEDERAL PERKINS LOAN	$57,542	252	$327,710
150 SHERIDAN BLVD	FSEOG	$136,776	221	
DENVER CO 80226	FWS	$20,000	24	
BEL-REA INSTITUTE OF ANIMAL TECHNOLOGY	FSEOG	$16,000	26	
1681 SOUTH DAYTON	FWS	$8,000	10	
DENVER CO 80231				
BETH-EL COLLEGE OF NURSING OF MEMORIAL HOSPITAL	FEDERAL PERKINS LOAN		13	$17,056
2790 N ACADEMY BLVD	FSEOG	$13,223	21	
COLORADO SPRINGS CO 80917	FWS	$7,606	9	

STATE OF COLORADO

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BLAIR JUNIOR COLLEGE		FEDERAL PERKINS LOAN	$5,971	112	$146,807
828 WOOTEN ROAD		FSEOG	$24,101	39	
COLORADO SPRINGS	CO 80909	FWS	$34,414	42	
BOULDER VALLEY VOCATIONAL TECH CTR		FSEOG	$9,722	16	
6600 ARAPAHOE		FWS	$7,989	10	
BOULDER	CO 80303				
COLORADO AERO TECH		FEDERAL PERKINS LOAN		134	$174,303
10851 WEST 120TH AVENUE		FSEOG	$122,806	198	
BROOMFIELD	CO 80020	FWS	$26,959	33	
COLORADO CHRISTIAN UNIVERSITY		FEDERAL PERKINS LOAN	$24,716	81	$106,244
180 SO GARRISON ST		FSEOG	$53,638	87	
LAKEWOOD	CO 80226	FWS	$60,554	74	
COLORADO COLLEGE		FEDERAL PERKINS LOAN	$144,265	667	$867,571
14 E CACHE LA POUDRE		FSEOG	$193,030	311	
COLORADO SPRINGS	CO 80903	FWS	$115,484	141	
COLORADO INSTITUTE OF ART		FEDERAL PERKINS LOAN	$179,059	567	$738,061
200 EAST NINTH AVE		FSEOG	$235,579	380	
DENVER	CO 80203	FWS	$85,202	104	
COLORADO MOUNTAIN COLLEGE		FEDERAL PERKINS LOAN		52	$68,134
P O BOX 10001		FSEOG	$55,000	89	
GLENWOOD SPRING	CO 81602	FWS	$41,654	51	
COLORADO NORTHWESTERN CMTY COLLEGE		FEDERAL PERKINS LOAN	$42,389	161	$209,671
KENNEDY DRIVE		FSEOG	$18,569	30	
RANGELY	CO 81648	FWS	$22,464	27	
COLORADO SCHOOL OF MINES		FEDERAL PERKINS LOAN	$71,655	336	$437,314
		FSEOG	$100,619	162	
GOLDEN	CO 80401	FWS	$65,070	79	
COLORADO STATE UNIVERSITY		FEDERAL PERKINS LOAN	$208,299	2,494	$3,242,855
		FSEOG	$646,373	1,043	
FORT COLLINS	CO 80523	FWS	$811,898	990	
COLORADO TECHNICAL COLLEGE		FEDERAL PERKINS LOAN	$25,282	66	$86,428
4435 N CHESTNUT STREET		FSEOG	$63,550	103	
COLORADO SPRINGS	CO 80907	FWS	$31,827	39	
COLUMBINE BEAUTY SCHOOL		FSEOG	$5,060	8	
1225 WADSWORTH BLVD					
LAKEWOOD	CO 80215				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
COLUMBINE II BEAUTY SCHOOL	FSEOG	$22,715	37	
5801 W 44TH AVENUE				
DENVER CO 80212				
COLUMBINE III BEAUTY SCHOOL	FSEOG	$4,111	7	
3811 E 120TH AVE				
DENVER CO 80233				
COMMUNITY COLLEGE OF AURORA	FSEOG	$64,701	104	
16000 CENTRETECH PKWY	FWS	$39,099	48	
AURORA CO 80011				
COMMUNITY COLLEGE OF DENVER	FSEOG	$149,218	241	
PO BOX 173363	FWS	$88,292	108	
DENVER CO 80217				
CONCORDE CAREER INST, CO	FEDERAL PERKINS LOAN	$33,588	60	$78,882
770 GRANT STREET	FSEOG	$39,850	64	
DENVER CO 80203				
DBA COLORADO BEAUTY COLLEGE III	FSEOG	$5,568	9	
2415 FREMONT DRIVE				
CANON CITY CO 81212				
DELTA-MONTROSE AREA VOC-TECH SCHOOL	FSEOG	$7,873	12	
1765 US HIGHWAY 50	FWS	$7,466	9	
DELTA CO 81416				
DENVER AUTO & DIESEL COLLEGE	FEDERAL PERKINS LOAN		186	$242,806
460 SOUTH LIPAN STREET	FSEOG	$157,406	254	
DENVER CO 80223	FWS	$11,791	14	
DENVER BUSINESS COLLEGE	FEDERAL PERKINS LOAN		6	$8,121
7350 N BROADWAY	FSEOG	$49,621	80	
DENVER CO 80221	FWS	$7,995	10	
DENVER INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$21,172	127	$186,325
7350 NORTH BROADWAY	FSEOG	$154,862	250	
DENVER CO 80221	FWS	$60,228	73	
DENVER TECHNICAL COLLEGE	FEDERAL PERKINS LOAN		10	$13,033
925 SOUTH NIAGARA STREET	FSEOG	$81,040	131	
DENVER CO 80224	FWS	$33,618	41	
ENGLEWOOD BEAUTY COLLEGE	FSEOG	$3,407	5	
3200 S ACOMA STREET				
ENGLEWOOD CO 80110				

STATE OF COLORADO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
FORT LEWIS COLLEGE	FEDERAL PERKINS LOAN	$50,826	326	$424,832
1000 RIM DRIVE	FSEOG	$115,906	187	
DURANGO CO 81301	FWS	$119,941	146	
FRONT RANGE COMMUNITY COLLEGE	FSEOG	$136,018	219	
3645 WEST 112TH AVENUE	FWS	$110,671	135	
WESTMINSTER CO 80030				
GLENWOOD BEAUTY ACADEMY WEST GLENWOOD PLAZA	FEDERAL PERKINS LOAN	$3,799	11	$15,201
51241 HWY 6&24 SUITE #1	FSEOG	$5,568	9	
GLENWOOD SPRINGS CO 81601				
HAIR DYNAMICS EDUCATION CENTER	FSEOG	$3,799	6	
6464 S COLLEGE AVENUE				
FT COLLINS CO 80525				
HERITAGE COLLEGE OF HEALTH CAREERS	FSEOG	$18,471	30	
12 LAKESIDE LN # D				
DENVER CO 80212				
ILIFF SCHOOL OF THEOLOGY	FEDERAL PERKINS LOAN	$40,519	128	$187,436
2201 SO UNIVERSITY BLVD	FWS	$24,323	30	
DENVER CO 80210				
INTERNATIONAL BEAUTY ACADEMY INC	FEDERAL PERKINS LOAN		8	$8,054
1185 N CIRCLE DRIVE	FSEOG	$14,396	23	
COLORADO SPRING CO 80909				
INTERNATIONAL HAIR ACADEMY	FSEOG	$10,000	16	
225 N COLLEGE				
FT COLLINS CO 80525				
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		9	$11,828
2121 SOUTH BLACKHAWK STREET	FSEOG	$31,929	51	
AURORA (DENVER) CO 80014	FWS	$12,936	16	
LAMAR COMMUNITY COLLEGE	FSEOG	$8,704	14	
2401 SO MAIN STREET	FWS	$10,918	13	
LAMAR CO 81052				
MESA STATE COLLEGE	FEDERAL PERKINS LOAN	$29,856	151	$197,308
PO BOX 2647	FSEOG	$150,034	242	
GRAND JUNCTION CO 81502	FWS	$126,935	155	
METROPOLITAN STATE COLLEGE OF DENVER	FEDERAL PERKINS LOAN	$286,377	1,362	$1,770,620
CAMPUS BOX 2 PO BOX 173362	FSEOG	$477,232	770	
DENVER CO 80217	FWS	$412,665	503	

STATE OF COLORADO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MICHAEL TAYLOR INSTITUTE OF HAIR DESIGN	FEDERAL PERKINS LOAN		3	$4,973
6520 WADSWORTH BLVD	FSEOG	$5,137	8	
ARVADA CO 80003				
MILE HI COLLEGE	FEDERAL PERKINS LOAN		37	$48,379
6464 WEST 14TH AVE	FSEOG	$17,650	26	
LAKEWOOD CO 80214				
MORGAN COMMUNITY COLLEGE	FSEOG	$31,378	51	
17800 COUNTY ROAD 20	FWS	$15,933	19	
FORT MORGAN CO 80701				
NAROPA INSTITUTE DIVISION OF NALANDA FOUNDATION	FEDERAL PERKINS LOAN	$36,429	94	$122,530
2130 ARAPAHOE AVENUE	FSEOG	$22,142	36	
BOULDER CO 80302	FWS	$27,414	33	
NAZARENE BIBLE COLLEGE	FEDERAL PERKINS LOAN	$1,551	23	$30,339
BOX 15749	FSEOG	$31,197	50	
COLORADO SPRINGS CO 80935	FWS	$15,000	18	
NORTHEASTERN JR COLLEGE	FEDERAL PERKINS LOAN		34	$44,895
OFFICE OF FINANCIAL AID	FSEOG	$18,000	29	
STERLING CO 80751	FWS	$89,041	109	
OTERO JR COLLEGE	FEDERAL PERKINS LOAN		2	$3,598
18TH AND COLORADO	FSEOG	$22,336	36	
LA JUNTA CO 81050	FWS	$20,798	25	
PARKS JR COLLEGE	FEDERAL PERKINS LOAN		63	$82,718
9065 GRANT STREET	FSEOG	$134,347	217	
THORNTON CO 80229	FWS	$29,441	36	
PIKES PEAK COMMUNITY COLLEGE	FSEOG	$160,000	258	
5675 S ACADEMY BLVD	FWS	$147,397	180	
COLORADO SPRINGS CO 80906				
PLATT COLLEGE	FEDERAL PERKINS LOAN		55	$71,528
3100 S PARKER ROAD	FSEOG	$37,579	61	
AURORA CO 80014	FWS	$20,000	24	
PPI HEALTH CAREERS SCHOOL	FEDERAL PERKINS LOAN		21	$27,317
2345 N ACADEMY BLVD	FSEOG	$60,816	98	
COLORADO SPRINGS CO 80909	FWS	$17,514	21	
PUEBLO COLLEGE OF BUSINESS	FEDERAL PERKINS LOAN	$2,872	43	$56,474
330 LAKE AVENUE	FSEOG	$47,590	77	
PUEBLO CO 81004	FWS	$13,794	17	

STATE OF COLORADO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PUEBLO COMMUNITY COLLEGE	FSEOG	$139,955	226	
900 W ORMAN	FWS	$68,679	84	
PUEBLO CO 81004				
RED ROCKS COMMUNITY COLLEGE	FSEOG	$65,237	105	
13300 WEST 6TH AVENUE	FWS	$51,134	62	
LAKEWOOD CO 80401				
REGIS UNIVERSITY	FEDERAL PERKINS LOAN	$18,272	728	$946,472
3333 REGIS BOULEVARD	FSEOG	$276,712	446	
DENVER CO 80221	FWS	$309,749	378	
ROCKY MOUNTAIN SCHOOL OF ART	FSEOG	$16,488	27	
6875 E EVANS AVENUE	FWS	$6,989	9	
DENVER CO 80224				
ROFFLER ACADEMY	FSEOG	$19,966	32	
202 S PIERCE				
LAKEWOOD CO 80226				
SAINT THOMAS SEMINARY	FEDERAL PERKINS LOAN	$2,985	30	$39,836
1300 SOUTH STEELE	FWS	$5,192	6	
DENVER CO 80210				
SAN JUAN BASIN AREA VOC-TECH SCHOOL	FSEOG	$6,830	11	
P O BOX 970	FWS	$9,305	11	
CORTEZ CO 81321				
SAN LUIS VALLEY AREA VOC SCHOOL	FSEOG	$4,784	8	
1011 MAIN STREET	FWS	$3,709	5	
ALAMOSA CO 81101				
SHARON DORAN'S ACADEMY OF SCIENCE & HAIR DESIGN	FSEOG	$8,319	13	
700 FLORIDA AVENUE # 4-111				
LONGMONT CO 80501				
T.H. PICKENS TECHNICAL CTR OF AURORA PUBLIC SCHO	FSEOG	$15,540	25	
500 BUCKLEY ROAD	FWS	$9,180	11	
AURORA CO 80011				
TECHNICAL TRADES INSTITUTE	FEDERAL PERKINS LOAN		105	$137,016
2315 E PIKES PEAK AVENUE	FSEOG	$103,445	167	
COLORADO SPRINGS CO 80909	FWS	$50,058	61	
TECHNICAL TRADES INSTITUTE	FEDERAL PERKINS LOAN		10	$13,605
772 HORIZON DRIVE	FSEOG	$42,370	68	
GRAND JUNCTION CO 81506	FWS	$12,387	15	

STATE OF COLORADO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
THE NATIONAL THEATRE CONSERVATORY	FWS	$5,819	7	
1050 13TH STREET				
DENVER CO 80204				
TRINIDAD STATE JR COLLEGE	FEDERAL PERKINS LOAN		142	$184,918
	FSEOG	$57,455	93	
TRINIDAD CO 81082	FWS	$96,087	117	
ULTIMA COLLEGE OF COSMETOLOGY	FSEOG	$5,568	9	
3049-A WEST 74TH AVENUE				
WESTMINSTER CO 80030				
UNIV OF DENVER-COLORADO SEMINARY	FEDERAL PERKINS LOAN	$585,132	2,360	$3,068,823
2199 S UNIVERSITY BLVD	FSEOG	$373,954	603	
DENVER CO 80208	FWS	$631,520	770	
UNIVERSITY COLORADO HEALTH SCIENCES CTR	FEDERAL PERKINS LOAN	$191,958	635	$826,554
4200 EAST 9TH AVE BOX A088	FSEOG	$31,517	51	
DENVER CO 80262	FWS	$103,994	127	
UNIVERSITY OF COLORADO	FEDERAL PERKINS LOAN		2,374	$3,086,569
	FSEOG	$860,052	1,387	
BOULDER CO 80309	FWS	$1,532,196	1,869	
UNIVERSITY OF COLORADO AT DENVER	FEDERAL PERKINS LOAN	$78,270	356	$462,913
1200 LARIMER ST	FSEOG	$203,648	328	
DENVER CO 80204	FWS	$290,088	354	
UNIVERSITY OF COLORADO-COLO SPRINGS	FEDERAL PERKINS LOAN	$86,275	480	$624,833
AUSTIN BLUFFS PARKWAY	FSEOG	$179,566	290	
COLORADO SPRINGS CO 80933	FWS	$374,965	457	
UNIVERSITY OF NORTHERN COLORADO	FEDERAL PERKINS LOAN		2,299	$2,989,725
CARTER HALL ROOM 1005	FSEOG	$274,055	442	
GREELEY CO 80639	FWS	$298,939	365	
UNIVERSITY OF SOUTHERN COLORADO	FEDERAL PERKINS LOAN	$178,451	548	$712,894
2200 BONFORTE BLVD	FSEOG	$460,311	742	
PUEBLO CO 81001	FWS	$428,000	522	
VOGUE COLLEGE OF COSMETOLOGY	FSEOG	$34,716	56	
1739 N ACADEMY BLVD	FWS	$505	1	
COLORADO SPRINGS CO 80909				
WESTERN STATE COLLEGE OF COLORADO	FEDERAL PERKINS LOAN	$107,153	503	$655,111
TAYLOR HALL ROOM 207	FSEOG	$85,468	138	
GUNNISON CO 81231	FWS	$170,625	208	

STATE OF COLORADO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
YESHIVA TORAS CHAIM TALMUDICAL SEM	FEDERAL PERKINS LOAN	$532	3	$4,281
1400 QUITMAN ST	FSEOG	$4,093	7	
DENVER CO 80204	FWS	$3,598	4	

STATE OF COLORADO	FEDERAL PERKINS LOAN	$2,522,369	12,760	NO. INSTITUTIONS	52
	FSEOG	$7,621,826	12,295	NO. INSTITUTIONS	82
	FWS	$7,599,688	9,267	NO. INSTITUTIONS	63

STATE OF CONNECTICUT

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ALBERTUS MAGNUS COLLEGE	FEDERAL PERKINS LOAN		78	$101,458
700 PROSPECT STREET	FSEOG	$58,007	94	
NEW HAVEN CT 06511	FWS	$58,497	71	
AMORE INSTITUTE OF HAIR DESIGN	FSEOG	$4,376	7	
46 GLENWOOD AVENUE				
BRIDGE CT 06610				
AMORE INSTITUTE OF HAIR DESIGN INC	FSEOG	$11,809	19	
1209 CAMPBELL AVE				
WEST HAVEN CT 06516				
ASNUNTUCK COMMUNITY-TECHNICAL COLLEGE	FSEOG	$27,336	44	
170 ELM STREET	FWS	$40,967	50	
ENFIELD CT 06082				
BAIS BINYOMIN ACADEMY OF CONN INC	FSEOG	$9,758	16	
132 PROSPECT STREET	FWS	$20,437	25	
STAMFORD CT 06901				
BARAN INSTITUTE OF TECHNOLOGY	FSEOG	$19,518	31	
611 DAY HILL ROAD	FWS	$6,877	8	
WINDSOR CT 06095				
BRIDGEPORT HOSPITAL SCH OF NURSING	FSEOG	$9,624	16	
200 MILL HILL AVENUE	FWS	$3,215	4	
BRIDGEPORT CT 06610				
BRIO ACADEMY OF COSMETOLOGY	FSEOG	$6,209	10	
1231 E MAIN STREET				
MERIDEN CT 06450				
CAPITAL COMMUNITY TECHNICAL COLLEGE	FEDERAL PERKINS LOAN		16	$21,154
61 WOODLAND STREET	FSEOG	$60,077	97	
HARTFORD CT 06105	FWS	$57,416	70	
CENTRAL CONNECTICUT STATE UNIVERSITY	FEDERAL PERKINS LOAN		791	$1,029,134
1615 STANLEY STREET	FSEOG	$208,020	336	
NEW BRITAIN CT 06050	FWS	$173,132	211	
CONNECTICUT BUSINESS INSTITUTE	FEDERAL PERKINS LOAN		18	$23,925
605 BROAD STREET	FSEOG	$123,313	199	
STRATFORD CT 06497	FWS	$18,016	22	
CONNECTICUT COLLEGE	FEDERAL PERKINS LOAN		284	$369,394
MOHEGAN AVE	FSEOG	$301,760	487	
NEW LONDON CT 06320	FWS	$257,813	314	

STATE OF CONNECTICUT

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CONNECTICUT INSTITUTE OF ART	FSEOG	$17,658	28	
581 W PUTNAM AVENUE	FWS	$7,202	9	
GREENWICH CT 06830				
CONNECTICUT INSTITUTE OF HAIR DESIGN	FSEOG	$30,351	49	
1000 MAIN STREET				
EAST HARTFORD CT 06108				
CONNECTICUT SCHOOL OF ELECTRONICS	FEDERAL PERKINS LOAN	$60,391	117	$153,015
586 BOULEVARD	FSEOG	$37,753	61	
NEW HAVEN CT 06519	FWS	$9,419	11	
DATA INSTITUTE INC	FSEOG	$48,398	78	
745 BURNSIDE AVE	FWS	$28,451	35	
EAST HARTFORD CT 06108				
EASTERN CONNECTICUT STATE UNIVERSITY	FEDERAL PERKINS LOAN		291	$379,289
83 WINDHAM STREET	FSEOG	$136,256	220	
WILLIMANTIC CT 06226	FWS	$131,824	161	
FAIRFIELD UNIVERSITY	FEDERAL PERKINS LOAN		297	$386,561
NORTH BENSON ROAD	FSEOG	$220,395	355	
FAIRFIELD CT 06430	FWS	$160,510	196	
GATEWAY COMMUNITY-TECHNICAL COLLEGE	FSEOG	$106,493	172	
60 SARGENT DR-LONG WHRF CAMPUS	FWS	$67,934	83	
NEW HAVEN CT 06511				
HARTFORD SECRETARIAL SCHOOL INC	FWS	$9,234	11	
765 ASYLUM AVENUE				
HARTFORD CT 06105				
HOLY APOSTLES COLLEGE	FEDERAL PERKINS LOAN		10	$13,489
33 PROSPECT HILL ROAD	FSEOG	$9,666	16	
CROMWELL CT 06416	FWS	$16,630	20	
HOUSATONIC COMMUNITY COLLEGE	FSEOG	$40,000	65	
510 BARNUM AVE	FWS	$28,304	35	
BRIDGEPORT CT 06608				
HUNTINGTON INSTITUTE INC	FSEOG	$14,119	23	
193 BROADWAY	FWS	$4,842	6	
NORWICH CT 06360				
KATHARINE GIBBS SCHOOL	FEDERAL PERKINS LOAN		1	$2,536
142 EAST AVENUE	FSEOG	$29,438	47	
NORWALK CT 06851	FWS	$10,047	12	

STATE OF CONNECTICUT

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LEON INSTITUTE OF HAIR DESIGN	FSEOG	$5,568	9	
111 WALL STREET				
BRIDGEPORT CT 06604				
LEON INSTITUTE OF HAIR DESIGN	FSEOG	$2,352	4	
87-91 ATLANTIC STREET				
STAMFORD CT 06901				
MANCHESTER COMMUNITY-TECHNICAL COLLEGE	FEDERAL PERKINS LOAN		23	$30,132
60 BIDWELL STREET	FSEOG	$58,406	94	
MANCHESTER CT 06040	FWS	$58,509	71	
MIDDLESEX COMMUNITY-TECHNICAL COLLEGE	FEDERAL PERKINS LOAN		21	$27,941
100 TRAINING HILL ROAD	FSEOG	$37,421	60	
MIDDLETOWN CT 06457	FWS	$118,710	145	
MITCHELL COLLEGE	FEDERAL PERKINS LOAN	$34,832	105	$136,656
437 PEQUOT AVE	FSEOG	$57,438	93	
NEW LONDON CT 06320	FWS	$35,825	44	
MORSE SCHOOL OF BUSINESS-HARTFORD	FEDERAL PERKINS LOAN	$21,053	84	$110,262
275 ASYLUM STREET	FSEOG	$86,543	140	
HARTFORD CT 06103	FWS	$18,956	23	
NATIONAL ACAD OF HAIRDRESSING-BRDPT	FSEOG	$34,060	55	
2505 MAIN ST STATION HOUSE SQ				
STRATFORD CT 06497				
NAUGATUCK VALLEY COMMUNITY-TECHNICAL COLLEGE	FEDERAL PERKINS LOAN		52	$68,573
750 CHASE PARKWAY	FSEOG	$80,364	130	
WATERBURY CT 06708	FWS	$84,124	103	
NEW ENGLAND TECHNICAL INSTITUTE OF CONNECTICUT	FSEOG	$50,577	82	
200 JOHN DOWNEY DRIVE	FWS	$17,054	21	
NEW BRITAIN CT 06051				
NORTHWESTERN CONNECTICUT CMTY COL	FEDERAL PERKINS LOAN		2	$3,771
PARK PLACE EAST	FSEOG	$18,475	30	
WINSTED CT 06098	FWS	$18,144	22	
NORWALK COMMUNITY TECHNICAL COLLEGE	FSEOG	$50,000	81	
188 RICHARDS AVENUE	FWS	$66,366	81	
NORWALK CT 06854				
NORWALK STATE TECHNICAL COLLEGE	FSEOG	$14,029	23	
181 RICHARDS AVE	FWS	$10,142	12	
NORWALK CT 06854				

STATE OF CONNECTICUT

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ONA M WILCOX SCHOOL OF NURSING MIDDLESEX MEMORIA	FSEOG	$8,984	14	
28 CRESCENT STREET				
MIDDLETOWN CT 06457				
PAIER COLLEGE OF ART INC	FEDERAL PERKINS LOAN		58	$76,100
20 GORHAM AVENUE	FSEOG	$47,353	76	
HAMDEN CT 06514				
PORTER & CHESTER INSTITUTE	FEDERAL PERKINS LOAN	$26,957	129	$167,916
670 LORDSHIP BLVD PO BOX 364	FSEOG	$102,000	165	
STRATFORD CT 06497	FWS	$59,953	73	
QUINEBAUG VALLEY COMMUNITY-TECHNICAL COLLEGE	FSEOG	$22,498	36	
742 UPPER MAPLE STREET	FWS	$18,057	22	
DANIELSON CT 06239				
QUINNIPIAC COLLEGE	FEDERAL PERKINS LOAN		396	$515,777
NEW ROAD	FSEOG	$219,974	355	
HAMDEN CT 06518	FWS	$242,162	295	
SACRED HEART UNIVERSITY	FEDERAL PERKINS LOAN		36	$47,067
5151 PARK AVENUE	FSEOG	$157,200	254	
FAIRFIELD CT 06432	FWS	$100,031	122	
SAINT JOSEPH COLLEGE	FEDERAL PERKINS LOAN		50	$66,093
1678 ASYLUM AVENUE	FSEOG	$77,451	125	
WEST HARTFORD CT 06117	FWS	$33,374	41	
SAMPIERI SCHOOL OF HAIR DESIGN	FSEOG	$5,000	8	
128 SCOTT ROAD				
WATERBURY CT 06702				
SCHOOL OF HARTFORD BALLET-TCHR TRNG	FSEOG	$5,007	8	
224 FARMINGTON AVE	FWS	$3,976	5	
HARTFORD CT 06105				
SOUTHERN CONNECTICUT STATE UNIV	FEDERAL PERKINS LOAN		734	$954,365
501 CRESCENT STREET	FSEOG	$159,963	258	
NEW HAVEN CT 06515	FWS	$199,672	244	
ST VINCENT'S COLLEGE OF NURSING	FSEOG	$10,000	16	
2800 MAIN STREET				
BRIDGEPORT CT 06606				
STONE ACADEMY	FEDERAL PERKINS LOAN	$8,957	62	$80,988
1315 DIXWELL AVENUE	FSEOG	$38,379	62	
HAMDEN CT 06514	FWS	$9,574	12	

STATE OF CONNECTICUT

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
TECHNICAL CAREERS INST	FEDERAL PERKINS LOAN	$29,856	126	$164,344
11 KIMBERLY AVENUE	FSEOG	$138,961	224	
WEST HAVEN CT 06516	FWS	$7,590	9	
TEIKYO POST UNIVERSITY	FEDERAL PERKINS LOAN		29	$38,776
800 COUNTRY CLUB ROAD	FSEOG	$80,705	130	
WATERBURY CT 06723	FWS	$139,901	171	
THREE RIVERS COMMUNITY TECHNICAL COLLEGE	FEDERAL PERKINS LOAN		73	$95,929
MAHAN DRIVE	FSEOG	$42,091	68	
NORWICH CT 06360	FWS	$27,144	33	
TRINITY COLLEGE	FEDERAL PERKINS LOAN	$92,041	305	$396,922
300 SUMMIT STREET	FSEOG	$343,273	554	
HARTFORD CT 06106	FWS	$208,576	254	
TUNXIS COMMUNITY-TECHNICAL COLLEGE	FEDERAL PERKINS LOAN		74	$96,545
ONE TUNXIS CORNER	FSEOG	$33,000	53	
FARMINGTON CT 06032	FWS	$37,169	45	
UNIVERSITY OF BRIDGEPORT	FEDERAL PERKINS LOAN	$184,113	909	$1,182,395
126 PARK AVE WAHLSTROM LIB 6FL	FSEOG	$406,614	656	
BRIDGEPORT CT 06602	FWS	$280,000	341	
UNIVERSITY OF CONNECTICUT	FEDERAL PERKINS LOAN	$83,561	1,906	$2,478,393
U 116	FSEOG	$544,107	878	
STORRS CT 06268	FWS	$1,140,891	1,391	
UNIVERSITY OF HARTFORD	FEDERAL PERKINS LOAN	$61,993	652	$847,661
200 BLOOMFIELD AVE	FSEOG	$477,782	771	
WEST HARTFORD CT 06117	FWS	$289,952	354	
UNIVERSITY OF NEW HAVEN	FEDERAL PERKINS LOAN	$169,252	440	$573,169
300 ORANGE AVE	FSEOG	$188,761	304	
WEST HAVEN CT 06516	FWS	$211,576	258	
WESLEYAN UNIVERSITY	FEDERAL PERKINS LOAN	$273,681	762	$991,713
FINANCIAL AID OFC NORTH COL	FSEOG	$686,244	1,107	
MIDDLETOWN CT 06457	FWS	$570,105	695	
WESTERN CT STATE UNIVERSITY	FEDERAL PERKINS LOAN	$6,696	265	$344,986
181 WHITE STREET	FSEOG	$85,838	138	
DANBURY CT 06810	FWS	$103,042	126	
YALE UNIVERSITY	FEDERAL PERKINS LOAN	$837,995	4,306	$5,598,887
PO BOX 3831 YALE STATION	FSEOG	$898,612	1,449	
NEW HAVEN CT 06520	FWS	$1,649,373	2,011	

STATE OF CONNECTICUT FEDERAL PERKINS LOAN $1,891,378 10,168 NO. INSTITUTIONS 35

FSEOG	$6,805,364	10,980	NO. INSTITUTIONS ⁻9
FWS	$8,870,715	8,378	NO. INSTITUTIONS)

REPORT 70 - CONGRESSIONAL NOTIFICATION REPORT

STATE OF DELAWARE

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
DELAWARE STATE COLLEGE	FEDERAL PERKINS LOAN	$34,559	95	$124,027
1200 N DUPONT HIGHWAY	FSEOG	$153,157	247	
DOVER DE 19901	FWS	$177,379	216	
DELAWARE TECH & CMTY COLLEGE-STANTON CAMPUS	FEDERAL PERKINS LOAN		26	$34,507
400 CHRISTIANA-STANTON RD	FSEOG	$111,773	180	
NEWARK DE 19702	FWS	$143,810	175	
DELAWARE TECH AND CMTY COLLEGE	FEDERAL PERKINS LOAN	$51,575	161	$210,368
RT 18 PO BOX 610	FSEOG	$89,226	144	
GEORGETOWN DE 19947	FWS	$74,361	91	
DELAWARE TECHNICAL & CMTY COLLEGE	FEDERAL PERKINS LOAN		12	$16,834
TERRY CAMPUS 1832 N DUPONT PWY	FSEOG	$37,049	60	
DOVER DE 19901	FWS	$21,296	26	
GOLDEY BEACON COLLEGE	FEDERAL PERKINS LOAN	$59,713	140	$162,574
4701 LIMESTONE ROAD	FSEOG	$53,852	87	
WILMINGTON DE 19808	FWS	$53,405	65	
SCHILLING DOUGLAS SCHOOL OF HAIR DESIGN	FSEOG	$11,953	19	
70 AMSTEL AVENUE				
NEWARK DE 19711				
UNIVERSITY OF DELAWARE	FEDERAL PERKINS LOAN	$197,513	1,608	$2,088,472
	FSEOG	$623,906	1,006	
NEWARK DE 19716	FWS	$584,964	713	
WESLEY COLLEGE	FEDERAL PERKINS LOAN	$18,933	102	$133,389
COLLEGE SQUARE	FSEOG	$110,877	179	
DOVER DE 19901	FWS	$65,310	80	
WILMINGTON COLLEGE	FSEOG	$41,333	67	
320 DUPONT HWY	FWS	$18,036	22	
NEW CASTLE DE 19720				

STATE OF DELAWARE	FEDERAL PERKINS LOAN	$362,293	2,104	NO. INSTITUTIONS 7
	FSEOG	$1,233,126	1,989	NO. INSTITUTIONS 9
	FWS	$1,138,561	1,388	NO. INSTITUTIONS 8

STATE OF DIST OF COLUMBIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
AMERICAN UNIVERSITY	FEDERAL PERKINS LOAN		900	$1,170,834
4400 MASSACHUSETTS AVE NW	FSEOG	$803,737	1,296	
WASHINGTON DC 20016	FWS	$893,608	1,090	
CATHOLIC UNIVERSITY OF AMERICA	FEDERAL PERKINS LOAN		782	$1,017,820
620 MICHIGAN AVE NE	FSEOG	$262,388	423	
WASHINGTON DC 20064	FWS	$505,571	617	
CORCORAN SCHOOL OF ART	FEDERAL PERKINS LOAN	$1,990	96	$125,328
17TH & NEW YORK AVENUE N W	FSEOG	$35,000	56	
WASHINGTON DC 20006	FWS	$21,421	28	
DISTRICT OF COLUMBIA SCH OF LAW	FEDERAL PERKINS LOAN		5	$6,789
719 THIRTEENTH STREET NW	FWS	$17,942	22	
WASHINGTON DC 20005				
GALLAUDET UNIVERSITY	FEDERAL PERKINS LOAN	$52,033	217	$282,695
800 FLORIDA AVE NE	FSEOG	$82,535	133	
WASHINGTON DC 20002	FWS	$65,633	80	
GEORGE WASHINGTON UNIV	FEDERAL PERKINS LOAN	$326,213	2,222	$2,888,674
2121 I ST NW	FSEOG	$681,659	1,099	
WASHINGTON DC 20052	FWS	$705,103	860	
GEORGETOWN UNIVERSITY	FEDERAL PERKINS LOAN	$1,031,257	3,603	$4,684,460
37 & O ST NW HEALY HALL G-19	FSEOG	$782,411	1,262	
WASHINGTON DC 20057	FWS	$1,760,952	2,148	
HOWARD UNIVERSITY	FEDERAL PERKINS LOAN		359	$467,962
2400 SIXTH STREET NW	FSEOG	$797,908	1,287	
WASHINGTON DC 20059	FWS	$786,763	959	
MOUNT VERNON COLLEGE	FEDERAL PERKINS LOAN		8	$10,489
2100 FOXHALL ROAD NW	FSEOG	$30,684	49	
WASHINGTON DC 20007	FWS	$24,601	30	
NATIONAL CONSERVATORY OF DRAMATIC ARTS	FSEOG	$5,567	9	
1556 WISCONSIN AVENUE	FWS	$5,113	6	
WASHINGTON DC 20007				
SANZ SCHOOL	FSEOG	$44,771	72	
1511 K STREET NW SUITE 210	FWS	$10,339	13	
WASHINGTON DC 20005				
SOUTHEASTERN UNIVERSITY	FEDERAL PERKINS LOAN		6	$8,201
501 EYE ST SW	FWS	$9,608	12	
WASHINGTON DC 20024				

STATE OF DIST OF COLUMBIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
STRAYER COLLEGE	FEDERAL PERKINS LOAN		42	$55,060
1025 15TH STREET NW	FSEOG	$139,936	226	
WASHINGTON DC 20005	FWS	$33,638	41	
TRINITY COLLEGE	FEDERAL PERKINS LOAN		170	$222,218
125 MICHIGAN AVE NE	FSEOG	$42,686	69	
WASHINGTON DC 20017	FWS	$47,860	58	
UNIVERSITY OF THE DISTRICT OF COLUMBIA	FEDERAL PERKINS LOAN		159	$207,024
4200 CONN AV NW BLDG 39 RM 101	FSEOG	$604,627	975	
WASHINGTON DC 20008	FWS	$153,655	187	
WASHINGTON DC BEAUTY ACADEMY	FSEOG	$17,329	28	
680 RHODE ISLAND AVE NE SUITEJ				
WASHINGTON DC 20002				
WESLEY THEOLOGICAL SEMINARY	FWS	$17,537	21	
4500 MASS AVE NW				
WASHINGTON DC 20016				

STATE OF DIST OF COLUMBIA	FEDERAL PERKINS LOAN	$1,411,493	6,138	NO. INSTITUTIONS 13
	FSEOG	$4,331,238	6,984	NO. INSTITUTIONS 14
	FWS	$5,059,344	6,170	NO. INSTITUTIONS 16

STATE OF FLORIDA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ART INSTITUTE OF FORT LAUDERDALE 1799 SE 17TH ST FT LAUDERDALE FL 33316	FEDERAL PERKINS LOAN		272	$353,601
	FSEOG	$365,944	590	
	FWS	$120,611	147	
ATI CAREER TRAINING CENTER 2880 NW 62ND ST FT LAUDERDALE FL 33309	FEDERAL PERKINS LOAN		72	$94,071
	FSEOG	$76,586	124	
	FWS	$3,248	4	
ATI CAREER TRAINING CENTER 3501 N W 9TH AVENUE OAKLAND PARK FL 33309	FEDERAL PERKINS LOAN		6	$8,476
	FSEOG	$65,015	105	
	FWS	$3,082	4	
ATI-HEALTH EDUCATION CENTER 1395 NW 167TH ST SUITE 200 MIAMI FL 33169	FSEOG	$18,872	30	
	FWS	$8,062	10	
ATLANTIC VOCATIONAL TECHNICAL CENTER 4700 COCONUT CREEK PARKWAY COCONUT CREEK FL 33066	FSEOG	$13,758	22	
AVANTI HAIR TECH 5433 LAKE HOWELL RD WINTER PARK FL 32792	FSEOG	$12,000	19	
AVANTI' HAIR TECH 8803 N FLORIDA AVE TEMPLE TERRACE FL 33617	FSEOG	$8,356	13	
AVANTI' HAIR TECH 937 WEST STATE RD#436 STE 1119 ALTAMONTE SPRINGS FL 32701	FSEOG	$9,920	16	
AVANTI' HAIR TECH 905 E MEMORIAL BLVD LAKELAND FL 33801	FSEOG	$8,454	14	
BARNA COLLEGE OF HEALTH SCIENCES 1050 NORTHEAST 5TH TERRACE FORT LAUDERDALE FL 33304	FEDERAL PERKINS LOAN		0	$1,000
	FSEOG	$17,499	28	
BARRY UNIVERSITY 11300 N E SECOND AVE MIAMI FL 33161	FEDERAL PERKINS LOAN		128	$166,704
	FSEOG	$148,291	239	
	FWS	$123,152	150	
BEAUTY CAREERS TRAINING CENTER 864 JOHN SIMS PKY NICEVILLE FL 32578	FSEOG	$3,523	6	

STATE OF FLORIDA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BEAUTY SCHOOLS OF AMERICA	FEDERAL PERKINS LOAN	$8,655	8	$11,540
7942 WEST SAMPLE ROAD	FSEOG	$40,511	65	
MARGATE FL 33063	FWS	$13,314	16	
BETHUNE COOKMAN COLLEGE	FEDERAL PERKINS LOAN		7	$9,169
640 MARY MCLEOD BETHUNE BLVD	FSEOG	$705,685	1,138	
DAYTONA BEACH FL 32115	FWS	$552,046	673	
BREVARD COMMUNITY COLLEGE	FSEOG	$199,626	322	
1519 CLEAR LAKE RD	FWS	$172,817	211	
COCOA FL 32922				
BROWARD COMMUNITY COLLEGE	FSEOG	$219,882	355	
225 EAST LAS OLAS BLVD	FWS	$165,612	202	
FORT LAUDERDALE FL 33301				
CAREER CITY COLLEGE	FSEOG	$32,037	52	
1317 NE 4TH AVENUE	FWS	$15,074	18	
FT LAUDERDALE FL 33304				
CENTRAL FLORIDA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$24,880	61	$79,370
P O BOX 1388	FSEOG	$76,733	124	
OCALA FL 32678	FWS	$65,618	80	
CHARLOTTE VOCATIONAL-TECHNICAL CENTER	FSEOG	$5,929	10	
18300 TOLEDO BLADE BOULEVARD	FWS	$5,330	7	
PORT CHARLOTTE FL 33948				
CHIPOLA JR COLLEGE	FSEOG	$73,126	118	
3094 INDIAN CIRCLE	FWS	$68,214	83	
MARIANNA FL 32446				
CLEARWATER CHRISTIAN COLLEGE	FSEOG	$27,580	44	
3400 GULF-TO-BAY BAY BLVD	FWS	$15,171	19	
CLEARWATER FL 34619				
CONCORDE CAREER INSTITUTE	FEDERAL PERKINS LOAN		15	$19,664
4202 W SPRUCE	FSEOG	$52,694	85	
TAMPA FL 33607				
CONCORDE CAREER INSTITUTE	FEDERAL PERKINS LOAN	$48,516	75	$98,524
7960 ARLINGTON EXPRESSWAY	FSEOG	$36,891	60	
JACKSONVILLE FL 32211				
CONCORDE CAREER INSTITUTE	FEDERAL PERKINS LOAN		2	$3,758
4000 N STATE ROAD 7	FSEOG	$30,375	49	
FORT LAUDERDALE FL 33319				

STATE OF FLORIDA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
COOPER ACADEMY OF COURT REPORTING	FSEOG	$16,508	27	
2247 PALM BEACH LK BLVD RM 110	FWS	$4,477	5	
WEST PALM BEACH FL 33409				
D G ERWIN TECHNICAL CENTER	FSEOG	$40,091	65	
2010 EAST HILLSBOROUGH AVE	FWS	$32,253	39	
TAMPA FL 33610				
DAYTONA BEACH COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		116	$150,845
P O BOX 2811	FSEOG	$191,536	309	
DAYTONA BEACH FL 32115	FWS	$223,274	272	
DIESEL INSTITUTE OF AMERICA	FSEOG	$20,169	33	
4710 E BROADWAY				
TAMPA FL 33605				
ECKERD COLLEGE	FEDERAL PERKINS LOAN		267	$347,868
PO BOX 12560	FSEOG	$177,588	286	
ST PETERSBURG FL 33733	FWS	$221,524	270	
EDISON COMMUNITY COLLEGE	FSEOG	$102,155	165	
8099 COLLEGE PARKWAY, SW	FWS	$68,091	83	
FORT MEYERS FL 33907				
EDWARD WATERS COLLEGE	FEDERAL PERKINS LOAN		40	$52,996
1658 KINGS ROAD	FSEOG	$210,435	339	
JACKSONVILLE FL 32209	FWS	$325,348	397	
EMBRY-RIDDLE AERONAUTICAL UNIVERSITY	FEDERAL PERKINS LOAN	$331,199	1,245	$1,618,956
PO BOX 2411 REGIONAL AIRPORT	FSEOG	$448,127	723	
DAYTONA BEACH FL 32014	FWS	$268,157	327	
EURO HAIR DESIGN INSTITUTE	FSEOG	$10,240	17	
1964 W TENNESSEE STREET				
TALLAHASSEE FL 32303				
FLAGLER CAREER INSTITUTE	FEDERAL PERKINS LOAN		11	$15,500
3225 UNIV BLVD SO SUITE 110	FSEOG	$37,438	60	
JACKSONVILLE FL 32216	FWS	$1,882	2	
FLAGLER COLLEGE	FEDERAL PERKINS LOAN	$12,821	111	$144,843
PO BOX 1027	FSEOG	$62,479	101	
ST AUGUSTINE FL 32084	FWS	$73,629	90	
FLORIDA A & M UNIVERSITY	FEDERAL PERKINS LOAN	$179,555	652	$848,147
	FSEOG	$1,208,330	1,949	
TALLAHASSEE FL 32307	FWS	$657,604	802	

STATE OF FLORIDA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
FLORIDA ATLANTIC UNIVERSITY	FEDERAL PERKINS LOAN		339	$441,478
500 NW 20TH ST PO BOX 3091	FSEOG	$297,804	480	
BOCA RATON FL 33431	FWS	$270,192	330	
FLORIDA BAPTIST THEOLOGICAL COLLEGE	FSEOG	$15,675	25	
5400 COLLEGE DRIVE	FWS	$36,539	45	
GRACEVILLE FL 32440				
FLORIDA BIBLE COLLEGE	FSEOG	$6,340	10	
1701 POINCIANA BLVD	FWS	$5,221	6	
KISSIMMEE FL 34758				
FLORIDA CAREER INSTITUTE	FSEOG	$40,000	65	
1685 MEDICAL LANE, SUITE 200	FWS	$17,002	21	
FORT MYERS FL 33907				
FLORIDA CHRISTIAN COLLEGE	FSEOG	$7,129	11	
1011 BILL BECK BLVD	FWS	$5,751	7	
KISSIMMEE FL 34744				
FLORIDA COLLEGE	FEDERAL PERKINS LOAN		72	$93,919
119 GLEN ARVEN AVE	FSEOG	$13,742	22	
TEMPLE TERRACE FL 33617				
FLORIDA COMMUNITY COLLEGE AT JACKSONVILLE	FEDERAL PERKINS LOAN	$8,731	105	$137,347
501 WEST STATE STREET	FSEOG	$319,370	515	
JACKSONVILLE FL 32202	FWS	$541,889	661	
FLORIDA INSTITUTE OF MASSAGE THERAPY & ESTHETICS	FEDERAL PERKINS LOAN		12	$16,667
5453 N UNIVERSITY DRIVE	FSEOG	$19,923	32	
LAUDERHILL FL 33351	FWS	$579	1	
FLORIDA INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$140,665	705	$916,620
150 W UNIVERSITY BLVD	FSEOG	$547,261	883	
MELBOURNE FL 32901	FWS	$322,702	394	
FLORIDA INTERNATIONAL UNIVERSITY	FEDERAL PERKINS LOAN		801	$1,041,914
TAMIAMI TRAIL	FSEOG	$510,662	824	
MIAMI FL 33199	FWS	$442,022	539	
FLORIDA KEYS COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		15	$19,665
5901 WEST COLLEGE ROAD	FSEOG	$30,136	49	
KEY WEST FL 33040	FWS	$42,554	52	
FLORIDA MEMORIAL COLLEGE	FSEOG	$233,627	377	
15800 NW 42ND AVE	FWS	$297,964	363	
MIAMI FL 33054				

STATE OF FLORIDA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
FLORIDA NATIONAL COLLEGE	FEDERAL PERKINS LOAN		2	$3,394
4206 W 12TH AVENUE	FSEOG	$54,337	88	
HIALEAH FL 33012	FWS	$28,845	35	
FLORIDA PROGRAMMING & EDUCATIONAL CENTER	FSEOG	$19,042	31	
8300 W FLAGLER ST.SUITE 200	FWS	$8,231	10	
MIAMI FL 33144				
FLORIDA SCHOOL OF BUSINESS	FSEOG	$54,359	88	
2990 N W 81ST TERRACE				
MIAMI FL 33147				
FLORIDA SOUTHERN COLLEGE	FEDERAL PERKINS LOAN		314	$408,430
111 LAKE HOLLINGSWORTH DRIVE	FSEOG	$57,500	93	
LAKELAND FL 33801	FWS	$89,685	109	
FLORIDA STATE UNIVERSITY	FEDERAL PERKINS LOAN	$180,885	3,094	$4,022,778
ROOM 110 WESTCOTT BUILDING	FSEOG	$561,598	906	
TALLAHASSEE FL 32306	FWS	$940,080	1,146	
GARCES COMMERICIAL COLLEGE	FEDERAL PERKINS LOAN	$63,494	65	$85,128
1301 SW FIRST ST	FSEOG	$70,507	114	
MIAMI FL 33135				
GEORGE STONE AREA VOC CENTER	FSEOG	$20,042	32	
2400 LONGLEAF DRIVE	FWS	$8,018	10	
PENSACOLA FL 32526				
GULF COAST COMMUNITY COLLEGE	FSEOG	$44,707	72	
5230 WEST HIGHWAY 98	FWS	$57,328	70	
PANAMA CITY FL 32401				
HAIR DESIGN SCHOOL	FSEOG	$25,802	42	
5110 UNIVERSITY BLVD W				
JACKSONVILLE FL 32216				
HENRY W BREWSTER TECHNICAL CENTER	FSEOG	$11,707	19	
2222 TAMPA STREET	FWS	$13,806	17	
TAMPA FL 33602				
HILLSBOROUGH COMMUNITY COLLEGE	FSEOG	$207,297	334	
39 COLUMBIA DRIVE	FWS	$166,280	203	
TAMPA FL 33606				
HOBE SOUND BIBLE COLLEGE	FSEOG	$7,915	13	
P O BOX 1065	FWS	$5,715	7	
HOBE SOUND FL 33475				

STATE OF FLORIDA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
HOLLYWOOD INSTITUTE OF BEAUTY CAREERS	FSEOG	$21,475	35	
5961 FUNSTON STREET				
HOLLYWOOD FL 33023				
INDIAN RIVER COMMUNITY COLLEGE	FSEOG	$41,839	67	
3209 VIRGINIA AVE	FWS	$143,259	175	
FORT PIERCE FL 33454				
INTERNATIONAL ACADEMY OF HAIR DESIGN	FEDERAL PERKINS LOAN		5	$6,673
2827 S RIDGEWOOD AVE	FSEOG	$10,536	17	
S DAYTONA FL 32019	FWS	$6,814	6	
INTERNATIONAL ACADEMY OF MERCHANDISING AND DESIG	FSEOG	$60,000	97	
211 S HOOVER BLVD	FWS	$27,591	34	
TAMPA FL 33609				
INTERNATIONAL FINE ARTS COLLEGE INC	FEDERAL PERKINS LOAN		24	$32,336
1737 NORTH BAYSHORE DRIVE	FSEOG	$73,572	119	
MIAMI FL 33132				
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN	$34,832	64	$64,107
5225 MEMORIAL HWY	FSEOG	$65,000	137	
TAMPA FL 33614	FWS	$24,166	29	
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		22	$28,896
2600 LAKE LUCIEN DR SUITE 140	FSEOG	$40,000	65	
MAITLAND FL 32751	FWS	$25,000	30	
JACKSON MEMORIAL HOSPITAL SCHOOL OF NURSING	FSEOG	$17,236	28	
1611 NW-12 AVENUE	FWS	$8,417	10	
MIAMI FL 33136				
JACKSONVILLE UNIV	FEDERAL PERKINS LOAN		243	$317,080
UNIVERSITY BLVD NORTH	FSEOG	$159,655	258	
JACKSONVILLE FL 32211	FWS	$92,029	112	
JOHN B STETSON UNIVERSITY	FEDERAL PERKINS LOAN		707	$919,992
421 N WOODLAND BOULEVARD	FSEOG	$287,405	464	
DE LAND FL 32720	FWS	$331,667	404	
JONES COLLEGE	FEDERAL PERKINS LOAN	$199,933	316	$411,252
5353 ARLINGTON EXPRESSWAY	FSEOG	$134,683	218	
JACKSONVILLE FL 32211	FWS	$98,782	120	
KEISER COLLEGE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$40,306	70	$92,143
1401 W CYPRESS CREEK ROAD	FSEOG	$125,000	202	
FT LAUDERDALE FL 33309	FWS	$45,000	55	

STATE OF FLORIDA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LA BELLE BEAUTY ACADEMY			FEDERAL PERKINS LOAN		5	$6,673
2960 SW 8TH STREET			FSEOG	$27,950	45	
MIAMI	FL	33135	FWS	$8,519	10	
LA BELLE BEAUTY SCHOOL, INC.			FEDERAL PERKINS LOAN		6	$8,741
750-D W 49TH STREET			FSEOG	$21,095	34	
HIALEAH	FL	33012				
LABARON HAIRDRESSING ACADEMY-FT MYERS			FSEOG	$6,421	10	
5215 RAMSEY WAY						
FT MYERS	FL	33907				
LAKE CITY COMMUNITY COLLEGE			FSEOG	$31,151	50	
ROUTE 3 BOX 7			FWS	$68,125	63	
LAKE CITY	FL	32055				
LAKE-SUMTER COMMUNITY COLLEGE			FSEOG	$44,248	71	
9501 US HWY 441			FWS	$47,850	58	
LEESBURG	FL	34788				
LAKELAND BEAUTY COLLEGE			FSEOG	$5,567	9	
2151 SOUTH COMBEE						
LAKELAND	FL	33801				
LEGAL CAREER INSTITUTE			FEDERAL PERKINS LOAN		11	$15,545
5225 W BROWARD BOULEVARD			FSEOG	$30,362	49	
FORT LAUDERDALE	FL	33317				
LINDSEY HOPKINS TECHNICAL ED CENTER			FSEOG	$49,027	79	
750 NW 20TH STREET			FWS	$50,000	61	
MIAMI	FL	33127				
LIVELY AREA VOC-TECH CENTER			FWS	$13,409	18	
500 NORTH APPLEYARD DRIVE						
TALLAHASSEE	FL	32304				
LORAINE'S HAIRSTYLING ACADEMY			FEDERAL PERKINS LOAN		5	$6,680
1012 58TH STREET N			FSEOG	$12,599	20	
ST PETERSBURG	FL	33710	FWS	$6,291	8	
LYNN UNIVERSITY			FEDERAL PERKINS LOAN		31	$40,763
3601 N MILITARY TRAIL			FSEOG	$62,095	100	
BOCA RATON	FL	33431	FWS	$32,127	39	
MANATEE COMMUNITY COLLEGE			FSEOG	$109,978	177	
5840 26TH ST WEST			FWS	$70,657	88	
BRADENTON	FL	33507				

STATE OF FLORIDA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MANHATTAN BEAUTY SCHOOL, INC	FSEOG	$5,202	8	
4315 SOUTH MANHATTAN AVE	FWS	$558	1	
TAMPA FL 33611				
MARGATE SCHOOL OF BEAUTY	FSEOG	$15,105	24	
2515 NORTH STATE ROAD 7				
MARGATE FL 33063				
MARTIN TECHNICAL COLLEGE	FSEOG	$57,600	93	
1901 NW 7TH STREET				
MIAMI FL 33125				
MEDICAL ARTS TRAINING CENTER	FSEOG	$8,871	14	
441 S STATE RD 7, STE 4				
MARGATE FL 33066				
MIAMI CHRISTIAN COLLEGE	FSEOG	$29,630	48	
PO BOX 019674	FWS	$41,451	51	
MIAMI FL 33101				
MIAMI LAKES TECH ED CENTER	FSEOG	$100,000	161	
5780 NW 158TH STREET	FWS	$44,757	55	
MIAMI LAKES FL 33014				
MIAMI TECHNICAL INSTITUTE	FSEOG	$45,620	74	
14701 NW 7 AVENUE				
NORTH MIAMI FL 33168				
MIAMI-DADE COMMUNITY / BONNIE MCCABE HALL	FEDERAL PERKINS LOAN	$1,074,820	1,936	$2,517,410
300 NE SECOND AVE ROOM 5522	FSEOG	$2,525,289	4,073	
MIAMI FL 33132	FWS	$2,512,243	3,064	
MR ARNOLD'S EXCELLENCE BEAUTY SCHOOL	FEDERAL PERKINS LOAN		1	$2,395
1415 WASHINGTON AVENUE	FSEOG	$5,568	9	
MIAMI BEACH FL 33139	FWS	$5,113	6	
NATIONAL EDUCATION CENTER-BAUDER COLLEGE CAMPUS	FEDERAL PERKINS LOAN		37	$48,947
4801 NORTH DIXIE HIGHWAY	FSEOG	$85,487	138	
FT LAUDERDALE FL 33334	FWS	$28,819	35	
NATIONAL EDUCATION CENTER-TAMPA TECHNICAL INSTIT	FEDERAL PERKINS LOAN		113	$148,075
2410 EAST BUSCH BLVD	FSEOG	$78,994	127	
TAMPA FL 33612	FWS	$6,967	8	
NATIONAL SCHOOL OF TECHNOLOGY	FEDERAL PERKINS LOAN		54	$70,893
16150 NE 17TH AVE	FSEOG	$50,820	82	
NORTH MIAMI BEACH FL 33162	FWS	$31,449	38	

STATE OF FLORIDA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NEW ENGLAND INST OF TECHNOLOGY AT PALM BEACH	FSEOG	$152,050	245	
1126 53RD COURT	FWS	$32,465	40	
WEST PALM BEACH FL 33407				
NORTH FLORIDA JR COLLEGE	FSEOG	$6,000	10	
1000 TURNER DAVIS DRIVE	FWS	$28,600	35	
MADISON FL 32340				
NOVA UNIVERSITY	FEDERAL PERKINS LOAN	$157,502	620	$806,513
3301 COLLEGE AVE	FSEOG	$300,233	484	
FORT LAUDERDALE FL 33314	FWS	$354,284	432	
OKALOOSA WALTON COMMUNITY COLLEGE	FSEOG	$72,397	117	
100 COLLEGE BLVD	FWS	$41,683	51	
NICEVILLE FL 32578				
OMNI TECHNICAL SCHOOL	FSEOG	$9,373	15	
1710 NW 7 STREET				
MIAMI FL 33125				
OMNI TECHNICAL SCHOOL	FSEOG	$10,234	17	
2242 WEST BROWARD BLVD.				
FT. LAUDERDALE FL 33312				
ORLANDO COLLEGE	FEDERAL PERKINS LOAN		92	$120,674
5500-5800 DIPLOMAT CIRCLE	FSEOG	$110,000	177	
ORLANDO FL 32810	FWS	$45,003	55	
PALM BEACH ATLANTIC COLLEGE	FEDERAL PERKINS LOAN	$4,077	69	$90,754
901 SOUTH FLAGLER DR POB 24708	FSEOG	$75,000	121	
W PALM BEACH FL 33416	FWS	$96,101	117	
PALM BEACH BEAUTY & BARBER SCHOOL	FSEOG	$64,244	104	
4645 GUN CLUB RD BLDGS A&B				
WEST PALM BEACH FL 33415				
PALM BEACH COMMUNITY COLLEGE	FSEOG	$194,903	314	
4200 CONGRESS AVE	FWS	$115,145	140	
LAKE WORTH FL 33461				
PASCO-HERNANDO COMMUNITY COLLEGE	FSEOG	$100,881	163	
2401 COUNTY ROAD 41 NORTH	FWS	$81,996	100	
DADE CITY FL 33525				
PENSACOLA JR COLLEGE	FSEOG	$204,103	329	
1000 COLLEGE BLVD	FWS	$151,019	184	
PENSACOLA FL 32504				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PHILLIPS JUNIOR COLLEGE	FEDERAL PERKINS LOAN		16	$21,329
100 E BROWARD BLVD	FSEOG	$66,560	107	
FORT LAUDERDALE FL 33301	FWS	$19,277	24	
PHILLIPS JUNIOR COLLEGE	FEDERAL PERKINS LOAN		2	$3,144
2401 N HARBOR CITY BLVD	FSEOG	$70,403	114	
MELBOURNE FL 32935	FWS	$14,620	18	
PINELLAS TECHNICAL EDUCATION CENTERS	FSEOG	$20,000	32	
6100-154TH AVE NORTH	FWS	$20,000	24	
CLEARWATER FL 34620				
PINELLAS TECHNICAL EDUCATION CTR	FSEOG	$20,333	33	
901 34TH STREET SOUTH	FWS	$25,330	31	
ST PETERSBURG FL 33711				
POLITECHNICAL INSTITUTE OF FLORIDA	FSEOG	$38,571	62	
1405 SW 107 AVENUE	FWS	$26,613	32	
MIAMI FL 33174				
POLK COMMUNITY COLLEGE	FSEOG	$20,000	32	
999 AVE H NE	FWS	$35,715	44	
WINTER HAVEN FL 33881				
PROSPECT HALL COLLEGE	FEDERAL PERKINS LOAN	$14,763	70	$92,271
2620 HOLLYWOOD BLVD	FSEOG	$25,457	41	
HOLLYWOOD FL 33020	FWS	$16,036	20	
RADFORD LOCKLIN VOCATIONAL TECHNICAL	FSEOG	$5,568	9	
5330 BERRYHILL ROAD	FWS	$5,113	6	
MILTON FL 32570				
RAY MAR BEAUTY ACADEMY	FSEOG	$16,016	26	
3550 SOUTH UNIVERSITY DRIVE				
DAVIE FL 33328				
RINGLING SCHOOL OF ART AND DESIGN	FSEOG	$68,855	111	
2700 NORTH TAMIAMI TRAIL	FWS	$29,362	36	
SARASOTA FL 34234				
ROBERT MORGAN VOCATIONAL TECHNICAL INSTITUTE	FSEOG	$471	1	
18180 SW 122ND AVENUE				
MIAMI FL 33177				
ROLLINS COLLEGE	FEDERAL PERKINS LOAN		163	$213,121
1000 HOLT AVE	FSEOG	$192,745	311	
WINTER PARK FL 32789	FWS	$117,420	143	

STATE OF FLORIDA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ROMAR BEAUTY SCHOOL	FSEOG	$21,522	35	
1170 SUNSET STRIP	FWS	$6,310	8	
SUNRISE FL 33313				
ROMAR HAIRSTYLING ACADEMY	FSEOG	$5,568	9	
1608 S. FEDERAL HGWY.				
BOYNTON BEACH FL 33435				
RTI TECHNICAL INSTITUTE	FSEOG	$10,000	16	
1412 FAIRFIELD				
PENSACOLA FL 32501				
SAINT JOHNS RIVER COMMUNITY COLLEGE	FSEOG	$35,000	56	
5001 ST JOHNS AVE	FWS	$30,000	37	
PALATKA FL 32177				
SAINT LEO COLLEGE	FEDERAL PERKINS LOAN	$25,719	126	$163,910
P.O. BOX 2228	FSEOG	$90,514	146	
SAINT LEO FL 33574	FWS	$61,567	75	
SANTA FE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		201	$261,863
3000 NW 83RD STREET	FSEOG	$324,257	523	
GAINESVILLE FL 32602	FWS	$316,243	386	
SARASOTA COUNTY TECHNICAL INSTITUTE	FSEOG	$102,000	165	
4748 BENEVA ROAD	FWS	$25,978	32	
SARASOTA FL 34233				
SEMINOLE CMTY COLLEGE	FSEOG	$50,000	81	
100 WELDON BOULEVARD	FWS	$123,428	151	
SANFORD FL 32773				
SHERIDAN VOC-TECH CENTER	FSEOG	$45,000	73	
5400 SHERIDAN STREET				
HOLLYWOOD FL 33021				
SOUTH FLORIDA COMMUNITY COLLEGE	FSEOG	$50,000	81	
600 W COLLEGE DR	FWS	$15,792	19	
AVON PARK FL 33825				
SOUTHEASTERN ACADEMY	FSEOG	$125,000	202	
233 ACADEMY DRIVE	FWS	$63,268	77	
KISSIMMEE FL 34742				
SOUTHEASTERN COL ASSEMBLIES OF GOD	FEDERAL PERKINS LOAN		204	$266,196
1000 LONGFELLOW BLVD	FSEOG	$153,433	247	
LAKELAND FL 33801	FWS	$110,600	135	

STATE OF FLORIDA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SOUTHERN COLLEGE INC	FEDERAL PERKINS LOAN	$34,551	95	$123,549
5600 LAKE UNDERHILL ROAD	FSEOG	$73,859	119	
ORLANDO FL 32807	FWS	$16,272	20	
ST PETERSBURG JUNIOR COLLEGE	FSEOG	$262,101	423	
PO BOX 13489	FWS	$244,915	299	
ST PETERSBURG FL 33733				
ST THOMAS UNIVERSITY	FEDERAL PERKINS LOAN	$189,088	499	$649,678
16400 NW 32ND AVENUE	FSEOG	$358,111	578	
MIAMI FL 33054	FWS	$285,903	349	
SUNCOAST BEAUTY COLLEGE,INC	FSEOG	$11,803	19	
1406 CLEVELAND STREET				
CLEARWATER FL 34615				
SUNSTATE COLLEGE OF HAIR DESIGN	FSEOG	$16,018	26	
1825 TAMIAMI TRAIL				
PORT CHARLOTTE FL 33948				
SUNSTATE COLLEGE OF HAIR DESIGN	FSEOG	$3,912	6	
4424 BEE RIDGE ROAD				
SARASOTA FL 34233				
SUWANNEE-HAMILTON AREA VOC TECH & ADULT CENTER	FWS	$5,113	6	
415 SW PINEWOOD DRIVE				
LIVE OAK FL 32060				
TALLAHASSEE COMMUNITY COLLEGE	FSEOG	$200,000	323	
444 APPLEYARD DRIVE	FWS	$124,452	152	
TALLAHASSEE FL 32304				
TALMUDIC COLLEGE OF FLORIDA	FEDERAL PERKINS LOAN	$2,886	9	$12,081
4014 CHASE AVENUE	FSEOG	$13,803	22	
MIAMI BEACH FL 33140	FWS	$24,182	29	
TAMPA COLLEGE	FEDERAL PERKINS LOAN		96	$125,701
3319 WEST HILLSBOROUGH AVENUE	FSEOG	$130,000	210	
TAMPA FL 33614	FWS	$97,469	119	
TAMPA COLLEGE-PINELLAS CENTER	FEDERAL PERKINS LOAN		0	$1,000
15064 US HIGHWAY 19 NORTH	FSEOG	$240,000	387	
CLEARWATER FL 34624	FWS	$68,662	84	
THE UNIVERSITY OF SARASOTA	FEDERAL PERKINS LOAN		5	$6,673
5250 17TH ST SUITE 3				
SARASOTA FL 34235				

STATE OF FLORIDA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
TOM P. HANEY VOCATIONAL-TECHNICAL CENTER	FWS	$9,591	12	
3016 HWY. 77				
PANAMA CITY FL 32405				
UNIVERSITY OF CENTRAL FLORIDA	FEDERAL PERKINS LOAN	$500,987	1,214	$1,579,490
4000 CENTRAL FLORIDA BOULEVARD	FSEOG	$388,503	627	
ORLANDO FL 32816	FWS	$529,793	646	
UNIVERSITY OF FLORIDA	FEDERAL PERKINS LOAN	$477,907	4,860	$6,318,079
S 103 CRISER HALL	FSEOG	$1,457,969	2,352	
GAINESVILLE FL 32611	FWS	$1,814,838	2,213	
UNIVERSITY OF MIAMI	FEDERAL PERKINS LOAN		3,349	$4,353,940
PO BOX 248187	FSEOG	$1,716,130	2,768	
CORAL GABLES FL 33124	FWS	$2,019,513	2,463	
UNIVERSITY OF NORTH FLORIDA	FEDERAL PERKINS LOAN		204	$266,403
4567 ST JOHNS BLUFF RD S	FSEOG	$81,194	131	
JACKSONVILLE FL 32224	FWS	$124,305	152	
UNIVERSITY OF SOUTH FLORIDA	FEDERAL PERKINS LOAN	$78,459	1,016	$1,322,030
4202 FOWLER AVENUE	FSEOG	$495,948	800	
TAMPA FL 33620	FWS	$610,044	744	
UNIVERSITY OF TAMPA	FEDERAL PERKINS LOAN		250	$325,587
401 W KENNEDY BLVD	FSEOG	$153,012	247	
TAMPA FL 33606	FWS	$115,876	141	
UNIVERSITY OF WEST FLORIDA	FEDERAL PERKINS LOAN		481	$626,419
11000 UNIVERSITY PARKWAY	FSEOG	$176,305	284	
PENSACOLA FL 32514	FWS	$202,997	248	
VALENCIA COMMUNITY COLLEGE	FSEOG	$375,668	606	
P O BOX 3028	FWS	$332,363	405	
ORLANDO FL 32802				
VAN DYCK INSTITUTE	FEDERAL PERKINS LOAN		5	$6,673
1301 66TH STREET NORTH	FSEOG	$7,231	12	
ST PETERSBURG FL 33710	FWS	$5,113	6	
WARD STONE COLLEGE	FEDERAL PERKINS LOAN		33	$43,568
9020 SW 137TH AVE	FSEOG	$30,187	49	
MIAMI FL 33186	FWS	$13,394	16	
WARNER SOUTHERN COLLEGE	FEDERAL PERKINS LOAN		33	$43,030
HIGHWAY 27 SOUTH-5301	FSEOG	$51,961	84	
LAKE WALES FL 33853	FWS	$41,866	51	

STATE OF FLORIDA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WASHINGTON HOLMES VOC-TECH CTR 209 HOYT STREET CHIPLEY FL 32428	FWS	$2,206	3	
WEBBER COLLEGE 1201 ALTERNATE HWY 27 S BABSON PARK FL 33827	FEDERAL PERKINS LOAN	$11,310	39	$51,520
	FSEOG	$16,393	26	
	FWS	$11,504	14	
WILLIAM T MCFATTER VOC-TECH CTR 6500 NOVA DRIVE DAVIE FL 33317	FSEOG	$13,456	22	

STATE OF FLORIDA	FEDERAL PERKINS LOAN	$3,846,541	17,124	NO. INSTITUTIONS 74
	FSEOG	$21,546,382	34,759	NO. INSTITUTIONS 154
	FWS	$18,988,592	23,157	NO. INSTITUTIONS 120

STATE OF GEORGIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ABRAHAM BALDWIN AGRICULTURAL COLLEGE	FEDERAL PERKINS LOAN	$64,009	325	$422,523
ABAC STATION BOX 23	FSEOG	$124,184	200	
TIFTON GA 31793	FWS	$216,724	264	
AGNES SCOTT COLLEGE	FSEOG	$76,069	123	
EAST COLLEGE AVENUE	FWS	$50,889	62	
DECATUR GA 30030				
ALBANY STATE COLLEGE	FEDERAL PERKINS LOAN		59	$77,717
504 COLLEGE DRIVE	FSEOG	$151,000	244	
ALBANY GA 31705	FWS	$326,924	399	
ANDREW COLLEGE	FEDERAL PERKINS LOAN		10	$14,285
413 COLLEGE STREET	FSEOG	$28,153	45	
CUTHBERT GA 31740	FWS	$52,910	65	
ARMSTRONG STATE COLLEGE	FSEOG	$50,000	81	
11935 ABERCORN STREET	FWS	$59,609	73	
SAVANNAH GA 31419				
ART INSTITUTE OF ATLANTA	FEDERAL PERKINS LOAN		185	$241,749
3376 PEACHTREE RD NE	FSEOG	$294,288	475	
ATLANTA GA 30326	FWS	$89,440	109	
ARTISTIC BEAUTY SCHOOL	FSEOG	$21,932	35	
1820 GEORGIA HY 20 STE 200				
CONYERS GA 30208				
ATHENS AREA TECHNICAL INSTITUTE	FSEOG	$30,000	48	
U S HWY 29 NORTH	FWS	$20,418	25	
ATHENS GA 30610				
ATLANTA CHRISTIAN COLLEGE	FSEOG	$25,776	42	
2605 BEN HILL ROAD	FWS	$13,572	17	
EAST POINT GA 30344				
ATLANTA COLLEGE OF ART	FEDERAL PERKINS LOAN		28	$36,521
1280 PEACHTREE ST,NE.	FSEOG	$30,348	49	
ATLANTA GA 30309	FWS	$34,775	42	
ATLANTA METROPOLITAN COLLEGE	FSEOG	$115,999	187	
1630 STEWART AVENUE SW	FWS	$118,919	145	
ATLANTA GA 30310				
AUGUSTA COLLEGE	FEDERAL PERKINS LOAN	$26,444	111	$145,216
2500 WALTON WAY	FSEOG	$125,000	202	
AUGUSTA GA 30910	FWS	$194,282	237	

STATE OF GEORGIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
AUGUSTA TECHNICAL INSTITUTE	FSEOG	$45,895	74	
3116 DEAN BRIDGE ROAD	FWS	$21,744	27	
AUGUSTA GA 30906				
BAINBRIDGE COLLEGE	FSEOG	$30,000	48	
HIGHWAY 84 EAST	FWS	$21,657	26	
BAINBRIDGE GA 31717				
BAUDER COLLEGE	FEDERAL PERKINS LOAN	$4,468	96	$125,763
3500 PEACHTREE RD NE PHIPPS PZ	FSEOG	$67,072	108	
ATLANTA GA 30326	FWS	$16,469	20	
BERRY COLLEGE	FEDERAL PERKINS LOAN		274	$356,774
	FSEOG	$95,804	155	
MOUNT BERRY GA 30149	FWS	$249,593	304	
BEULAH HEIGHTS BIBLE COLLEGE	FSEOG	$10,973	18	
PO BOX 18145	FWS	$10,078	12	
ATLANTA GA 30316				
BRANELL INSTITUTE	FEDERAL PERKINS LOAN		36	$47,012
4876 RIVERDALE ROAD,SUITE A	FSEOG	$71,898	116	
ATLANTA GA 30337	FWS	$3,377	4	
BRENAU UNIVERSITY	FEDERAL PERKINS LOAN	$12,648	82	$107,161
ONE CENTENNIAL CIRCLE	FSEOG	$63,748	103	
GAINSVILLE GA 30501	FWS	$54,944	67	
BREWTON PARKER COLLEGE	FEDERAL PERKINS LOAN		14	$18,570
	FSEOG	$205,430	331	
MOUNT VERNON GA 30445	FWS	$127,932	156	
BROWN CLG OF COURT REPORTING AND MEDICAL TRANSCR	FEDERAL PERKINS LOAN	$8,820	16	$21,529
1100 SPRING STREET,STE 200	FSEOG	$23,779	38	
ATLANTA GA 30309	FWS	$9,476	12	
BRUNSWICK COLLEGE	FSEOG	$54,106	87	
ALTAMA AT 4TH STREET	FWS	$50,113	61	
BRUNSWICK GA 31523				
CARROLL TECHNICAL INSTITUTE	FSEOG	$19,836	32	
977 SOUTH HIGHWAY 16	FWS	$12,606	15	
CARROLLTON GA 30116				
CHATTAHOOCHEE TECHNICAL INSTITUTE	FSEOG	$10,000	16	
980 SO COBB DRIVE	FWS	$9,696	12	
MARIETTA GA 30060				

STATE OF GEORGIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CLARK ATLANTA UNIVERSITY	FEDERAL PERKINS LOAN	$348,388	970	$1,262,224
240 JAMES P BRAWLEY DR SW	FSEOG	$587,748	948	
ATLANTA GA 30314	FWS	$851,342	1,038	
CLAYTON STATE COLLEGE	FEDERAL PERKINS LOAN		9	$12,967
5900 N LEE STREET PO BOX 285	FSEOG	$63,440	102	
MORROW GA 30260	FWS	$19,946	24	
COLUMBUS COLLEGE	FEDERAL PERKINS LOAN	$34,250	85	$111,298
4225 UNIVERSITY AVENUE	FSEOG	$68,000	110	
COLUMBUS GA 31907	FWS	$134,643	164	
COVENANT COLLEGE	FEDERAL PERKINS LOAN	$43,094	266	$346,657
SCENIC HIGHWAY	FSEOG	$151,635	245	
LOOKOUT MOUNTAIN GA 30750	FWS	$189,728	231	
DALTON COLLEGE	FSEOG	$25,000	40	
213 N COLLEGE DRIVE	FWS	$31,615	39	
DALTON GA 30720				
DARTON COLLEGE	FSEOG	$96,505	156	
2400 GILLIONVILLE ROAD	FWS	$98,112	120	
ALBANY GA 31707				
DEKALB BEAUTY COLLEGE	FSEOG	$12,125	20	
6254 MEMORIAL DRIVE	FWS	$2,976	4	
STONE MOUNTAIN GA 30083				
DEKALB COLLEGE	FSEOG	$310,127	500	
3251 PANTHERSVILLE RD	FWS	$163,112	199	
DECATUR GA 30089				
DEKALB TECH INSTITUTE	FSEOG	$87,585	141	
495 NO INDIAN CREEK DR	FWS	$44,755	55	
CLARKSTON GA 30021				
DEVRY INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN		217	$282,470
250 N ARCADIA AVE	FSEOG	$490,962	792	
DECATUR GA 30030	FWS	$346,028	422	
EAST GEORGIA COLLEGE	FSEOG	$8,975	14	
237 THIGPEN DRIVE	FWS	$9,948	12	
SWAINSBORO GA 30401				
EMMANUEL COLLEGE	FEDERAL PERKINS LOAN	$4,366	109	$141,916
POB 129	FSEOG	$44,430	72	
FRANKLIN SPRINGS GA 30639	FWS	$88,648	108	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
EMORY UNIVERSITY	FEDERAL PERKINS LOAN	$597,123	2,054	$2,671,040
300 BOISFEUILLET JONES CENTER	FSEOG	$570,082	919	
ATLANTA GA 30322	FWS	$1,027,917	1,254	
FLINT RIVER TECHNICAL INSTITUTE	FSEOG	$20,808	34	
1533 HIGHWAY 19, S				
THOMASTON GA 30286				
FLOYD COLLEGE	FSEOG	$45,734	74	
PO BOX 1864	FWS	$41,089	50	
ROME GA 30162				
FORT VALLEY STATE COLLEGE	FEDERAL PERKINS LOAN	$193,909	414	$538,918
1005 STATE COLLEGE DRIVE	FSEOG	$204,555	330	
FORT VALLEY GA 31030	FWS	$372,185	454	
GAINESVILLE JR COLLEGE	FSEOG	$37,256	60	
PO BOX 1358	FWS	$45,797	56	
GAINESVILLE GA 30503				
GEORGIA BAPTIST COLLEGE OF NURSING	FSEOG	$17,686	29	
300 BOULEVARD NE BOX 411				
ATLANTA GA 30312				
GEORGIA COLLEGE	FEDERAL PERKINS LOAN	$155,500	425	$553,407
231 W HANCOCK ST	FSEOG	$43,071	69	
MILLEDGEVILLE GA 31061	FWS	$123,532	151	
GEORGIA INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$654	661	$859,728
225 NORTH AVENUE NW	FSEOG	$370,770	598	
ATLANTA GA 30332	FWS	$198,750	242	
GEORGIA MEDICAL INSTITUTE	FSEOG	$50,000	81	
42 SPRING STREET STE 295	FWS	$23,107	28	
ATLANTA GA 30303				
GEORGIA MILITARY COLLEGE	FSEOG	$17,010	27	
201 EAST GREEN STREET	FWS	$3,974	5	
MILLEDGEVILLE GA 31061				
GEORGIA SOUTHERN UNIVERSITY	FEDERAL PERKINS LOAN		386	$502,328
LANDRUM BOX 8065	FSEOG	$213,472	344	
STATESBORO GA 30460	FWS	$373,124	455	
GEORGIA SOUTHWESTERN COLLEGE	FEDERAL PERKINS LOAN	$59,713	224	$291,577
WHEATLEY STREET	FSEOG	$71,023	115	
AMERICUS GA 31709	FWS	$116,512	142	

STATE OF GEORGIA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
GEORGIA STATE UNIVERSITY			FEDERAL PERKINS LOAN	$145,382	755	$981,635
UNIVERSITY PLAZA			FSEOG	$497,906	803	
ATLANTA	GA	30303	FWS	$344,882	421	
GORDON COLLEGE			FSEOG	$30,634	49	
419 COLLEGE DRIVE			FWS	$33,242	41	
BARNESVILLE	GA	30204				
GRIFFIN TECHNICAL INSTITUTE			FSEOG	$24,190	39	
501 VARSITY RD			FWS	$15,320	19	
GRIFFIN	GA	30223				
GWINNETT COLLEGE OF BUSINESS			FEDERAL PERKINS LOAN		5	$7,303
4230 HWY 29, STE #11			FSEOG	$13,271	21	
LILBURN	GA	30247	FWS	$6,171	8	
GWINNETT TECHNICAL INSTITUTE			FSEOG	$20,168	33	
1250 ATKINSON RD PO BOX 1505			FWS	$7,076	9	
LAWRENCEVILLE	GA	30245				
INTERACTIVE LEARNING SYSTEMS			FEDERAL PERKINS LOAN		15	$19,634
5600 ROSWELL RD PRADO WEST			FSEOG	$112,357	181	
ATLANTA	GA	30342	FWS	$20,095	25	
INTERDENOMINATIONAL THEOLOGICAL CTR			FEDERAL PERKINS LOAN		24	$31,741
671 BECKWITH STREET SW			FWS	$76,378	93	
ATLANTA	GA	30314				
KENNESAW STATE COLLEGE			FEDERAL PERKINS LOAN	$29,898	65	$85,438
P O BOX 444			FSEOG	$99,281	160	
MARIETTA	GA	30061	FWS	$57,650	70	
LAGRANGE COLLEGE			FEDERAL PERKINS LOAN		110	$143,317
601 BROAD ST			FSEOG	$74,779	121	
LAGRANGE	GA	30240	FWS	$47,777	58	
LIFE COLLEGE			FEDERAL PERKINS LOAN	$241,042	587	$763,735
1269 BARCLAY CIRCLE			FSEOG	$86,915	140	
MARIETTA	GA	30060	FWS	$293,882	358	
MACON BEAUTY SCHOOL			FSEOG	$22,143	36	
630 NORTH AVENUE STE J						
MACON	GA	31211				
MACON COLLEGE			FSEOG	$87,061	140	
COLLEGE STATION DRIVE			FWS	$61,660	75	
MACON	GA	31297				

STATE OF GEORGIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MASSEY BUSINESS COLLEGE	FEDERAL PERKINS LOAN		166	$215,907
120 RALPH MCGILL BLVD NE	FSEOG	$141,621	228	
ATLANTA GA 30308	FWS	$133,859	163	
MEADOWS COL OF BUS-COLUMBUS	FEDERAL PERKINS LOAN		3	$4,134
1170 BROWN AVE	FSEOG	$25,433	41	
COLUMBUS GA 31906	FWS	$1,860	2	
MEDICAL COLLEGE OF GEORGIA	FEDERAL PERKINS LOAN	$46,779	438	$570,469
1120 FIFTEENTH STREET	FSEOG	$32,959	53	
AUGUSTA GA 30912	FWS	$136,313	166	
MERCER UNIV SOUTHERN SCH OF PHARM	FEDERAL PERKINS LOAN	$10,512	64	$83,862
3001 MERCER UNIV DRIVE	FSEOG	$11,682	19	
ATLANTA GA 30341	FWS	$29,769	36	
MERCER UNIVERSITY-MACON	FEDERAL PERKINS LOAN	$115,342	1,067	$1,387,687
1400 COLEMAN AVE	FSEOG	$391,376	631	
MACON GA 31207	FWS	$332,565	406	
MIDDLE GEORGIA COLLEGE	FEDERAL PERKINS LOAN		30	$39,103
1100 SECOND STREET SE	FSEOG	$44,741	72	
COCHRAN GA 31014	FWS	$88,619	108	
MOREHOUSE COLLEGE	FEDERAL PERKINS LOAN		218	$284,298
830 WESTVIEW DRIVE SW	FSEOG	$434,543	701	
ATLANTA GA 30314	FWS	$607,870	741	
MORRIS BROWN COLLEGE	FEDERAL PERKINS LOAN		235	$306,097
643 MARTIN LUTHER KING DR NW	FSEOG	$519,020	837	
ATLANTA GA 30314	FWS	$312,280	381	
MOULTRIE AREA TECHNICAL INSTITUTE	FSEOG	$31,080	50	
P O BOX 520	FWS	$15,246	19	
MOULTRIE GA 31776				
NATIONAL EDUCATION CENTER-BRYMAN CAMPUS	FEDERAL PERKINS LOAN		16	$21,616
40 MARIETTA STREET	FSEOG	$54,574	88	
ATLANTA GA 30309	FWS	$1,131	1	
NORTH GEORGIA COLLEGE	FEDERAL PERKINS LOAN		130	$169,703
	FSEOG	$58,628	95	
DAHLONEGA GA 30597	FWS	$94,004	115	
NORTH GEORGIA TECHNICAL INSTITUTE	FSEOG	$32,479	52	
PO BOX 65	FWS	$80,597	98	
CLARKESVILLE GA 30523				

STATE OF GEORGIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NORTH METRO TECHNICAL INSTITUTE	FSEOG	$10,251	17	
5198 ROSS ROAD	FWS	$14,726	18	
ACWORTH GA 30102				
OGEECHEE TECHNICAL INSTITUTE	FSEOG	$18,083	29	
1 JOE KENNEDY BLVD	FWS	$15,040	18	
STATESBORO GA 30458				
OGLETHORPE UNIVERSITY	FEDERAL PERKINS LOAN		98	$128,426
4484 PEACHTREE ROAD NE	FSEOG	$86,279	139	
ATLANTA GA 30319	FWS	$97,635	119	
OKEFENOKEE TECHNICAL INSTITUTE	FWS	$9,344	11	
1701 CARSWELL AVENUE				
WAYCROSS GA 31501				
PAINE COLLEGE	FSEOG	$99,239	160	
1235 15TH STREET	FWS	$534,261	652	
AUGUSTA GA 30901				
PIEDMONT COLLEGE	FEDERAL PERKINS LOAN		15	$20,261
PO BOX 10	FSEOG	$30,000	48	
DEMOREST GA 30535	FWS	$16,702	20	
PORTFOLIO CENTER	FSEOG	$19,496	31	
125 BENNETT STREET	FWS	$22,526	27	
ATLANTA GA 30309				
QUALITY PLUS INC	FSEOG	$10,877	18	
1655 PEACHTREE ROAD STE 450				
ATLANTA GA 30309				
REINHARDT COLLEGE	FEDERAL PERKINS LOAN		15	$19,961
	FSEOG	$25,144	41	
WALESKA GA 30183	FWS	$25,783	31	
SAVANNAH COLLEGE OF ART AND DESIGN	FSEOG	$75,000	121	
342 BULL STREET	FWS	$87,088	106	
SAVANNAH GA 31401				
SAVANNAH STATE COLLEGE	FEDERAL PERKINS LOAN		68	$89,190
PO BOX 20509 STATE COL BRANCH	FSEOG	$114,022	184	
SAVANNAH GA 31404	FWS	$424,858	518	
SAVANNAH TECHNICAL INSTITUTE	FWS	$39,309	48	
5717 WHITE BLUFF ROAD				
SAVANNAH GA 31499				

STATE OF GEORGIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SHORTER COLLEGE	FEDERAL PERKINS LOAN		167	$217,627
SHORTER HILL	FSEOG	$30,000	48	
ROME GA 30161	FWS	$38,801	47	
SOUTH COLLEGE	FEDERAL PERKINS LOAN		60	$79,248
709 MALL BOULEVARD	FSEOG	$161,776	261	
SAVANNAH GA 31406	FWS	$92,197	112	
SOUTH GEORGIA COLLEGE	FEDERAL PERKINS LOAN	$53,625	117	$152,651
100 W COLLEGE PARK DR	FSEOG	$107,552	173	
DOUGLAS GA 31533	FWS	$270,933	330	
SOUTH GEORGIA TECH INSTITUTE	FSEOG	$15,000	24	
7287 SOUTHERFIELD ROAD	FWS	$14,138	17	
AMERICUS GA 31709				
SOUTHEASTERN CENTER FOR ARTS	FSEOG	$5,568	9	
1935 CLIFF VLY WAY STE 210				
ATLANTA GA 30329				
SOUTHERN COLLEGE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$71,483	159	$206,827
1100 SO MARIETTA PARKWAY	FSEOG	$66,384	107	
MARIETTA GA 30060	FWS	$64,846	79	
SPELMAN COLLEGE	FEDERAL PERKINS LOAN		223	$290,358
350 SPELMAN LANE SW	FSEOG	$230,808	372	
ATLANTA GA 30314	FWS	$329,082	401	
SWAINSBORO TECHNICAL INSTITUTE	FSEOG	$5,000	8	
201 KITE ROAD	FWS	$7,000	9	
SWAINSBORO GA 30401				
THE AMERICAN COLLEGE FOR THE APPLIED ARTS	FSEOG	$88,848	143	
3330 PEACHTREE ROAD	FWS	$27,287	33	
ATLANTA GA 30326				
THE MOREHOUSE SCHOOL OF MEDICINE	FEDERAL PERKINS LOAN	$78,293	207	$270,285
720 WEST VIEW DRIVE SW	FWS	$17,905	22	
ATLANTA GA 30310				
THOMAS COLLEGE	FSEOG	$3,431	6	
1501 MILLPOND ROAD	FWS	$5,987	7	
THOMASVILLE GA 31792				
THOMAS TECHNICAL INSTITUTE	FSEOG	$14,000	23	
PO BOX 1578 HIGHWAY 19 AT 319	FWS	$8,684	11	
THOMASVILLE GA 31799				

STATE OF GEORGIA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
TOCCOA FALLS COLLEGE			FEDERAL PERKINS LOAN	$24,880	84	$109,485
			FSEOG	$101,093	163	
TOCCOA FALLS	GA	30598	FWS	$148,581	181	
TRUETT MCCONNELL COLLEGE			FSEOG	$16,893	27	
CLEVELAND	GA	30528				
UNIVERSITY OF GEORGIA			FEDERAL PERKINS LOAN		1,407	$1,830,157
220 ACADEMIC BLGD			FSEOG	$301,485	486	
ATHENS	GA	30602	FWS	$599,317	731	
VALDOSTA STATE UNIVERSITY			FEDERAL PERKINS LOAN		316	$411,242
1500 N PATERSON STREET			FSEOG	$292,935	472	
VALDOSTA	GA	31698	FWS	$410,041	500	
VALDOSTA TECHNICAL INSTITUTE			FSEOG	$41,334	67	
4089 VAL TECH ROAD			FWS	$14,939	18	
VALDOSTA	GA	31602				
WALKER TECHNICAL INSTITUTE			FWS	$10,000	12	
265 BICENTENNIAL TRAIL						
ROCK SPRING	GA	30739				
WAYCROSS COLLEGE			FSEOG	$34,397	55	
2001 FRANCIS STREET			FWS	$31,904	39	
WAYCROSS	GA	31503				
WESLEYAN COLLEGE			FEDERAL PERKINS LOAN	$7,649	65	$84,652
4760 FORSYTH RD			FSEOG	$61,017	98	
MACON	GA	31210	FWS	$32,406	40	
WEST GEORGIA COLLEGE			FEDERAL PERKINS LOAN		295	$384,219
FRONT CAMPUS DRIVE			FSEOG	$137,613	222	
CARROLLTON	GA	30118	FWS	$200,222	244	
WEST GEORGIA TECHNICAL INSTITUTE			FSEOG	$20,000	32	
303 FORT DRIVE			FWS	$15,000	18	
LAGRANGE	GA	30240				
YOUNG HARRIS COLLEGE			FEDERAL PERKINS LOAN		18	$24,468
PO BOX 98			FSEOG	$18,000	29	
YOUNG HARRIS	GA	30582	FWS	$26,860	33	

STATE OF GEORGIA	FEDERAL PERKINS LOAN	$2,378,271	9,446	NO. INSTITUTIONS 57
	FSEOG	$10,467,655	16,880	NO. INSTITUTIONS 102
	FWS	$12,524,635	15,272	NO. INSTITUTIONS 100

STATE OF HAWAII

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CHAMINADE UNIVERSITY OF HONOLULU	FEDERAL PERKINS LOAN		112	$146,264
3140 WAIALAE AVE	FSEOG	$211,553	341	
HONOLULU HI 96816	FWS	$119,141	145	
HAWAII BUSINESS COLLEGE	FSEOG	$27,789	45	
111 NORTH KING STREET	FWS	$20,708	25	
HONOLULU HI 96817				
HAWAII COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		0	$1,000
P O BOX 1357	FSEOG	$55,984	90	
HILO HI 96720	FWS	$46,109	56	
HAWAII INSTITUTE OF HAIR DESIGN	FEDERAL PERKINS LOAN		6	$8,467
71 SOUTH HOTEL STREET	FSEOG	$10,576	17	
HONOLULU HI 96813				
HAWAII PACIFIC UNIVERSITY	FEDERAL PERKINS LOAN	$143,029	369	$480,148
1164 BISHOP STREET	FSEOG	$201,705	325	
HONOLULU HI 96813	FWS	$298,241	364	
HOLLYWOOD BEAUTY COLLEGE	FSEOG	$11,667	19	
99-084 KAUHALE STREET BLDG A				
AIEA HI 96701				
HONOLULU COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$14,928	107	$139,437
874 DILLINGHAM BLVD	FSEOG	$77,942	126	
HONOLULU HI 96817	FWS	$57,555	70	
KAPIOLANI COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$14,928	63	$82,041
4303 DIAMOND HEAD ROAD	FSEOG	$72,783	117	
HONOLULU HI 96816	FWS	$51,400	63	
LEEWARD CMTY COLLEGE	FEDERAL PERKINS LOAN	$3,583	50	$65,194
96-045 ALA IKE	FSEOG	$50,000	81	
PEARL CITY HI 96782	FWS	$60,000	73	
MAUI COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		59	$77,761
310 KAAHUMANU AVE	FSEOG	$28,979	47	
KAHULUI HI 96732	FWS	$12,772	16	
MED-ASSIST SCHOOL OF HAWAII	FSEOG	$8,718	14	
1149 BETHEL ST SUITE 602				
HONOLULU HI 96813				
TRENDSETTERS BEAUTY COLLEGE	FSEOG	$5,568	9	
88 KANOELEHUA AVE-WAIAKEA CIR				
HILO HI 96720				

STATE OF HAWAII

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF HAWAII AT HILO	FEDERAL PERKINS LOAN	$116,773	321	$417,705
200 WEST KAWILI STREET	FSEOG	$150,749	243	
HILO HI 96720	FWS	$239,554	292	
UNIVERSITY OF HAWAII AT MANOA	FEDERAL PERKINS LOAN	$176,470	1,966	$2,557,063
2442 CAMPUS ROAD	FSEOG	$474,376	765	
HONOLULU HI 96822	FWS	$900,000	1,098	
UNIVERSITY OF HAWAII-KAUAI COMM COLLEGE	FEDERAL PERKINS LOAN		18	$24,607
3-1901 KAUMUALII HWY	FSEOG	$8,514	14	
LIHUE HI 96766	FWS	$14,876	18	
UNIVERSITY OF HAWAII-WEST OAHU	FSEOG	$4,135	7	
96-043 ALA IKE	FWS	$3,047	4	
PEARL CITY HI 96782				
WINDWARD CMTY COLLEGE	FEDERAL PERKINS LOAN		13	$16,987
45-720 KEAAHALA ROAD	FSEOG	$18,671	30	
KANEOHE HI 96744	FWS	$15,379	19	

STATE OF HAWAII	FEDERAL PERKINS LOAN	$469,711	2,876	NO. INSTITUTIONS 12
	FSEOG	$1,419,709	2,290	NO. INSTITUTIONS 17
	FWS	$1,838,782	2,243	NO. INSTITUTIONS 13

STATE OF IDAHO

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ALBERTSON COLLEGE OF IDAHO		FEDERAL PERKINS LOAN		184	$240,370
2112 CLEVELAND BLVD		FSEOG	$127,418	206	
CALDWELL	ID 83605	FWS	$76,108	93	
BOISE BIBLE COLLEGE		FSEOG	$4,835	8	
8695 MARIGOLD		FWS	$5,113	6	
BOISE	ID 83714				
BOISE STATE UNIVERSITY		FEDERAL PERKINS LOAN	$292,974	1,291	$1,678,305
1910 UNIVERSITY DR		FSEOG	$247,823	400	
BOISE	ID 83725	FWS	$391,550	478	
COLLEGE OF SOUTHERN IDAHO		FEDERAL PERKINS LOAN		58	$75,595
315 FALLS AVENUE		FSEOG	$112,466	181	
TWIN FALLS	ID 83301	FWS	$179,620	219	
CONTINENTAL COLLEGE OF BEAUTY - STYLING		FSEOG	$9,851	16	
3021 N COLE ROAD					
BOISE	ID 83704				
EASTERN IDAHO TECHNICAL COLLEGE		FSEOG	$25,303	41	
1600 S 2500 E		FWS	$16,874	21	
IDAHO FALLS	ID 83404				
IDAHO STATE UNIVERSITY		FEDERAL PERKINS LOAN	$38,104	571	$742,585
741 SOUTH 7TH		FSEOG	$274,212	442	
POCATELLO	ID 83209	FWS	$370,584	452	
ITT TECHNICAL INSTITUTE		FEDERAL PERKINS LOAN	$36,591	153	$199,317
950 LUSK STREET		FSEOG	$85,791	138	
BOISE	ID 83706	FWS	$47,397	58	
LEWIS - CLARK STATE COLLEGE		FEDERAL PERKINS LOAN	$35,827	187	$243,275
8TH AVENUE & 6TH STREET		FSEOG	$73,209	118	
LEWISTON	ID 83501	FWS	$86,012	105	
MR LEON'S SCHOOL OF HAIR DESIGN		FSEOG	$5,534	9	
618 SOUTH MAIN					
MOSCOW	ID 83843				
NORTH IDAHO COLLEGE		FEDERAL PERKINS LOAN	$142,679	318	$413,430
1000 WEST GARDEN AVE		FSEOG	$122,792	198	
COEUR D ALENE	ID 83814	FWS	$130,058	159	
NORTHWEST NAZARENE COLLEGE		FEDERAL PERKINS LOAN	$66,957	389	$506,693
		FSEOG	$176,443	285	
NAMPA	ID 83686	FWS	$126,662	154	

STATE OF IDAHO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF IDAHO	FEDERAL PERKINS LOAN	$150,701	1,861	$2,419,386
UCC 228	FSEOG	$362,023	584	
MOSCOW ID 83843	FWS	$515,007	628	

STATE OF IDAHO	FEDERAL PERKINS LOAN	$763,833	4,770	NO. INSTITUTIONS 9
	FSEOG	$1,627,700	2,626	NO. INSTITUTIONS 13
	FWS	$1,944,985	2,373	NO. INSTITUTIONS 11

STATE OF ILLINOIS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ACADEMY OF BEAUTY CULTURE	FEDERAL PERKINS LOAN	$9,978	14	$18,542
5400 WEST MAIN STREET	FSEOG	$11,067	18	
BELLEVILLE IL 62223				
ADLER SCHOOL OF PROFESSIONAL PSYCHOLOGY	FWS	$10,797	13	
65 EAST WACKER PLACE SUITE2100				
CHICAGO IL 60601				
AMERICAN ACADEMY OF ART	FSEOG	$40,489	65	
122 SOUTH MICHIGAN AVE 16TH FL	FWS	$1,290	2	
CHICAGO IL 60603				
AMERICAN CONSERVATORY OF MUSIC	FSEOG	$10,668	17	
16 NORTH WABASH ST SUITE 1850	FWS	$6,257	8	
CHICAGO IL 60603				
AUGUSTANA COLLEGE	FEDERAL PERKINS LOAN	$113,668	650	$845,815
639 38TH STREET	FSEOG	$301,809	487	
ROCK ISLAND IL 61201	FWS	$207,470	253	
AURORA UNIVERSITY	FEDERAL PERKINS LOAN	$27,226	166	$216,107
347 S GLADSTONE AVE	FSEOG	$146,225	236	
AURORA IL 60506	FWS	$121,005	148	
BARAT COLLEGE	FEDERAL PERKINS LOAN		80	$104,377
700 E WESTLEIGHT ROAD	FSEOG	$115,888	187	
LAKE FOREST IL 60045	FWS	$82,360	100	
BELL MAR BEAUTY COLLEGE	FSEOG	$5,568	9	
5717 W CERMAK ROAD				
CICERO IL 60650				
BELLEVILLE AREA COLLEGE	FSEOG	$158,473	256	
2500 CARLYLE RD	FWS	$128,639	157	
BELLEVILLE IL 62221				
BELLEVILLE BARBER CLG	FSEOG	$982	2	
329 N ILLINOIS				
BELLEVILLE IL 62220				
BETHANY THEOLOGICAL SEMINARY	FEDERAL PERKINS LOAN		29	$38,184
BUTTERFIELD AND MEYERS ROADS	FWS	$29,474	36	
OAK BROOK IL 60521				
BLACK HAWK COL	FSEOG	$179,645	290	
6600 34TH ST	FWS	$167,669	204	
MOLINE IL 61265				

STATE OF ILLINOIS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BLACKBURN COLLEGE	FEDERAL PERKINS LOAN	$40,306	94	$123,185
700 COLLEGE AVENUE	FSEOG	$48,214	78	
CARLINVILLE IL 62626	FWS	$32,623	40	
BLOOMINGTON ACADEMY OF BEAUTY CULT	FSEOG	$3,896	6	
220 N CENTER STREET				
BLOOMINGTON IL 61701				
BRADLEY UNIVERSITY	FEDERAL PERKINS LOAN	$148,592	933	$1,213,604
1501 W BRADLEY AVENUE	FSEOG	$640,914	1,034	
PEORIA IL 61625	FWS	$373,644	456	
CANNELLA SCHOOL HAIR DESIGN	FSEOG	$4,444	7	
3646 NORTH BROADWAY				
CHICAGO IL 60613				
CANNELLA SCHOOL OF HAIR DESIGN	FSEOG	$5,555	9	
113 EAST JEFFERSON				
JOLIET IL 60432				
CANNELLA SCHOOL OF HAIR DESIGN	FSEOG	$8,045	13	
3442 S HALSTED STREET				
CHICAGO IL 60608				
CANNELLA SCHOOL OF HAIR DESIGN	FSEOG	$9,873	16	
2874 W CERMAK				
CHICAGO IL 60603				
CANNELLA SCHOOL OF HAIR DESIGN	FSEOG	$4,280	7	
191 NORTH YORK ROAD				
ELMHURST IL 60126				
CANNELLA SCHOOL OF HAIR DESIGN	FSEOG	$16,740	27	
6614 S HALSTED STREET				
CHICAGO IL 60621				
CANNELLA SCHOOL OF HAIR DESIGN	FSEOG	$16,319	26	
4217 WEST NORTH AVENUE				
CHICAGO IL 60639				
CANNELLA SCHOOL OF HAIR DESIGN	FSEOG	$11,914	19	
4269 S ARCHER AVENUE				
CHICAGO IL 60632				
CARL SANDBURG COLLEGE	FSEOG	$35,800	58	
2232 S. LAKE STOREY RD	FWS	$24,001	29	
GALESBURG IL 61401				

STATE OF ILLINOIS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CATHERINE COLLEGE	FEDERAL PERKINS LOAN		24	$32,083
2 NORTH LASALLE STREET	FSEOG	$173,838	280	
CHICAGO IL 60602	FWS	$73,606	90	
CHARLES D MURDOCK INSTITUTE INC	FSEOG	$6,933	11	
5090 W HARRISON STREET	FWS	$5,734	7	
CHICAGO IL 60644				
CHICAGO COLLEGE OF COMMERCE	FEDERAL PERKINS LOAN		4	$6,258
11 E ADAMS STREET 2ND FLOOR	FSEOG	$52,153	84	
CHICAGO IL 60603	FWS	$6,138	7	
CHICAGO STATE UNIVERSITY	FEDERAL PERKINS LOAN		91	$119,032
95TH AT KING DRIVE	FSEOG	$281,596	454	
CHICAGO IL 60628	FWS	$536,794	655	
CITY COLLEGES OF CHICAGO	FEDERAL PERKINS LOAN		154	$200,386
226 WEST JACKSON	FSEOG	$1,350,857	2,179	
CHICAGO IL 60606	FWS	$1,917,723	2,339	
COIFFURE SCHOOL OF BEAUTY CULTURE	FSEOG	$5,000	8	
402 EAST MAIN STREET	FWS	$5,000	6	
BELLEVILLE IL 62220				
COLLEGE OF DUPAGE	FSEOG	$47,551	77	
22ND STREET AND LAMBERT RD	FWS	$2,631	3	
GLEN ELLYN IL 60137				
COLLEGE OF LAKE COUNTY	FEDERAL PERKINS LOAN		17	$23,032
19351 WEST WASHINGTON STREET	FSEOG	$89,412	144	
GRAYSLAKE IL 60030	FWS	$101,531	124	
COLLEGE OF SAINT FRANCIS	FEDERAL PERKINS LOAN	$65,832	205	$266,936
500 N WILCOX	FSEOG	$76,558	123	
JOLIET IL 60435	FWS	$70,103	85	
COLUMBIA COLLEGE	FSEOG	$487,229	786	
600 S MICHIGAN AVE	FWS	$217,973	266	
CHICAGO IL 60605				
CONCEPT BEAUTY COLLEGE	FSEOG	$11,622	19	
2500 GEORGETOWN ROAD				
DANVILLE IL 61832				
CONCORDIA UNIVERSITY	FEDERAL PERKINS LOAN	$17,986	126	$164,832
7400 AUGUSTA STREET	FSEOG	$93,142	150	
RIVER FOREST IL 60305	FWS	$61,860	75	

STATE OF ILLINOIS

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CONSUMER ELECTRONIC TRNG CTR	FEDERAL PERKINS LOAN		53	$69,125
6239 SOUTH WESTERN AVENUE	FSEOG	$38,121	61	
CHICAGO IL 60637	FWS	$22,052	27	
DANVILLE AREA COMMUNITY COLLEGE	FSEOG	$87,043	140	
2000 E MAIN ST	FWS	$104,704	128	
DANVILLE IL 61832				
DEPAUL UNIVERSITY	FEDERAL PERKINS LOAN	$17,793	1,201	$1,561,804
25 EAST JACKSON BLVD	FSEOG	$636,788	1,027	
CHICAGO IL 60604	FWS	$410,372	500	
DEVRY INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$527,098	1,360	$1,768,939
3300 N CAMPBELL AVE	FSEOG	$579,342	934	
CHICAGO IL 60618	FWS	$355,366	433	
DEVRY INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$419,851	983	$1,277,918
1221 NORTH SWIFT ROAD	FSEOG	$326,083	526	
ADDISON IL 60101	FWS	$183,007	223	
DON ROBERTS BEAUTY SCHOOL	FSEOG	$5,555	9	
3149 WEST 95TH				
EVERGREEN PARK IL 60642				
DON ROBERTS BEAUTY SCHOOLS INC	FSEOG	$6,548	11	
PO BOX 34				
MCHENRY IL 60050				
DR WILLIAM M SCHOLL COLLEGE OF PODIATRIC MEDICIN	FEDERAL PERKINS LOAN	$199,040	820	$1,066,269
1001 N DEARBORN STREET	FWS	$60,000	73	
CHICAGO IL 60610				
DU QUOIN BEAUTY COLLEGE	FEDERAL PERKINS LOAN		8	$10,944
202 S WASHINGTON	FSEOG	$60,550	98	
DU QUOIN IL 62832	FWS	$5,385	7	
EAST-WEST UNIVERSITY	FSEOG	$42,509	69	
816 S MICHIGAN AVE	FWS	$29,111	36	
CHICAGO IL 60605				
EASTERN ILLINOIS UNIVERSITY	FEDERAL PERKINS LOAN	$147,726	820	$1,066,982
	FSEOG	$185,345	299	
CHARLESTON IL 61920	FWS	$278,123	339	
ELGIN COMMUNITY COLLEGE	FSEOG	$44,060	71	
1700 SPARTAN DRIVE	FWS	$98,963	121	
ELGIN IL 60123				

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ELMHURST COLLEGE	FEDERAL PERKINS LOAN	$11,668	319	$414,721
190 PROSPECT	FSEOG	$166,721	269	
ELMHURST IL 60126	FWS	$108,855	133	
EUREKA COLLEGE	FEDERAL PERKINS LOAN		75	$98,495
300 COLLEGE AVE	FSEOG	$90,020	145	
EUREKA IL 61530	FWS	$70,065	85	
FLAMINGO BEAUTY COLLEGE	FEDERAL PERKINS LOAN		0	$1,000
2332 SOUTH MACARTHUR BLVD	FSEOG	$63,238	102	
SPRINGFIELD IL 62704				
FOREST INSTITUTE OF PROFESSIONAL PSYCHOLOGY	FWS	$22,182	27	
200 GLENDALE AVENUE				
WHEELING IL 60090				
FOX SECRETARIAL COLLEGE INC	FEDERAL PERKINS LOAN		9	$12,413
4201 WEST 93RD STREET	FSEOG	$25,892	42	
OAK LAWN IL 60453	FWS	$3,912	5	
GARRETT EVANGELICAL THEOLOGICAL SEMINARY	FEDERAL PERKINS LOAN	$25,207	94	$123,064
2121 SHERIDAN ROAD	FWS	$32,991	40	
EVANSTON IL 60201				
GOVERNORS STATE UNIVERSITY	FEDERAL PERKINS LOAN	$197,355	594	$772,601
STUENKEL ROAD	FSEOG	$115,939	187	
UNIVERSITY PARK IL 60466	FWS	$264,055	322	
GRAHAM HOSPITAL ASSOCIATION SCHOOL OF NURSING	FSEOG	$5,000	8	
210 WEST WALNUT STREET	FWS	$8,000	10	
CANTON IL 61520				
GREENVILLE COLLEGE	FEDERAL PERKINS LOAN	$1,642	228	$297,555
315 EAST COLLEGE AVE	FSEOG	$189,437	306	
GREENVILLE IL 62246	FWS	$94,382	115	
HAIR PROFESSIONAL ACADEMY OF COSMETOLOGY	FSEOG	$7,599	12	
1111 EAST LAKE				
STREAMWOOD IL 60103				
HAIR PROFESSIONAL SCHOOL OF COSMETOLOGY INC	FSEOG	$11,860	19	
RT 34 AUTUMN OAKS				
OSWEGO IL 60543				
HAIR PROFESSIONALS ACADEMY	FSEOG	$10,000	16	
1732 OGDEN AVENUE				
DOWNERS GROVE IL 60515				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
HAIR PROFESSIONALS ACADEMY OF COSMETOLOGY	FSEOG	$4,274	7	
1145 E BUTTERFIELD				
WHEATON IL 60187				
HAIR PROFESSIONALS CAREER	FSEOG	$7,101	11	
1734 SYCAMORE RD				
DEKALB IL 60115				
HAIR PROFESSIONALS SCHOOL OF COSMETOLOGY	FSEOG	$11,409	18	
991 AURORA AVENUE				
AURORA IL 60505				
HEARTLAND COMMUNITY COLLEGE	FSEOG	$15,030	24	
1226 TOWANDA AVENUE	FWS	$27,611	34	
BLOOMINGTON IL 61701				
HIGHLAND COMMUNITY COLLEGE	FSEOG	$34,692	56	
2998 PEARL CITY ROAD	FWS	$76,479	93	
FREEPORT IL 61032				
ILLINOIS BENEDICTINE COLLEGE	FEDERAL PERKINS LOAN		370	$482,113
5700 COLLEGE ROAD	FSEOG	$130,793	211	
LISLE IL 60532	FWS	$84,177	103	
ILLINOIS CENTRAL COLLEGE	FSEOG	$120,000	194	
1 COLLEGE DRIVE	FWS	$67,908	83	
EAST PEORIA IL 61635				
ILLINOIS COLLEGE	FEDERAL PERKINS LOAN	$19,905	83	$107,989
1101 W COLLEGE AVENUE	FSEOG	$71,295	115	
JACKSONVILLE IL 62650	FWS	$39,256	48	
ILLINOIS COLLEGE OF OPTOMETRY	FEDERAL PERKINS LOAN	$231,286	673	$875,555
3241 SO MICHIGAN AVE	FWS	$179,438	219	
CHICAGO IL 60616				
ILLINOIS EASTERN COMMUNITY COLLEGES	FEDERAL PERKINS LOAN		109	$142,792
233 EAST CHESTNUT STREET	FSEOG	$228,255	368	
OLNEY IL 62450	FWS	$338,183	412	
ILLINOIS INSTITUTE OF COSMETOLOGY	FSEOG	$39	0	
10321 ROBERTS ROAD				
PALOS HILLS IL 60465				
ILLINOIS INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN		1,344	$1,747,892
3300 SOUTH FEDERAL STREET	FSEOG	$499,122	805	
CHICAGO IL 60616	FWS	$393,727	480	

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ILLINOIS SCHOOL OF PROFESSIONAL PSYCHOLOGY	FEDERAL PERKINS LOAN	$25,394	54	$70,411
220 S STATE STREET	FWS	$46,990	57	
CHICAGO IL 60604				
ILLINOIS STATE UNIVERSITY	FEDERAL PERKINS LOAN	$598	2,123	$2,760,332
2320 FINANCIAL AID OFFICE	FSEOG	$530,224	855	
NORMAL IL 61761	FWS	$767,421	936	
ILLINOIS VALLEY COMMUNITY COLLEGE	FSEOG	$34,189	55	
2578 E 350TH ROAD	FWS	$49,310	60	
OGLESBY IL 61348				
ILLINOIS WESLEYAN UNIVERSITY	FEDERAL PERKINS LOAN		492	$640,520
1312 NORTH PARK STREET	FSEOG	$231,986	374	
BLOOMINGTON IL 61701	FWS	$242,019	295	
INTERNATIONAL ACAD OF MERCHANDISING AND DESIGN L	FSEOG	$44,188	71	
1 NORTH STATE STREET SUITE 400				
CHICAGO IL 60654				
IPPOLITO SCHOOL OF COSMETOLOGY	FSEOG	$19,905	32	
2639 NO HARLEM AVE				
CHICAGO IL 60635				
JOHN A LOGAN COLLEGE	FWS	$50,000	61	
ROUTE TWO				
CARTERVILLE IL 62918				
JOHN WOOD COMMUNITY COLLEGE	FSEOG	$50,000	81	
150 SOUTH 48TH STREET	FWS	$55,458	68	
QUINCY IL 62301				
JOLIET JR COLLEGE	FSEOG	$47,967	77	
1216 HOUBOLT AVE	FWS	$42,776	52	
JOLIET IL 60436				
JUDSON COLLEGE	FEDERAL PERKINS LOAN	$14,928	136	$177,485
1151 N STATE ST	FSEOG	$85,196	137	
ELGIN IL 60123	FWS	$78,372	96	
KANKAKEE COMMUNITY COLLEGE	FSEOG	$33,822	55	
BOX 888	FWS	$56,434	69	
KANKAKEE IL 60901				
KASKASKIA COLLEGE	FSEOG	$10,000	16	
27210 COLLEGE ROAD	FWS	$50,000	61	
CENTRALIA IL 62801				

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KENDALL COLLEGE	FEDERAL PERKINS LOAN	$23,267	71	$92,790
2408 ORRINGTON AVE	FSEOG	$90,151	145	
EVANSTON IL 60201	FWS	$57,349	70	
KISHWAUKEE COLLEGE	FSEOG	$57,037	92	
21193 MALTA RD	FWS	$47,947	58	
MALTA IL 60150				
KNOX COLLEGE	FEDERAL PERKINS LOAN	$96,204	361	$470,425
	FSEOG	$152,142	245	
GALESBURG IL 61401	FWS	$102,023	124	
LA JAMES COLLEGE OF HAIRSTYLING	FSEOG	$6,838	11	
485-42 AVENUE				
EAST MOLINE IL 61244				
LAKE FOREST COLLEGE	FEDERAL PERKINS LOAN	$65,259	414	$538,977
555 N SHERIDAN ROAD	FSEOG	$465,966	752	
LAKE FOREST IL 60045	FWS	$272,249	332	
LAKE LAND COLLEGE	FSEOG	$75,000	121	
5001 LAKE LAND BLVD	FWS	$78,575	96	
MATTOON IL 61938				
LAKE VICTORIA BEAUTY ACADEMY	FSEOG	$11,059	18	
3137 S DIRKSEN PARKWAY				
SPRINGFIELD IL 62703				
LEWIS AND CLARK COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$19,905	40	$52,612
GODFREY ROAD	FSEOG	$73,627	119	
GODFREY IL 62035	FWS	$112,658	137	
LEWIS UNIVERSITY	FEDERAL PERKINS LOAN	$18,100	89	$116,144
ROUTE 53	FSEOG	$176,974	285	
ROMEOVILLE IL 60441	FWS	$212,890	260	
LINCOLN CHRISTIAN COLLEGE	FEDERAL PERKINS LOAN	$30,973	82	$106,768
BOX 178	FSEOG	$29,384	47	
LINCOLN IL 62656	FWS	$41,487	51	
LINCOLN COLLEGE	FEDERAL PERKINS LOAN		90	$117,260
300 KEOKUK STREET	FSEOG	$128,532	207	
LINCOLN IL 62656	FWS	$66,243	81	
LINCOLN LAND COMMUNITY COLLEGE	FSEOG	$81,128	131	
SHEPHERD ROAD	FWS	$34,802	42	
SPRINGFIELD IL 62794				

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LINCOLN TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		64	$83,387
7320 W AGATITE AVENUE	FSEOG	$60,522	98	
NORRIDGE IL 60656				
LINCOLN TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		35	$45,781
8920 SOUTH CICERO AVENUE	FSEOG	$96,699	156	
OAK LAWN IL 60453	FWS	$8,817	11	
LOYOLA UNIVERSITY OF CHICAGO	FEDERAL PERKINS LOAN	$54,539	1,685	$2,191,113
6525 NO SHERIDAN RD	FSEOG	$514,806	830	
CHICAGO IL 60626	FWS	$718,581	876	
MACCORMAC JUNIOR COLLEGE	FEDERAL PERKINS LOAN	$8,957	17	$23,141
506 S WABASH AVENUE	FSEOG	$68,874	111	
CHICAGO IL 60605	FWS	$29,233	36	
MACDANIEL'S BEAUTY SCHOOL	FSEOG	$5,000	8	
5248 NORTH CLARK STREET				
CHICAGO IL 60640				
MACMURRAY COLLEGE	FEDERAL PERKINS LOAN		359	$467,012
447 E COLLEGE AVE	FSEOG	$168,524	272	
JACKSONVILLE IL 62650	FWS	$75,600	92	
MARYCREST COLLEGE	FEDERAL PERKINS LOAN		6	$8,121
280 E MERCHANT STREET	FSEOG	$10,332	17	
KANKAKEE IL 60901	FWS	$5,113	6	
MCCORMICK THEOLOGICAL SEMINARY	FWS	$35,238	43	
5555 SOUTH WOODLAWN AVENUE				
CHICAGO IL 60637				
MCHENRY COUNTY COLLEGE	FSEOG	$21,803	35	
8900 US HIGHWAY 14	FWS	$42,595	52	
CRYSTAL LAKE IL 60012				
MCKENDREE COLLEGE	FEDERAL PERKINS LOAN	$2,410	86	$111,993
701 COLLEGE ROAD	FSEOG	$45,000	73	
LEBANON IL 62254	FWS	$77,535	95	
MENNONITE COLLEGE OF NURSING	FEDERAL PERKINS LOAN	$8,919	25	$32,624
804 N EAST STREET	FSEOG	$12,509	20	
BLOOMINGTON IL 61701	FWS	$9,061	11	
MIDSTATE COLLEGE	FEDERAL PERKINS LOAN		11	$14,543
244 S W JEFFERSON	FSEOG	$37,797	61	
PEORIA IL 61602	FWS	$17,959	22	

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MIDWESTERN UNIVERSITY 555 31ST STREET DOWNERS GROVE IL 60615	FEDERAL PERKINS LOAN	$62,157	309	$402,388
	FSEOG	$24,465	39	
	FWS	$110,182	134	
MILLIKIN UNIVERSITY 1184 W MAIN STREET DECATUR IL 62522	FEDERAL PERKINS LOAN		197	$256,515
	FSEOG	$233,438	377	
	FWS	$114,916	140	
MOLER HAIRSTYLING COLLEGE INC 1685 N FARNSWORTH AVENUE AURORA IL 60505	FSEOG	$5,444	9	
MONMOUTH COLLEGE,THE 700 EAST BROADWAY MONMOUTH IL 61462	FEDERAL PERKINS LOAN		412	$536,337
	FSEOG	$177,689	287	
	FWS	$110,446	135	
MONTAY COLLEGE 3750 W PETERSON AVENUE CHICAGO IL 60659	FWS	$5,682	7	
MORAINE VALLEY COMMUNITY COLLEGE 10900 SO 88TH AVE PALOS HILLS IL 60465	FEDERAL PERKINS LOAN		17	$23,221
	FSEOG	$75,242	121	
	FWS	$44,860	55	
MORRISON INST OF TECHNOLOGY PO BOX 410 MORRISON IL 61270	FSEOG	$22,421	36	
	FWS	$10,071	12	
MORTON COLLEGE 3801 SOUTH CENTRAL AVENUE CICERO IL 60650	FWS	$6,366	8	
MR JOHN'S SCHOOL OF COSMETOLOGY 1745 E ELDORADO DECATUR IL 62521	FSEOG	$8,622	14	
MR JOHNS SCHOOL OF COSMETOLOGY 104 W MAIN STREET URBANA IL 61801	FSEOG	$10,134	16	
MS ROBERTS HOUSE OF BEAUT CULTURE 17 EAST PARK BLVD VILLA PARK IL 60181	FSEOG	$3,374	5	
NATIONAL COL OF CHIROPRACTIC 200 EAST ROOSEVELT ROAD LOMBARD IL 60148	FEDERAL PERKINS LOAN	$179,137	442	$575,813
	FSEOG	$23,709	38	
	FWS	$172,107	210	

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NATIONAL EDUCATION CENTER BRYMAN CAMPUS	FEDERAL PERKINS LOAN		48	$63,285
4101 W 95TH STREET	FSEOG	$69,234	112	
OAK LAWN IL 60453				
NATIONAL EDUCATION CENTER BRYMAN CENTER	FEDERAL PERKINS LOAN		3	$4,399
17 N STATE STREET	FSEOG	$48,054	78	
CHICAGO IL 60602				
NATIONAL LOUIS UNIVERSITY	FEDERAL PERKINS LOAN		202	$263,353
2840 SHERIDAN ROAD	FSEOG	$417,197	673	
EVANSTON IL 60201	FWS	$239,618	292	
NATIVE AMERICAN EDUCATIONAL SERVICES	FSEOG	$7,334	12	
2838 WEST PETERSON AVENUE	FWS	$5,342	7	
CHICAGO IL 60659				
NORTH CENTRAL COLLEGE	FEDERAL PERKINS LOAN		202	$263,525
30 N BRAINARD PO BOX 3063	FSEOG	$111,957	181	
NAPERVILLE IL 60566	FWS	$60,001	73	
NORTHEASTERN ILLINOIS UNIVERSITY	FEDERAL PERKINS LOAN	$172,963	428	$556,450
5500 N ST LOUIS AVE	FSEOG	$337,130	544	
CHICAGO IL 60625	FWS	$493,020	601	
NORTHERN ILLINOIS UNIVERSITY	FEDERAL PERKINS LOAN	$102,281	1,469	$1,909,748
STUDENT FINANCIAL AID OFFICE	FSEOG	$816,628	1,317	
DE KALB IL 60115	FWS	$544,655	664	
NORTHPARK COLLEGE & THEOLO SEM	FEDERAL PERKINS LOAN	$39,378	324	$422,218
3225 W FOSTER	FSEOG	$405,569	654	
CHICAGO IL 60625	FWS	$147,216	180	
NORTHWESTERN BUSINESS COLLEGE	FSEOG	$68,759	111	
4829 NORTH LIPPS AVENUE	FWS	$15,792	19	
CHICAGO IL 60641				
NORTHWESTERN UNIVERSITY	FEDERAL PERKINS LOAN	$323,480	5,651	$7,346,374
1801 HINMAN AVENUE 2ND FLOOR	FSEOG	$2,133,380	3,441	
EVANSTON IL 60208	FWS	$3,129,107	3,816	
OAKTON COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$37,722	101	$131,914
1600E GOLF ROAD	FSEOG	$43,851	71	
DES PLAINES IL 60016	FWS	$25,439	31	
OLIVET NAZARENE UNIVERSITY	FEDERAL PERKINS LOAN		557	$724,516
P O BOX 592	FSEOG	$141,554	228	
KANKAKEE IL 60901	FWS	$107,413	131	

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PAL'S INTERNATIONAL SCHOOL OF BEAUTY CULTURE			FSEOG	$13,253	21	
3442 WEST 26TH STREET						
CHICAGO	IL	60623				
PARKLAND COLLEGE			FEDERAL PERKINS LOAN	$44,784	114	$148,225
2400 W BRADLEY AVE			FSEOG	$104,472	169	
CHAMPAIGN	IL	61821	FWS	$83,405	102	
PARKS COLLEGE OF ST LOUIS UNIVERSITY			FEDERAL PERKINS LOAN	$29,834	171	$222,790
			FSEOG	$113,605	183	
CAHOKIA	IL	62206	FWS	$53,722	66	
PIVOT POINT BEAUTY SCHOOL			FSEOG	$23,140	37	
1791 W HOWARD						
CHICAGO	IL	60626				
PRAIRIE STATE COLLEGE			FSEOG	$18,046	29	
202 SOUTH HALSTED STREET			FWS	$50,494	62	
CHICAGO HEIGHTS	IL	60411				
QUINCY COLLEGE			FEDERAL PERKINS LOAN		238	$309,922
1800 COLLEGE AVENUE			FSEOG	$166,275	268	
QUINCY	IL	62301	FWS	$105,631	129	
RAY COLLEGE OF DESIGN			FSEOG	$15,000	24	
401 NORTH WABASH AVE 6TH FLR			FWS	$3,797	5	
CHICAGO	IL	60611				
RENO LAKE COLLEGE			FSEOG	$40,501	65	
RURAL ROUTE #1			FWS	$57,178	70	
INA	IL	62846				
RICHLAND CMTY COLLEGE			FSEOG	$36,583	59	
ONE COLLEGE PARK			FWS	$39,368	48	
DECATUR	IL	62521				
ROBERT MORRIS COLLEGE			FEDERAL PERKINS LOAN	$220,770	588	$764,990
180 NORTH LASALLE			FSEOG	$479,355	773	
CHICAGO	IL	60601	FWS	$203,945	249	
ROCK VALLEY COLLEGE			FSEOG	$81,094	131	
3301 NO MULFORD ROAD			FWS	$82,015	100	
ROCKFORD	IL	61114				
ROCKFORD BUSINESS COLLEGE-EDUCA DEVEL CORP			FSEOG	$44,427	72	
730 N CHURCH STREET			FWS	$23,474	29	
ROCKFORD	IL	61103				

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ROCKFORD COLLEGE	FEDERAL PERKINS LOAN	$99,494	264	$344,268
5050 EAST STATE STREET	FSEOG	$115,456	186	
ROCKFORD IL 61108	FWS	$71,968	88	
ROOSEVELT UNIVERSITY	FEDERAL PERKINS LOAN		84	$109,717
430 SO MICHIGAN AVE	FSEOG	$245,919	397	
CHICAGO IL 60605	FWS	$110,251	134	
ROSARY COLLEGE	FEDERAL PERKINS LOAN	$4,956	151	$196,318
7900 WEST DIVISION ST	FSEOG	$107,901	174	
RIVER FOREST IL 60305	FWS	$55,075	67	
RUSH UNIVERSITY	FEDERAL PERKINS LOAN	$364,930	991	$1,289,581
1743 W HARRISON ST	FSEOG	$73,398	118	
CHICAGO IL 60612	FWS	$107,339	131	
SAINT JOSEPH COLLEGE OF NURSING	FSEOG	$13,150	21	
290 N SPRINGFIELD AVENUE				
JOLIET IL 60435				
SAINT XAVIER UNIVERSITY	FEDERAL PERKINS LOAN	$155,137	516	$671,903
3700 W 103RD STREET	FSEOG	$269,526	435	
CHICAGO IL 60655	FWS	$127,788	156	
SANGAMON STATE UNIVERSITY	FEDERAL PERKINS LOAN		78	$102,228
SHEPHERD RD	FSEOG	$39,469	64	
SPRINGFIELD IL 62794	FWS	$65,040	79	
SAUK VALLEY COLLEGE	FSEOG	$93,454	151	
ROUTE 5	FWS	$174,523	213	
DIXON IL 61021				
SCHARFENBERG BEAUTY COLLEGE	FSEOG	$4,571	7	
1429 SOUTH MAIN-COLONY SQUARE				
JACKSONVILLE IL 62650				
SCHOOL OF THE ART INSTITUTE OF CHICAGO	FEDERAL PERKINS LOAN	$187,958	478	$622,233
37 SOUTH WABASH AVENUE	FSEOG	$160,212	258	
CHICAGO IL 60603	FWS	$276,712	337	
SHAWNEE COMMUNITY COLLEGE	FSEOG	$47,510	77	
SHAWNEE COLLEGE ROAD	FWS	$30,680	37	
ULLIN IL 62992				
SHIMER COLLEGE	FEDERAL PERKINS LOAN		70	$92,236
438 N SHERIDAN RD BOX A500	FSEOG	$30,846	50	
WAUKEGAN IL 60079	FWS	$64,592	79	

STATE OF ILLINOIS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SOUTH SUBURBAN COLLEGE	FSEOG	$78,640	127	
15800 S STATE STREET	FWS	$58,505	71	
SOUTH HOLLAND IL 60473				
SOUTHEASTERN ILLINOIS COLLEGE	FSEOG	$40,000	65	
3575 COLLEGE ROAD	FWS	$34,533	42	
HARRISBURG IL 62946				
SOUTHERN ILLINOIS UNIV-CARBONDALE	FEDERAL PERKINS LOAN	$696,642	1,793	$2,331,332
	FSEOG	$856,139	1,381	
CARBONDALE IL 62901	FWS	$1,835,280	2,238	
SOUTHERN ILLINOIS UNIV-EDWARDSVILLE	FEDERAL PERKINS LOAN	$39,978	597	$777,278
	FSEOG	$417,089	673	
EDWARDSVILLE IL 62026	FWS	$353,919	432	
SPOON RIVER COLLEGE	FSEOG	$125,426	202	
RURAL ROUTE 1	FWS	$29,859	36	
CANTON IL 61520				
SPRINGFIELD COLLEGE	FSEOG	$25,000	40	
1500 N. 5TH STREET	FWS	$10,000	12	
SPRINGFIELD IL 62702				
ST AUGUSTINE COLLEGE	FSEOG	$118,556	191	
1333 W ARGYLE STREET	FWS	$68,968	84	
CHICAGO IL 60640				
STATE COMMUNITY COLLEGE	FSEOG	$62,682	101	
601 JAMES R THOMPSON BLVD	FWS	$268,024	327	
EAST ST LOUIS IL 62201				
TAYLOR BUSINESS INSTITUTE	FSEOG	$200,000	323	
36 SOUTH STATE STREET	FWS	$49,707	61	
CHICAGO IL 60603				
TELSHE YESHIVA-CHICAGO	FEDERAL PERKINS LOAN	$13,166	31	$40,631
3535 W FOSTER AVE	FSEOG	$16,210	26	
CHICAGO IL 60625	FWS	$40,925	50	
THE CHICAGO SCHOOL OF PROFESSIONAL PSYCHOLOGY	FWS	$14,309	17	
806 S PLYMOUTH COURT				
CHICAGO IL 60605				
THE COLLEGE OF OFFICE TECHNOLOGY	FSEOG	$29,033	47	
1520 W DIVISION STREET	FWS	$10,898	13	
CHICAGO IL 60622				

STATE OF ILLINOIS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
TRINITY CHRISTIAN COLLEGE	FEDERAL PERKINS LOAN	$28,260	90	$117,134
6601 W COLLEGE DRIVE	FSEOG	$51,893	84	
PALOS HEIGHTS IL 60463	FWS	$32,232	39	
TRINITY COLLEGE	FEDERAL PERKINS LOAN		303	$394,657
2077 HALF DAY ROAD	FSEOG	$227,930	368	
DEERFIELD IL 60015	FWS	$112,217	137	
TRINITY EVANGELICAL DIVINITY SCHOOL	FEDERAL PERKINS LOAN		131	$170,553
2065 HALF DAY ROAD	FWS	$15,113	18	
DEERFIELD IL 60015				
TRITON COLLEGE	FEDERAL PERKINS LOAN	$24,880	104	$135,501
2000 5TH AVE	FSEOG	$154,147	249	
RIVER GROVE IL 60171	FWS	$193,015	235	
TYLER SCHOOL OF SECRETARIAL SCIENCES	FSEOG	$8,416	14	
8030 S KEDZIE	FWS	$5,398	7	
CHICAGO IL 60652				
UNDERGRADUATE SCHOOL OF COSMETOLOGY	FSEOG	$5,976	10	
300 W CARPENTER P O BOX 195				
SPRINGFIELD IL 62705				
UNIV OF HEALTH SCI8-THE CHICAGO MED SCH	FEDERAL PERKINS LOAN	$217,965	560	$728,619
3333 GREEN BAY ROAD	FSEOG	$12,693	20	
NORTH CHICAGO IL 60064				
UNIVERSE BEAUTY SCHOOL	FSEOG	$5,555	9	
4738 NORTH KEDZIE AVE				
CHICAGO IL 60625				
UNIVERSITY OF CHICAGO,THE	FEDERAL PERKINS LOAN	$1,429	4,049	$5,264,488
5801 SOUTH ELLIS AVENUE	FSEOG	$762,139	1,229	
CHICAGO IL 60637	FWS	$1,102,511	1,345	
UNIVERSITY OF ILLINOIS	FEDERAL PERKINS LOAN	$1,063	2,041	$2,653,439
AT URBANA-CHAMPAIGN	FSEOG	$559,927	903	
URBANA IL 61801	FWS	$774,290	944	
UNIVERSITY OF ILLINOIS AT CHICAGO	FEDERAL PERKINS LOAN	$1,024,733	2,637	$3,428,938
601 S MORGAN (MC)334	FSEOG	$800,581	1,291	
CHICAGO IL 60607	FWS	$437,579	534	
VANDERCOOK COLLEGE OF MUSIC	FSEOG	$4,852	8	
3209 S MICHIGAN AVENUE				
CHICAGO IL 60616				

STATE OF ILLINOIS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WAUBONSEE COMMUNITY COLLEGE RT 47 AT HARTER ROAD SUGAR GROVE IL 60554	FSEOG FWS	$12,000 $24,773	19 30	
WESTERN ILLINOIS UNIVERSITY 900 WEST ADAMS MACOMB IL 61455	FEDERAL PERKINS LOAN FSEOG FWS	$99,521 $233,030 $248,403	423 376 303	$550,720
WHEATON COLLEGE 501 E COLLEGE AVENUE WHEATON IL 60187	FEDERAL PERKINS LOAN FSEOG FWS	 $334,828 $185,356	658 540 226	$856,144
WILLIAM RAINEY HARPER COLLEGE 1200 W ALGONQUIN ROAD PALATINE IL 60067	FEDERAL PERKINS LOAN FSEOG FWS	$19,905 $59,313 $33,697	50 96 41	$65,306

STATE OF ILLINOIS				
	FEDERAL PERKINS LOAN	$6,784,135	38,918	NO. INSTITUTIONS 94
	FSEOG	$24,473,743	39,474	NO. INSTITUTIONS 171
	FWS	$24,096,102	29,387	NO. INSTITUTIONS 141

STATE OF INDIANA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ACADEMY OF HAIR CARE 5736 CRAWFORDSVILLE ROAD INDIANAPOLIS IN 46224	FSEOG	$6,663	11	
ACADEMY OF HAIR CARE INC 7150 WASHINGTON ST INDIANAPOLIS IN 46219	FSEOG	$11,011	18	
ANCILLA COLLEGE UNION ROAD DONALDSON IN 46513	FSEOG	$19,673	32	
	FWS	$10,505	13	
ANDERSON UNIVERSITY 1100 E 5TH ANDERSON IN 46012	FEDERAL PERKINS LOAN	$1,467	606	$787,828
	FSEOG	$285,155	460	
	FWS	$345,170	421	
ARISTOTLE COLLEGE POST OFFICE BOX 8 GREENWOOD IN 46142	FEDERAL PERKINS LOAN		38	$49,699
	FSEOG	$34,133	55	
BALL STATE UNIVERSITY 2000 UNIVERSITY AVE MUNCIE IN 47306	FEDERAL PERKINS LOAN	$5,379	1,806	$2,348,396
	FSEOG	$597,625	964	
	FWS	$594,448	725	
BETHEL COLLEGE 1001 W MCKINLEY MISHAWAKA IN 46545	FEDERAL PERKINS LOAN		101	$132,412
	FSEOG	$108,694	175	
	FWS	$58,665	72	
BUTLER UNIVERSITY 4600 SUNSET AVENUE INDIANAPOLIS IN 46208	FEDERAL PERKINS LOAN	$364,218	904	$1,176,394
	FSEOG	$212,441	343	
	FWS	$124,908	152	
CALUMET COLLEGE OF ST JOSEPH 2400 NEW YORK AVENUE WHITING IN 46394	FEDERAL PERKINS LOAN		85	$110,713
	FSEOG	$71,389	115	
	FWS	$49,025	60	
CHRISTIAN THEOLOGICAL SEMINARY 1000 WEST 42ND STREET INDIANAPOLIS IN 46208	FWS	$45,033	55	
COLLEGE OF COURT REPORTING 111 W 10TH STREET HOBART IN 46342	FSEOG	$7,180	12	
DEPAUW UNIVERSITY 307 S LOCUST STREET GREENCASTLE IN 46135	FEDERAL PERKINS LOAN	$84,992	532	$692,636
	FSEOG	$223,878	361	
	FWS	$165,800	202	

STATE OF INDIANA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
DON ROBERTS BEAUTY SCHOOLS INC	FSEOG	$6,196	10	
1354 WEST LINCOLN WAY				
VALPARAISO IN 46383				
DON ROBERTS HAIR DESIGNING ACADEMY	FSEOG	$2,176	4	
5974 W RIDGE ROAD				
GARY IN 46408				
DON ROBERTS SCHOOL OF HAIR DESIGN	FSEOG	$2,193	4	
7975 CALUMET AVENUE				
MUNSTER IN 46321				
EARLHAM COLLEGE	FEDERAL PERKINS LOAN	$180,003	772	$1,003,907
NATIONAL ROAD WEST	FSEOG	$263,903	426	
RICHMOND IN 47374	FWS	$257,997	315	
FRANKLIN COLLEGE	FEDERAL PERKINS LOAN	$71,655	468	$608,837
501 EAST MONROE STREET	FSEOG	$108,346	175	
FRANKLIN IN 46131	FWS	$68,777	84	
GOSHEN COLLEGE	FEDERAL PERKINS LOAN	$753	245	$319,715
1700 SO MAIN	FSEOG	$171,551	277	
GOSHEN IN 46526	FWS	$154,863	189	
GRACE SCHOOLS INC	FEDERAL PERKINS LOAN	$199,040	498	$647,822
200 SEMINARY DRIVE	FSEOG	$75,573	122	
WINONA LAKE IN 46590	FWS	$146,363	178	
HOLY CROSS COLLEGE	FEDERAL PERKINS LOAN	$15,334	35	$46,508
PO BOX 308	FSEOG	$14,273	23	
NOTRE DAME IN 46556	FWS	$9,017	11	
HUNTINGTON COLLEGE	FEDERAL PERKINS LOAN	$42,721	159	$206,745
2303 COLLEGE AVE	FSEOG	$93,103	150	
HUNTINGTON IN 46750	FWS	$78,432	96	
INDIANA BUSINESS COLLEGE	FSEOG	$150,000	242	
802 N MERIDIAN STREET	FWS	$58,825	72	
INDIANAPOLIS IN 46204				
INDIANA INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$6,137	106	$138,147
1600 E WASHINGTON BLVD	FSEOG	$41,245	67	
FORT WAYNE IN 46803	FWS	$36,818	45	
INDIANA STATE UNIVERSITY-TERRE HAUT	FEDERAL PERKINS LOAN	$149,280	1,324	$1,722,318
200 NORTH 7TH STREET	FSEOG	$338,912	547	
TERRE HAUTE IN 47809	FWS	$406,403	496	

STATE OF INDIANA

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
INDIANA UNIV - NORTHWEST		FEDERAL PERKINS LOAN		297	$386,478
3400 BROADWAY		FSEOG	$143,595	232	
GARY	IN 46408	FWS	$110,978	135	
INDIANA UNIV AT KOKOMO		FEDERAL PERKINS LOAN	$4,400	60	$78,364
2300 S WASHINGTON STREET		FSEOG	$62,671	101	
KOKOMO	IN 46901	FWS	$33,529	41	
INDIANA UNIV-BLOOMINGTON		FEDERAL PERKINS LOAN		4,899	$6,369,550
JA FRANKLIN HALL ROOM 208		FSEOG	$1,162,794	1,875	
BLOOMINGTON	IN 47405	FWS	$2,308,761	2,816	
INDIANA UNIV-EAST		FEDERAL PERKINS LOAN	$11,942	55	$72,712
2325 NORTH CHESTER BLVD		FSEOG	$64,681	104	
RICHMOND	IN 47374	FWS	$46,548	57	
INDIANA UNIV-PURDUE UNIV AT FORT WAYNE		FEDERAL PERKINS LOAN	$167,265	596	$775,557
2101 COLISEUM BLVD EAST		FSEOG	$177,600	286	
FORT WAYNE	IN 46805	FWS	$182,824	223	
INDIANA UNIV-PURDUE UNIV AT INDIANAPOLIS		FEDERAL PERKINS LOAN	$31,159	1,728	$2,246,607
425 UNIVERSITY BLVD CA103		FSEOG	$593,375	957	
INDIANAPOLIS	IN 46202	FWS	$914,347	1,115	
INDIANA UNIVERSITY-SOUTH BEND		FEDERAL PERKINS LOAN	$75,732	431	$560,496
1700 MISHAWAKA AVENUE		FSEOG	$124,059	200	
SOUTH BEND	IN 46634	FWS	$93,714	114	
INDIANA UNIVERSITY-SOUTHEAST		FEDERAL PERKINS LOAN	$83,805	530	$689,364
4201 GRANTLINE ROAD		FSEOG	$134,643	217	
NEW ALBANY	IN 47150	FWS	$114,457	140	
INDIANA VOC-TECH COLLEGE		FSEOG	$620,459	1,001	
P O BOX 7034		FWS	$661,121	806	
INDIANAPOLIS	IN 46207				
INDIANA WESLEYAN UNIVERSITY		FEDERAL PERKINS LOAN	$49,760	251	$327,426
4201 SO WASHINGTON ST		FSEOG	$150,000	242	
MARION	IN 46953	FWS	$131,518	160	
INTERNATIONAL BUSINESS COLLEGE INC		FEDERAL PERKINS LOAN	$35,599	177	$230,755
3811 ILLINOIS RD		FSEOG	$59,393	96	
FORT WAYNE	IN 46804				
ITT TECHNICAL INSTITUTE		FEDERAL PERKINS LOAN		50	$66,088
5115 OAK GROVE ROAD		FSEOG	$95,000	153	
EVANSVILLE	IN 47715	FWS	$33,954	41	

STATE OF INDIANA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		191	$248,412
9511 ANGOLA COURT	FSEOG	$165,000	266	
INDIANAPOLIS IN 46268	FWS	$84,320	103	
ITT TECHNICAL INSTITUTE-FORT WAYNE	FEDERAL PERKINS LOAN		187	$244,315
4919 COLDWATER ROAD	FSEOG	$213,897	345	
FORT WAYNE IN 46825	FWS	$61,453	75	
LINCOLN TECH INST	FEDERAL PERKINS LOAN		72	$94,225
1201 STADIUM DRIVE	FSEOG	$78,324	126	
INDIANAPOLIS IN 46202	FWS	$3,240	4	
LUTHERAN COLLEGE OF HEALTH PROFESSIONS	FSEOG	$5,000	8	
3024 FAIRFIELD AVENUE				
FORT WAYNE IN 46807				
MANCHESTER COLLEGE	FEDERAL PERKINS LOAN	$49,760	258	$336,561
	FSEOG	$145,162	234	
NORTH MANCHESTER IN 46962	FWS	$95,521	116	
MARIAN COLLEGE-INDIANAPOLIS	FEDERAL PERKINS LOAN	$52,539	243	$316,427
3200 COLD SPRING ROAD	FSEOG	$100,000	161	
INDIANAPOLIS IN 46222	FWS	$52,151	64	
MARTIN UNIVERSITY	FSEOG	$32,247	52	
PO BOX 18567 2171 AVONDALE PL	FWS	$14,589	18	
INDIANAPOLIS IN 46218				
MERRILLVILLE BEAUTY COLLEGE	FSEOG	$7,881	13	
48 W 67TH PLACE				
MERRILLVILLE IN 46410				
METROPOLITAN BEAUTY ACADEMY INC	FSEOG	$10,080	16	
110 W WASHINGTON STREET				
LEBANON IN 46052				
MICHIANA COLLEGE	FSEOG	$56,986	92	
1030 E JEFFERSON BLVD	FWS	$15,064	18	
SOUTH BEND IN 46617				
OAKLAND CITY COLLEGE	FEDERAL PERKINS LOAN	$125,361	361	$470,596
143 N LUCRETIA STREET	FSEOG	$173,575	280	
OAKLAND CITY IN 47660	FWS	$109,670	134	
P J COLLEGE OF COSMETOLOGY	FSEOG	$7,335	12	
115 NORTH 9TH STREET				
RICHMOND IN 47374				

STATE OF INDIANA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PROFESSIONAL CAREERS INSTITUTE	FEDERAL PERKINS LOAN	$40,636	150	$195,475
2611 WATERFRONT PKWY-EAST DR	FSEOG	$50,880	82	
INDIANAPOLIS IN 46214	FWS	$778	1	
PURDUE UNIVERSITY	FEDERAL PERKINS LOAN	$534,296	2,994	$3,892,873
1102 SCHLEMAN HALL ROOM305	FSEOG	$1,420,463	2,291	
WEST LAFAYETTE IN 47907	FWS	$983,023	1,199	
PURDUE UNIVERSITY-CALUMET CAMPUS	FEDERAL PERKINS LOAN	$97,309	250	$325,181
2233 171ST STREET	FSEOG	$245,440	396	
HAMMOND IN 46323	FWS	$141,798	173	
PURDUE UNIVERSITY-NORTH CEN CAMPUS	FEDERAL PERKINS LOAN		76	$100,041
1401 S HWY 421	FSEOG	$50,000	81	
WESTVILLE IN 46391	FWS	$54,645	67	
RAVENSCROFT BEAUTY COLLEGE	FSEOG	$7,352	12	
422 COLISEUM BLVD WEST				
FORT WAYNE IN 46805				
ROSE HULMAN INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$146,999	426	$555,039
5500 WABASH AVE	FSEOG	$208,651	337	
TERRE HAUTE IN 47803	FWS	$124,743	152	
SAINT ELIZABETH HOSP SCH OF NSG	FEDERAL PERKINS LOAN		7	$9,778
1508 TIPPECANOE ST	FSEOG	$18,000	29	
LAFAYETTE IN 47904	FWS	$5,759	7	
SAINT FRANCIS COLLEGE	FEDERAL PERKINS LOAN	$8,628	120	$156,100
2701 SPRING STREET	FSEOG	$45,791	74	
FORT WAYNE IN 46808	FWS	$76,984	94	
SAINT MARY-OF-THE-WOODS COLLEGE	FEDERAL PERKINS LOAN		88	$114,636
	FSEOG	$30,505	49	
ST-MARY-OF-THE-WOODS IN 47876	FWS	$20,424	25	
SAINT MARY'S COLLEGE	FEDERAL PERKINS LOAN	$5,971	296	$385,442
US 31 NORTH	FSEOG	$114,039	184	
NOTRE DAME IN 46556	FWS	$114,445	140	
SAINT MEINRAD COLLEGE	FEDERAL PERKINS LOAN	$5,893	36	$47,690
	FSEOG	$26,515	43	
SAINT MEINRAD IN 47577	FWS	$34,795	42	
SAINT MEINRAD SCHOOL OF THEOLOGY	FEDERAL PERKINS LOAN	$2,211	86	$112,566
	FWS	$21,382	26	
SAINT MEINRAD IN 47577				

STATE OF INDIANA

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SAWYER COLLEGE		FEDERAL PERKINS LOAN		94	$122,470
6040 HOHMAN AVE		FSEOG	$36,724	59	
HAMMOND	IN 46320				
ST JOSEPH'S COLLEGE		FEDERAL PERKINS LOAN	$8,900	213	$277,668
PO BOX 971		FSEOG	$121,880	197	
RENSSELAER	IN 47978	FWS	$94,686	115	
TAYLOR UNIVERSITY		FEDERAL PERKINS LOAN	$18,863	566	$736,032
500 WEST READE AVENUE		FSEOG	$242,348	391	
UPLAND	IN 46989	FWS	$279,083	340	
TRI-STATE UNIVERSITY		FEDERAL PERKINS LOAN	$89,568	171	$222,662
SOUTH DARLING STREET		FSEOG	$100,978	163	
ANGOLA	IN 46703	FWS	$53,217	65	
UNIVERSITY OF EVANSVILLE		FEDERAL PERKINS LOAN	$248,801	863	$1,122,434
1800 LINCOLN AVENUE		FSEOG	$290,039	468	
EVANSVILLE	IN 47722	FWS	$255,539	312	
UNIVERSITY OF INDIANAPOLIS		FEDERAL PERKINS LOAN	$99,521	256	$334,070
1400 EAST HANNA AVE		FSEOG	$149,443	241	
INDIANAPOLIS	IN 46227	FWS	$77,979	95	
UNIVERSITY OF NOTRE DAME		FEDERAL PERKINS LOAN	$806,613	2,782	$3,617,728
103 MAIN BLDG		FSEOG	$778,650	1,256	
NOTRE DAME	IN 46556	FWS	$873,830	1,066	
UNIVERSITY OF SOUTHERN INDIANA		FEDERAL PERKINS LOAN		73	$95,291
8600 UNIVERSITY BLVD		FSEOG	$105,538	170	
EVANSVILLE	IN 47712	FWS	$98,512	120	
VALPARAISO UNIVERSITY		FEDERAL PERKINS LOAN	$29,981	956	$1,243,458
KRETZMANN HALL		FSEOG	$594,349	959	
VALPARAISO	IN 46383	FWS	$320,302	391	
VINCENNES BEAUTY COLLEGE		FSEOG	$5,612	9	
12 SOUTH SECOND STREET					
VINCENNES	IN 47591				
VINCENNES UNIVERSITY		FEDERAL PERKINS LOAN		260	$338,730
1002 NO FIRST STREET		FSEOG	$282,740	456	
VINCENNES	IN 47591	FWS	$265,863	324	
WRIGHT BEAUTY COLLEGE		FSEOG	$7,299	12	
208 W JEFFERSON					
KOKOMO	IN 46901				

STATE OF INDIANA FEDERAL PERKINS LOAN $3,952,491 22,310 NO. INSTITUTIONS 53

FSEDG $12,162,306 19,621 ND. INSTITUTIONS 70
FWS ,11,576,395 14,120 ND. INSTITUTIONS 6

STATE OF IOWA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ALLEN MEM HOSP SCHOOL OF NURSING	FSEOG	$4,500	7	
1825 LOGAN AVENUE	FWS	$2,553	3	
WATERLOO IA 50703				
AMERICAN INSTITUTE OF BUSINESS	FEDERAL PERKINS LOAN	$11,006	196	$254,938
2500 FLEUR DR	FSEOG	$69,203	112	
DES MOINES IA 50321	FWS	$66,652	81	
AMERICAN INSTITUTE OF COMMERCE	FEDERAL PERKINS LOAN		18	$24,232
1801 EAST KIMBERLY	FSEOG	$90,444	146	
DAVENPORT IA 52806	FWS	$18,219	22	
BERNEL COLLEGE OF COSMETOLOGY	FSEOG	$5,628	9	
114 FIFTH STREET				
AMES IA 50010				
BRIAR CLIFF COLLEGE	FEDERAL PERKINS LOAN	$104,683	285	$371,062
3303 REBECCA STREET	FSEOG	$130,801	211	
SIOUX CITY IA 51104	FWS	$205,338	250	
BUENA VISTA COLLEGE	FEDERAL PERKINS LOAN	$46,330	399	$518,817
610 WEST FOURTH	FSEOG	$241,518	390	
STORM LAKE IA 50588	FWS	$162,633	198	
CAPRI COSMETOLOGY COLLEGE	FSEOG	$13,513	22	
395 MAIN BOX 873	FWS	$5,598	7	
DUBUQUE IA 52001				
CAPRI COSMETOLOGY COLLEGE	FSEOG	$12,512	20	
315 SECOND AVENUE SE	FWS	$999	1	
CEDAR RAPIDS IA 52401				
CAPRI COSMETOLOGY COLLEGE	FSEOG	$9,583	15	
1815 EAST KIMBERLY ROAD	FWS	$935	1	
DAVENPORT IA 52807				
CEDAR RAPIDS SCHOOL OF HAIRSTYLING	FEDERAL PERKINS LOAN		5	$6,673
1531 FIRST AVE SE	FSEOG	$5,568	9	
CEDAR RAPIDS IA 52402	FWS	$5,113	6	
CENTRAL UNIVERSITY OF IOWA	FEDERAL PERKINS LOAN	$24,935	437	$569,365
812 UNIVERSITY	FSEOG	$224,126	361	
PELLA IA 50219	FWS	$188,888	230	
CLARKE COLLEGE	FEDERAL PERKINS LOAN	$1,452	126	$164,650
1550 CLARKE DRIVE	FSEOG	$98,059	158	
DUBUQUE IA 52001	FWS	$111,305	136	

STATE OF IOWA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
COE COLLEGE	FEDERAL PERKINS LOAN	$181,583	746	$970,624
1220 FIRST AVE NE	FSEOG	$179,757	290	
CEDAR RAPIDS IA 52402	FWS	$114,568	140	
CORNELL COLLEGE	FEDERAL PERKINS LOAN		229	$297,814
	FSEOG	$208,077	336	
MOUNT VERNON IA 52314	FWS	$271,088	331	
DES MOINES AREA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$49,760	255	$332,591
2006 S ANKENY BLVD	FSEOG	$250,000	403	
ANKENY IA 50021	FWS	$171,575	209	
DIVINE WORD COLLEGE	FEDERAL PERKINS LOAN	$5,309	22	$28,907
102 JACOBY DRIVE SW	FSEOG	$39,725	64	
EPWORTH IA 22045	FWS	$40,971	50	
DORDT COLLEGE INC	FEDERAL PERKINS LOAN		343	$446,666
498 4TH AVE NE	FSEOG	$135,095	218	
SIOUX CENTER IA 51250	FWS	$112,286	137	
DRAKE UNIVERSITY	FEDERAL PERKINS LOAN	$180,878	1,462	$1,900,691
25TH & UNIVERSITY AVE	FSEOG	$526,918	850	
DES MOINES IA 50311	FWS	$563,419	687	
EASTERN IOWA CMTY COLLEGE DISTRICT	FSEOG	$87,000	140	
306 W RIVER DRIVE	FWS	$120,541	147	
DAVENPORT IA 52801				
ELLSWORTH COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$12,749	87	$113,269
1100 COLLEGE AVE	FSEOG	$69,239	112	
IOWA FALLS IA 50126	FWS	$60,926	74	
EMMAUS BIBLE COLLEGE	FSEOG	$5,568	9	
2570 ASBURY ROAD	FWS	$4,088	5	
DUBUQUE IA 52001				
FAUST INSTITUTE OF COSMETOLOGY	FSEOG	$5,568	9	
502 ERIE BOX 29				
STORM LAKE IA 50588				
GRACELAND COLLEGE	FEDERAL PERKINS LOAN		542	$704,881
700 COLLEGE AVENUE	FSEOG	$262,342	423	
LAMONI IA 50140	FWS	$213,971	261	
GRAND VIEW COLLEGE	FEDERAL PERKINS LOAN	$51,458	206	$268,387
1200 GRANDVIEW AVE	FSEOG	$107,044	173	
DES MOINES IA 50316	FWS	$49,955	61	

STATE OF IOWA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
GRINNELL COLLEGE	FEDERAL PERKINS LOAN	$19,202	286	$372,969
	FSEOG	$170,981	276	
GRINNELL IA 50112	FWS	$106,831	130	
HAMILTON BUSINESS COLLEGE INC	FEDERAL PERKINS LOAN	$26,021	89	$115,899
1924 D STREET SW	FSEOG	$80,015	129	
CEDAR RAPIDS IA 52404	FWS	$26,963	33	
HAWEYE COMMUNITY COLLEGE	FSEOG	$98,269	158	
PO BOX 8015	FWS	$103,340	126	
WATERLOO IA 50704				
INDIAN HILLS COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$35,827	115	$150,570
525 GRANDVIEW	FSEOG	$100,719	162	
OTTUMWA IA 52501	FWS	$83,815	102	
IOWA CENTRAL CMTY COLLEGE	FEDERAL PERKINS LOAN		11	$14,378
330 AVE M	FSEOG	$70,000	113	
FORT DODGE IA 50501	FWS	$63,044	77	
IOWA LAKES CMTY COLLEGE	FEDERAL PERKINS LOAN	$6,966	67	$87,766
19 SOUTH 7TH STREET	FSEOG	$32,329	52	
ESTHERVILLE IA 51334	FWS	$79,276	97	
IOWA METHODIST SCHOOL OF NURSING	FEDERAL PERKINS LOAN	$29,468	58	$76,624
1117 PLEASANT STREET	FSEOG	$16,877	27	
DES MOINES IA 50308	FWS	$14,421	18	
IOWA SCHOOL OF BARBERING AND HAIRSTYLING	FEDERAL PERKINS LOAN		5	$6,673
603 E SIXTH	FSEOG	$5,568	9	
DES MOINES IA 50309	FWS	$5,113	6	
IOWA SCHOOL OF BEAUTY	FSEOG	$7,598	12	
609 WEST 2ND STREET				
OTTUMWA IA 52501				
IOWA SCHOOL OF BEAUTY	FSEOG	$5,568	9	
112 NICHOLAS DRIVE				
MARSHALLTOWN IA 50158				
IOWA SCHOOL OF BEAUTY, INC	FSEOG	$9,826	16	
3305 70TH STREET				
DES MOINES IA 50310				
IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY	FEDERAL PERKINS LOAN	$325,563	2,243	$2,916,618
12 BEARDSHEAR HALL	FSEOG	$693,024	1,118	
AMES IA 50011	FWS	$737,792	900	

STATE OF IOWA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
IOWA WESLEYAN COLLEGE	FEDERAL PERKINS LOAN		83	$108,550
601 NORTH MAIN	FSEOG	$95,356	154	
MOUNT PLEASANT IA 52641	FWS	$58,191	71	
IOWA WESTERN COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$5,279	50	$66,200
BOX 4C 2700 COLLEGE ROAD	FSEOG	$50,000	81	
COUNCIL BLUFFS IA 51502	FWS	$66,045	81	
JENNIE EDMUNDSON MEMORIAL HOSP SCHOOL OF NURSING	FEDERAL PERKINS LOAN		12	$16,179
933 EAST PIERCE ST	FSEOG	$6,508	10	
COUNCIL BLUFFS IA 51503				
KIRKWOOD COMMUNITY COLLEGE	FSEOG	$287,212	463	
6301 KIRKWOOD BOULEVARD SW	FWS	$200,000	244	
CEDAR RAPIDS IA 52406				
LA JAMES COLLEGE OF HAIRSTYLING	FSEOG	$6,086	10	
227 EAST MARKET BREWERY SQUARE	FWS	$5,113	6	
IOWA CITY IA 52240				
LA JAMES COLLEGE OF HAIRSTYLING	FSEOG	$4,310	7	
211 W 53RD STREET				
DAVENPORT IA 52807				
LA JAMES COLLEGE OF HAIRSTYLING	FSEOG	$9,379	15	
6336 HICKMAN ROAD				
DES MOINES IA 50322				
LA JAMES COLLEGE OF HAIRSTYLING	FSEOG	$6,431	10	
6222 UNIVERSITY AVENUE				
CEDAR FALLS IA 50613				
LA JAMES COLLEGE OF HAIRSTYLING OF WATERLOO	FSEOG	$6,167	10	
2000 EAST RIDGEWAY				
WATERLOO IA 50704				
LA'JAMES COLLEGE OF HAIRSTYLING	FSEOG	$7,126	11	
2604 1ST AVENUE SOUTH				
FORT DODGE IA 50501				
LA'JAMES COLLEGE OF HAIRSTYLING	FSEOG	$4,710	8	
24 SECOND AVENUE NORTHEAST				
MASON CITY IA 50401				
LORAS COLLEGE	FEDERAL PERKINS LOAN	$140,140	464	$803,483
1450 ALTA VISTA	FSEOG	$225,303	363	
DUBUQUE IA 52001	FWS	$152,010	185	

STATE OF IOWA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LUTHER COLLEGE	FEDERAL PERKINS LOAN	$215,162	904	$1,176,385
700 COLLEGE DRIVE	FSEOG	$377,199	608	
DECORAH IA 52101	FWS	$366,498	447	
MAHARISHI INTERNATIONAL UNIVERSITY	FEDERAL PERKINS LOAN	$291,184	925	$1,203,698
1001 N 4TH STREET	FSEOG	$86,949	140	
FAIRFIELD IA 52557	FWS	$169,927	207	
MARSHALLTOWN COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$35,497	157	$205,116
3700 SOUTH CENTER STREET	FSEOG	$44,466	72	
MARSHALLTOWN IA 50158	FWS	$39,671	48	
MORNINGSIDE COLLEGE	FEDERAL PERKINS LOAN	$58,124	469	$609,737
1501 MORNINGSIDE AVE	FSEOG	$183,938	297	
SIOUX CITY IA 51106	FWS	$222,298	271	
MOUNT MERCY COLLEGE	FEDERAL PERKINS LOAN	$37,143	272	$354,129
1330 ELMHURST DR,N.E.	FSEOG	$120,000	194	
CEDAR RAPIDS IA 52402	FWS	$123,230	150	
MOUNT SAINT CLARE COLLEGE	FEDERAL PERKINS LOAN		38	$50,040
400 NO BLUFF BLVD	FSEOG	$39,293	63	
CLINTON IA 52732	FWS	$21,472	26	
NATIONAL INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN		50	$65,233
1119 FIFTH STREET	FSEOG	$26,820	43	
WEST DES MOINES IA 50265	FWS	$9,659	12	
NORTH IOWA AREA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$29,017	131	$170,452
500 COLLEGE DRIVE	FSEOG	$69,902	113	
MASON CITY IA 50401	FWS	$66,888	82	
NORTHEAST IOWA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$37,695	143	$186,598
BOX 400	FSEOG	$72,693	117	
CALMAR IA 52132	FWS	$44,442	54	
NORTHWEST IOWA COMMUNITY COLLEGE	FSEOG	$17,699	29	
603 WEST PARK STREET	FWS	$13,185	16	
SHELDON IA 51201				
NORTHWESTERN COLLEGE	FEDERAL PERKINS LOAN	$9,263	204	$266,286
101 7TH STREET SW	FSEOG	$204,005	329	
ORANGE CITY IA 51041	FWS	$117,993	144	
PALMER COLLEGE OF CHIROPRACTIC	FEDERAL PERKINS LOAN	$351,971	813	$1,057,071
1000 BRADY STREET	FSEOG	$49,728	80	
DAVENPORT IA 52803	FWS	$160,000	195	

STATE OF IOWA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PROFESSIONAL ACADEMY OF SCIENCE AND BEAUTY LTD.	FSEOG	$3,988	6	
139 1/2 5TH AVENUE SOUTH				
CLINTON IA 52732				
SAINT AMBROSE UNIVERSITY	FEDERAL PERKINS LOAN	$108,130	313	$407,916
518 W LOCUST ST	FSEOG	$178,011	287	
DAVENPORT IA 52803	FWS	$83,273	102	
SIMPSON COLLEGE	FEDERAL PERKINS LOAN	$66,843	383	$498,205
701 N C STREET	FSEOG	$116,247	187	
INDIANOLA IA 50125	FWS	$94,374	115	
SOUTHEASTERN COMMUNITY COLLEGE	FSEOG	$40,000	65	
1015 SOUTH GEAR AVENUE	FWS	$44,327	54	
WEST BURLINGTON IA 52655				
SOUTHWESTERN COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$3,913	24	$31,711
1501 W TOWNLINE	FSEOG	$30,000	48	
CRESTON IA 50801	FWS	$33,064	40	
SPENCER SCHOOL OF BUSINESS	FEDERAL PERKINS LOAN	$998	80	$104,710
217 W FIFTH ST	FSEOG	$20,745	33	
SPENCER IA 51301	FWS	$15,551	19	
ST LUKE'S SCHOOL OF NURSING	FSEOG	$12,914	21	
2720 STONE PARK BLVD	FWS	$7,441	9	
SIOUX CITY IA 51104				
STEWART SCH HAIRSTYLING-COUNCIL BLF	FSEOG	$4,559	7	
2719 HIGHWAY 6				
COUNCIL BLUFFS IA 51503				
STEWART SCH HAIRSTYLING-SI CTY	FEDERAL PERKINS LOAN		37	$48,739
710 PIERCE STREET	FSEOG	$6,269	10	
SIOUX CITY IA 51101				
TEIKYO MARYCREST UNIVERSITY	FEDERAL PERKINS LOAN		113	$146,967
1607 WEST 12TH STREET	FSEOG	$127,597	206	
DAVENPORT IA 52804	FWS	$98,604	120	
TEIKYO WESTMAR UNIVERSITY	FEDERAL PERKINS LOAN	$14,133	188	$245,281
1002 THIRD AVE SE	FSEOG	$141,065	228	
LEMARS IA 51031	FWS	$106,656	130	
UNIVERSITY OF DUBUQUE	FEDERAL PERKINS LOAN		193	$251,357
2000 UNIVERSITY AVENUE	FSEOG	$111,138	179	
DUBUQUE IA 52001	FWS	$122,502	149	

STATE OF IOWA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF IOWA	FEDERAL PERKINS LOAN		2,775	$3,608,053
208 CALVIN HALL	FSEOG	$520,867	840	
IOWA CITY IA 52242	FWS	$1,161,835	1,417	
UNIVERSITY OF NORTHERN IOWA	FEDERAL PERKINS LOAN	$389,609	1,820	$2,366,418
GIL 256	FSEOG	$407,448	657	
CEDAR FALLS IA 50614	FWS	$424,203	517	
UNIVERSITY OF OSTEOPATHIC MED AND HLTH SCIENCES	FEDERAL PERKINS LOAN	$24,305	175	$228,102
3200 GRAND AVENUE	FSEOG	$5,611	9	
DES MOINES IA 50312	FWS	$60,000	73	
UPPER IOWA UNIVERSITY	FEDERAL PERKINS LOAN		87	$113,621
	FSEOG	$150,000	242	
FAYETTE IA 52142	FWS	$120,047	146	
VENNARD COLLEGE	FEDERAL PERKINS LOAN		38	$49,678
POST OFFICE BOX 29	FSEOG	$16,199	26	
UNIVERSITY PARK IA 52595	FWS	$10,745	13	
WALDORF COLLEGE	FEDERAL PERKINS LOAN	$59,417	181	$236,531
106 SOUTH SIXTH STREET	FSEOG	$115,921	187	
FOREST CITY IA 50436	FWS	$47,178	58	
WARTBURG COLLEGE	FEDERAL PERKINS LOAN		401	$521,984
PO BOX 1003	FSEOG	$179,940	290	
WAVERLY IA 50677	FWS	$137,866	168	
WARTBURG THEOLOGICAL SEMINARY	FEDERAL PERKINS LOAN	$16,805	40	$53,102
333 WARTBURG PLACE	FWS	$20,726	25	
DUBUQUE IA 52003				
WESTERN IOWA TECH CMTY COLLEGE	FEDERAL PERKINS LOAN	$2,172	3	$4,092
4647 STONE AVE P O BOX 265	FSEOG	$60,236	97	
SIOUX CITY IA 51102	FWS	$56,058	68	
WILLIAM PENN COLLEGE	FEDERAL PERKINS LOAN	$47,660	380	$494,445
201 TRUEBLOOD AVENUE	FSEOG	$184,892	298	
OSKALOOSA IA 52577	FWS	$124,655	152	
YOUNG COSMETOLOGY COLLEGE	FSEOG	$5,567	9	
322 W 4TH STREET				
WATERLOO IA 50701				
YOUNG COSMETOLOGY COLLEGE	FSEOG	$5,567	9	
322 WEST 4TH STREET				
WATERLOO IA 50701				

STATE OF IOWA FEDERAL PERKINS LOAN $3,057,650 15,198 NO. INSTITUTIONS 57

FSEOG	$8,518,623	13,736	NO. INSTITUTIONS	?3
FWS	$8,317,943	10,140	NO. INSTITUTIONS	7

STATE OF KANSAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ACADEMY OF HAIR DESIGN INC 115 SO 5TH SALINA KS 67401	FSEOG	$5,157	8	
ALLEN COUNTY COMMUNITY COLLEGE 1801 NORTH COTTONWOOD IOLA KS 66749	FSEOG FWS	$13,806 $23,616	22 29	
AMTECH INSTITUTE 4011 EAST 31ST SO WICHITA KS 67210	FEDERAL PERKINS LOAN FSEOG FWS	 $70,684 $25,068	182 114 31	$236,749
BAKER UNIVERSITY POST OFFICE BOX 66 606 W 8THST BALDWIN CITY KS 66006	FEDERAL PERKINS LOAN FSEOG FWS	$99,521 $141,692 $108,296	336 229 132	$438,061
BARCLAY COLLEGE 607 N KINGMAN PO BOX 288 HAVILAND KS 67059	FSEOG FWS	$7,934 $10,381	13 13	
BARTON CO CMTY COL GREAT BEND KS 67530	FEDERAL PERKINS LOAN FSEOG FWS	 $45,445 $49,196	117 73 60	$153,103
BENEDICTINE COLLEGE 1020 NORTH 2ND ATCHISON KS 66002	FEDERAL PERKINS LOAN FSEOG FWS	$32,773 $271,127 $278,510	449 437 340	$584,847
BETHANY COLLEGE 421 NORTH FIRST STREET LINDSBORG KS 67456	FEDERAL PERKINS LOAN FSEOG FWS	$57,656 $120,980 $126,074	472 195 154	$614,778
BETHEL COLLEGE 300 EAST 27TH STREET NORTH NEWTON KS 67117	FEDERAL PERKINS LOAN FSEOG FWS	 $116,143 $115,968	332 187 141	$432,633
BROWN MACKIE COLLEGE-THE BOX 1787 SALINA KS 67402	FEDERAL PERKINS LOAN FSEOG FWS	$63,096 $163,285 $59,776	187 263 73	$243,357
BRYAN INSTITUTE 1004 S OLIVER WICHITA KS 67208	FEDERAL PERKINS LOAN FSEOG FWS	 $46,451 $17,448	44 75 21	$57,378
BUTLER COUNTY COMMUNITY COLLEGE 901 S HAVERHILL ROAD EL DORADO KS 67042	FEDERAL PERKINS LOAN FSEOG FWS	$53,741 $125,000 $69,751	107 202 85	$140,285

STATE OF KANSAS

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CENTRAL COLLEGE		FEDERAL PERKINS LOAN	$119,424	225	$292,668
1200 S MAIN		FSEOG	$60,585	98	
MCPHERSON	KS 67460	FWS	$53,502	65	
CLIMATE CONTROL INST		FEDERAL PERKINS LOAN	$19,283	34	$44,523
3030 NORTH HILLSIDE		FSEOG	$23,939	39	
WICHITA	KS 67219	FWS	$9,240	11	
CLOUD COUNTY COMMUNITY COLLEGE		FSEOG	$23,046	37	
2221 CAMPUS DRIVE		FWS	$80,907	99	
CONCORDIA	KS 66901				
COFFEYVILLE COMMUNITY COLLEGE		FSEOG	$15,000	24	
400 11TH STREET		FWS	$56,936	69	
COFFEYVILLE	KS 67337				
COLBY CMTY COLLEGE		FEDERAL PERKINS LOAN	$17,913	111	$144,393
1255 SO RANGE		FSEOG	$30,000	48	
COLBY	KS 67701	FWS	$80,181	98	
COLLEGE OF HAIR DESIGN		FSEOG	$5,568	9	
10324 MASTIN					
OVERLAND PARK	KS 66212				
COWLEY COUNTY COMMUNITY COLLEGE		FEDERAL PERKINS LOAN		33	$43,893
125 SOUTH SECOND		FSEOG	$26,807	43	
ARKANSAS CITY	KS 67005	FWS	$24,418	30	
CRUM'S BEAUTY COLLEGE		FSEOG	$8,662	14	
512 POYNTZ AVENUE					
MANHATTAN	KS 66502				
DODGE CITY COMMUNITY COLLEGE		FEDERAL PERKINS LOAN		76	$99,607
2501 NORTH 14TH STREET		FSEOG	$35,000	56	
DODGE CITY	KS 67801	FWS	$58,143	71	
DONNELLY COLLEGE		FSEOG	$100,000	161	
608 NORTH 18TH STREET		FWS	$66,147	81	
KANSAS CITY	KS 66102				
EMPORIA STATE UNIVERSITY		FEDERAL PERKINS LOAN	$6,654	1,287	$1,673,577
1200 COMMERCIAL STREET		FSEOG	$194,545	314	
EMPORIA	KS 66801	FWS	$389,758	475	
FORT HAYS STATE UNIVERSITY		FEDERAL PERKINS LOAN	$249,951	867	$1,127,437
600 PARK STREET		FSEOG	$176,644	285	
HAYS	KS 67601	FWS	$411,618	502	

STATE OF KANSAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
FORT SCOTT COMMUNITY COLLEGE	FSEOG	$36,948	60	
2108 S HORTON	FWS	$73,324	89	
FORT SCOTT KS 66701				
FRIENDS UNIVERSITY	FEDERAL PERKINS LOAN	$77,825	304	$396,493
2100 UNIVERSITY	FSEOG	$108,711	175	
WICHITA KS 67213	FWS	$78,416	96	
HASKELL INDIAN JR COLLEGE	FSEOG	$18,000	29	
155 INDIAN AVENUE #1302	FWS	$12,316	15	
LAWRENCE KS 66046				
HESSTON COLLEGE	FEDERAL PERKINS LOAN	$44,784	286	$372,819
BOX 3000	FSEOG	$127,176	205	
HESSTON KS 67062	FWS	$89,565	109	
HIGHLAND COMMUNITY COLLEGE	FSEOG	$43,481	70	
PO BOX 68	FWS	$103,271	126	
HIGHLAND KS 66035				
HUTCHINSON COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$16,478	121	$157,572
1300 NORTH PLUM	FSEOG	$35,000	56	
HUTCHINSON KS 67501	FWS	$64,306	78	
INDEPENDENCE COMMUNITY JR COLLEGE	FSEOG	$60,387	97	
BOX 708	FWS	$60,487	74	
INDEPENDENCE KS 67301				
JOHNSON COUNTY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$89,568	259	$337,632
12345 COLLEGE BLVD AT QUIVIRA	FSEOG	$112,541	182	
OVERLAND PARK KS 66210	FWS	$78,029	95	
KANSAS CITY KA COMMUNITY JR COLLEGE	FSEOG	$160,206	258	
7250 STATE AVE	FWS	$90,298	110	
KANSAS CITY KS 66112				
KANSAS NEWMAN COLLEGE	FEDERAL PERKINS LOAN	$816	104	$135,408
3100 MCCORMICK AVE	FSEOG	$102,809	166	
WICHITA KS 67213	FWS	$45,029	55	
KANSAS STATE UNIVERSITY	FEDERAL PERKINS LOAN	$285,315	2,881	$3,745,938
FAIRCHILD HALL ROOM 104	FSEOG	$456,779	737	
MANHATTAN KS 66506	FWS	$724,683	884	
KANSAS WESLEYAN UNIVERSITY	FEDERAL PERKINS LOAN	$39,744	200	$261,082
100 EAST CLAFLIN	FSEOG	$86,964	140	
SALINA KS 67401	FWS	$58,563	71	

STATE OF KANSAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LABARON HAIRDRESSING ACADEMY	FSEOG	$5,568	9	
8119 ROBINSON				
OVERLAND PARK KS 66204				
LABETTE COMMUNITY COLLEGE	FSEOG	$6,000	10	
200 SO 14TH	FWS	$9,751	12	
PARSONS KS 67357				
MANHATTAN AREA TECHNICAL CENTER	FSEOG	$9,991	16	
3136 DICKENS AVE	FWS	$4,359	5	
MANHATTAN KS 66502				
MANHATTAN CHRISTIAN COLLEGE	FEDERAL PERKINS LOAN	$9,952	72	$93,823
1415 ANDERSON	FSEOG	$14,918	24	
MANHATTAN KS 66502	FWS	$49,477	60	
MCPHERSON COLLEGE	FEDERAL PERKINS LOAN	$39,115	314	$408,436
1600 E EUCLID PO BOX 1402	FSEOG	$89,337	144	
MCPHERSON KS 67460	FWS	$50,934	62	
MIDAMERICA NAZARENE COLLEGE	FEDERAL PERKINS LOAN	$139,779	448	$583,323
2030 EAST COLLEGE WAY	FSEOG	$143,005	231	
OLATHE KS 66062	FWS	$120,063	146	
NEOSHO COUNTY COMMUNITY COLLEGE	FSEOG	$17,401	28	
1000 SO ALLEN	FWS	$17,566	21	
CHANUTE KS 66720				
NORTH CENTRAL KS AREA VOC-TECH SCH	FWS	$5,818	7	
BOX 507				
BELOIT KS 67420				
NORTHWEST KANSAS AREA VOC TECH SCH	FSEOG	$12,766	21	
P O BOX 668	FWS	$19,954	24	
GOODLAND KS 67735				
OTTAWA UNIVERSITY	FEDERAL PERKINS LOAN	$24,335	25	$33,505
10TH AND CEDAR STREETS	FSEOG	$143,101	231	
OTTAWA KS 66067	FWS	$142,773	174	
PITTSBURG STATE UNIVERSITY	FEDERAL PERKINS LOAN	$21,971	900	$1,170,238
1701 SO BROADWAY	FSEOG	$174,617	282	
PITTSBURGH KS 66762	FWS	$333,110	406	
PRATT CMTY COL	FSEOG	$11,810	19	
HWY 61	FWS	$23,756	29	
PRATT KS 67124				

STATE OF KANSAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SAINT MARY COLLEGE	FEDERAL PERKINS LOAN	$10,113	101	$131,994
4100 S. 4TH STREET TRAFFICWAY	FSEOG	$74,123	120	
LEAVENWORTH KS 66048	FWS	$40,974	50	
SEWARD COUNTY COMMUNITY COLLEGE	FSEOG	$15,000	24	
1801 N KANSAS PO BOX 1137	FWS	$21,464	26	
LIBERAL KS 67901				
SOUTHWESTERN COLLEGE	FEDERAL PERKINS LOAN	$175,006	379	$493,348
100 COLLEGE STREET	FSEOG	$55,138	89	
WINFIELD KS 67156	FWS	$59,930	73	
STERLING COLLEGE	FEDERAL PERKINS LOAN	$12,857	176	$229,259
	FSEOG	$49,591	80	
STERLING KS 67579	FWS	$57,944	71	
TABOR COLLEGE	FEDERAL PERKINS LOAN	$20,133	181	$235,310
400 SOUTH JEFFERSON	FSEOG	$104,703	169	
HILLSBORO KS 67063	FWS	$77,700	95	
UNIVERSITY OF KANSAS	FEDERAL PERKINS LOAN	$15,865	2,514	$3,269,275
50 STRONG HALL - USFA	FSEOG	$607,228	979	
LAWRENCE KS 66045	FWS	$616,328	752	
UNIVERSITY OF KANSAS MEDICAL CENTER	FEDERAL PERKINS LOAN	$235,748	641	$833,813
3901 RAINBOW BLVD	FSEOG	$15,797	25	
KANSAS CITY KS 66160	FWS	$40,992	50	
VERNON'S KANSAS SCHOOL OF COSMETOLOGY	FEDERAL PERKINS LOAN		5	$7,620
501 E PAWNEE SUITE 515	FSEOG	$11,136	18	
WICHITA KS 67211	FWS	$672	1	
WASHBURN UNIVERSITY OF TOPEKA	FEDERAL PERKINS LOAN	$39,808	187	$243,700
1700 COLLEGE	FSEOG	$163,222	263	
TOPEKA KS 66621	FWS	$211,894	258	
WICHITA BUSINESS COLLEGE INC	FEDERAL PERKINS LOAN		14	$19,244
501 E PAWNEE SUITE 515	FSEOG	$14,604	24	
WICHITA KS 67202	FWS	$3,717	5	
WICHITA STATE UNIVERSITY	FEDERAL PERKINS LOAN	$7,924	1,534	$1,995,073
1845 FAIRMOUNT	FSEOG	$325,001	524	
WICHITA KS 67208	FWS	$353,584	431	
WRIGHT BUSINESS SCHOOL	FSEOG	$32,161	52	
9500 MARSHALL DRIVE				
LENEXA KS 66215				

STATE OF KANSAS FEDERAL PERKINS LOAN $2,027,148 15,702 NO. INSTITUTIONS 38

FSEOG	$5,272,720	8,503	NO. INSTITUTIONS 59
FWS	$5,855,981	7,140	NO. INSTITUTIONS 5

REPORT 70 - CONGRESSIONAL NOTIFICATION REPORT

STATE OF KENTUCKY

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ALICE LLOYD COLLEGE	FEDERAL PERKINS LOAN		80	$105,063
	FSEOG	$67,238	108	
PIPPA PASSES KY 41844	FWS	$86,953	106	
ASBURY COLLEGE	FEDERAL PERKINS LOAN	$68,912	216	$282,074
1 MACKLEM DRIVE	FSEOG	$113,614	183	
WILMORE KY 40390	FWS	$112,009	137	
ASBURY THEOLOGICAL SEMINARY	FEDERAL PERKINS LOAN	$126,500	429	$558,691
204 N LEXINGTON AVE	FWS	$128,554	157	
WILMORE KY 40390				
BELLARMINE COLLEGE	FEDERAL PERKINS LOAN	$17,913	238	$310,316
2001 NEWBURG ROAD	FSEOG	$50,293	81	
LOUISVILLE KY 40205	FWS	$237,256	289	
BEREA COLLEGE	FEDERAL PERKINS LOAN	$54,737	105	$136,749
CPO 2348	FSEOG	$345,812	558	
BEREA KY 40404	FWS	$774,233	944	
BRESCIA COLLEGE	FEDERAL PERKINS LOAN		117	$152,248
717 FREDERICA STREET	FSEOG	$84,611	136	
OWENSBORO KY 42301	FWS	$69,984	85	
CAMPBELLSVILLE COLLEGE	FEDERAL PERKINS LOAN	$10,147	233	$303,262
200 COLLEGE STREET WEST	FSEOG	$100,637	162	
CAMPBELLSVILLE KY 42718	FWS	$236,121	288	
CAREERCOM JUNIOR COLLEGE OF BUSINESS	FEDERAL PERKINS LOAN		20	$26,730
1102 S VIRGINIA STREET	FSEOG	$30,497	49	
HOPKINSVILLE KY 42240	FWS	$4,655	6	
CENTRE COLLEGE OF KENTUCKY	FEDERAL PERKINS LOAN	$904	102	$133,716
600 WEST WALNUT STREET	FSEOG	$80,694	146	
DANVILLE KY 40422	FWS	$112,683	137	
CUMBERLAND COLLEGE	FEDERAL PERKINS LOAN	$107,222	546	$710,011
	FSEOG	$194,853	314	
WILLIAMSBURG KY 40769	FWS	$395,046	482	
EASTERN KENTUCKY UNIVERSITY	FEDERAL PERKINS LOAN	$27,299	1,167	$1,518,360
LANCASTER AVENUE	FSEOG	$517,909	835	
RICHMOND KY 40475	FWS	$718,565	876	
EDUCATIONAL SERVICES CENTER DBA KENTUCKY CAREER	FEDERAL PERKINS LOAN		9	$12,655
PO BOX 143 8095 CONNECTOR DR	FSEOG	$33,146	53	
FLORENCE KY 41022	FWS	$5,803	7	

STATE OF KENTUCKY

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
FUGAZZI BUSINESS COLLEGE	FEDERAL PERKINS LOAN		70	$91,857
406 LAFAYETTE AVENUE	FSEOG	$35,928	58	
LEXINGTON KY 40508	FWS	$9,364	11	
GEORGETOWN COLLEGE	FEDERAL PERKINS LOAN	$1,198	275	$358,162
400 EAST COLLEGE STREET	FSEOG	$100,669	162	
GEORGETOWN KY 40324	FWS	$149,717	183	
HAIR DESIGN SCHOOL	FSEOG	$8,226	13	
4160 BARDSTOWN ROAD				
LOUISVILLE KY 40218				
HUMANA HEALTH INST	FSEOG	$20,315	33	
612 SOUTH FOURTH STREET				
LOUISVILLE KY 40202				
KENTUCKY CHRISTIAN COLLEGE	FEDERAL PERKINS LOAN	$39,808	128	$167,657
617 CAROL MALONE BLVD	FSEOG	$45,630	74	
GRAYSON KY 41143	FWS	$203,016	248	
KENTUCKY COLLEGE OF BUSINESS	FEDERAL PERKINS LOAN		60	$78,569
628 EAST MAIN STREET	FSEOG	$107,672	174	
LEXINGTON KY 40508	FWS	$30,397	37	
KENTUCKY DEPT FOR TECHNICAL EDUCATION	FSEOG	$215,000	347	
CAPITAL PLAZA TOWER	FWS	$200,133	244	
FRANKFORT KY 40601				
KENTUCKY MOUNTAIN BIBLE COLLEGE	FSEOG	$5,568	9	
BOX 10	FWS	$5,113	6	
VANCLEVE KY 41385				
KENTUCKY STATE UNVERSITY	FEDERAL PERKINS LOAN		287	$374,197
EAST MAIN STREET	FSEOG	$123,246	199	
FRANKFORT KY 40601	FWS	$477,216	582	
KENTUCKY WESLEYAN COLLEGE	FEDERAL PERKINS LOAN	$49,760	175	$228,588
3000 FREDERICA ST PO BOX 1039	FSEOG	$74,348	120	
OWENSBORO KY 42302	FWS	$122,927	150	
LEES JR COLLEGE	FEDERAL PERKINS LOAN		65	$85,025
601 JEFFERSON AVE	FSEOG	$74,142	120	
JACKSON KY 41339	FWS	$100,783	123	
LEXINGTON ACADEMY OF BEAUTY	FEDERAL PERKINS LOAN		4	$5,928
132 SOUTHLAND DRIVE	FSEOG	$7,758	13	
LEXINGTON KY 40503				

STATE OF KENTUCKY

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LINDSEY WILSON COLLEGE	FEDERAL PERKINS LOAN	$49,760	114	$149,322
210 LINDSEY WILSON STREET	FSEOG	$116,858	188	
COLUMBIA KY 42728	FWS	$67,858	83	
LOUISVILLE PRESBYTERIAN THEOL SEM	FEDERAL PERKINS LOAN	$9,952	73	$95,738
1044 ALTA VISTA RD	FWS	$27,724	34	
LOUISVILLE KY 40205				
LOUISVILLE TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN	$17,967	62	$81,664
3901 ATKINSON DRIVE	FSEOG	$67,330	109	
LOUISVILLE KY 40218	FWS	$10,429	13	
MIDWAY COLLEGE	FEDERAL PERKINS LOAN		57	$74,125
512 E STEPHENS STREET	FSEOG	$76,038	123	
MIDWAY KY 40347	FWS	$97,042	118	
MOREHEAD STATE UNIVERSITY	FEDERAL PERKINS LOAN	$2,411	734	$955,494
UNIVERSITY BLVD	FSEOG	$243,773	393	
MOREHEAD KY 40351	FWS	$795,231	970	
MURRAY STATE UNIVERSITY	FEDERAL PERKINS LOAN	$3,470	1,010	$1,314,191
1 MURRY STREET	FSEOG	$312,773	504	
MURRAY KY 42071	FWS	$428,304	522	
NEC-KENTUCKY COLLEGE OF TECH	FEDERAL PERKINS LOAN		170	$221,482
300 HIGH RISE DRIVE	FSEOG	$65,558	106	
LOUISVILLE KY 40213	FWS	$30,337	37	
NORTHERN KENTUCKY UNIVERSITY	FEDERAL PERKINS LOAN	$86,294	437	$568,601
NUNN DRIVE	FSEOG	$143,401	231	
HIGHLAND HEIGHTS KY 41099	FWS	$230,369	281	
OWENSBORO JR COLLEGE OF BUSINESS	FEDERAL PERKINS LOAN	$29,639	95	$124,080
1515 E 18TH STREET BOX 1350	FSEOG	$40,520	65	
OWENSBORO KY 42302	FWS	$48,470	59	
PIKEVILLE COLLEGE	FEDERAL PERKINS LOAN	$18,043	137	$178,694
	FSEOG	$60,000	97	
PIKEVILLE KY 41501	FWS	$87,460	107	
PJ'S COLLEGE OF COSMETOLOGY	FSEOG	$20,041	32	
RUSSELLVILLE ROAD				
BOWLING GREEN KY 42101				
RETS ELECTRONIC INC	FEDERAL PERKINS LOAN	$120,917	264	$344,200
4146 OUTER LOOP	FSEOG	$37,519	61	
LOUISVILLE KY 40229	FWS	$20,615	25	

STATE OF KENTUCKY

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ROY'S OF LOUISVILLE BEAUTY ACAD	FEDERAL PERKINS LOAN		5	$7,773
151 CHENOWETH LANE	FSEOG	$9,210	15	
LOUISVILLE KY 40207				
SAINT CATHARINE COLLEGE	FEDERAL PERKINS LOAN	$12,973	48	$63,576
SAINT CATHERINE POST OFFICE	FSEOG	$20,110	32	
SAINT CATHARINE KY 40061	FWS	$37,369	46	
SPALDING UNIVERSITY	FEDERAL PERKINS LOAN		136	$178,059
851 SO 4TH STREET	FSEOG	$88,600	143	
LOUISVILLE KY 40203	FWS	$124,625	152	
SPENCERIAN COLLEGE	FEDERAL PERKINS LOAN	$23,728	109	$142,330
4627 DIXIE HIGHWAY	FSEOG	$92,115	149	
LOUISVILLE KY 40216	FWS	$13,169	16	
SUE BENNETT COLLEGE	FSEOG	$23,646	38	
151 COLLEGE STREET	FWS	$15,391	19	
LONDON KY 40741				
SULLIVAN COLLEGE	FEDERAL PERKINS LOAN	$1,481	148	$193,527
PO BOX 33-308	FSEOG	$150,000	242	
LOUISVILLE KY 40232	FWS	$26,482	32	
THE HAIR DESIGN SCHOOL	FSEOG	$7,495	12	
640 KNOX BLVD				
RADCLIFF KY 40160				
THE HAIR DESIGN SCHOOL	FSEOG	$6,841	11	
3968 PARK DRIVE				
LOUISVILLE KY 40216				
THE HAIR DESIGN SCHOOL	FSEOG	$5,039	8	
7285 TURFWAY ROAD				
FLORENCE KY 41042				
THE HAIR DESIGN SCHOOL	FSEOG	$5,452	9	
1049 BARDSTOWN ROAD				
LOUISVILLE KY 40204				
THOMAS MORE COLLEGE	FEDERAL PERKINS LOAN	$641	179	$233,998
333 THOMAS MORE PARKWAY	FSEOG	$144,763	233	
CRESTVIEW HILLS KY 41017	FWS	$80,383	98	
TRANSYLVANIA UNIVERSITY	FEDERAL PERKINS LOAN	$23,912	326	$424,577
300 NO BROADWAY	FSEOG	$87,871	142	
LEXINGTON KY 40508	FWS	$115,862	141	

STATE OF KENTUCKY

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
TRI STATE BEAUTY ACADEMY INC 219 WEST MAIN STREET MOREHEAD KY 40351	FSEOG	$5,568	9	
UNION COLLEGE COLLEGE STREET BARBOURVILLE KY 40906	FEDERAL PERKINS LOAN		133	$174,046
	FSEOG	$76,140	123	
	FWS	$151,766	185	
UNIVERSITY OF KENTUCKY 128 FUNKHOUSER BUILDING LEXINGTON KY 40506	FEDERAL PERKINS LOAN	$592,172	3,156	$4,103,736
	FSEOG	$1,229,970	1,984	
	FWS	$1,416,190	1,727	
UNIVERSITY OF LOUISVILLE 2301 SOUTH THIRD ST LOUISVILLE KY 40292	FEDERAL PERKINS LOAN	$205,284	1,673	$2,175,819
	FSEOG	$261,965	423	
	FWS	$587,046	716	
WESTERN KENTUCKY UNIVERSITY COLLEGE HEIGHTS BOWLING GREEN KY 42101	FEDERAL PERKINS LOAN	$80,030	1,049	$1,364,962
	FSEOG	$391,345	631	
	FWS	$674,138	822	

STATE OF KENTUCKY			
FEDERAL PERKINS LOAN	$1,783,074	13,228	NO. INSTITUTIONS 42
FSEOG	$6,237,747	10,060	NO. INSTITUTIONS 51
FWS	$9,266,788	11,301	NO. INSTITUTIONS 43

STATE OF LOUISIANA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ANGELO'S SCHOOL OF COSMETOLOGY ARTS & SCIENCE	FSEOG	$9,226	15	
1209 W ST PETER				
NEW IBERIA LA 70560				
ART OF BEAUTY COLLEGE THE	FSEOG	$7,219	12	
3026 GENTILLY BLVD				
NEW ORLEANS LA 70122				
AYERS INSTITUTE	FEDERAL PERKINS LOAN		9	$12,680
3003 KNIGHT STREET SUITE 244	FSEOG	$7,598	12	
SHREVEPORT LA 71105				
BATON ROUGE SCHOOL OF COMPUTERS	FEDERAL PERKINS LOAN	$49,760	69	$90,842
9255 INTERLINE AVENUE	FSEOG	$35,585	57	
BATON ROUGE LA 70809	FWS	$30,192	37	
BOSSIER PARISH COMMUNITY COLLEGE	FSEOG	$45,751	74	
2719 AIRLINE DRIVE NORTH	FWS	$13,776	17	
BOSSIER LA 71111				
CAMERON COLLEGE	FEDERAL PERKINS LOAN		0	$1,000
2740 CANAL STREET PO BOX 19288	FSEOG	$92,778	150	
NEW ORLEANS LA 70179	FWS	$32,214	39	
CENTENARY COLLEGE OF LA	FEDERAL PERKINS LOAN	$11,942	109	$142,841
2911 CENTENARY BLVD POB 41188	FSEOG	$60,201	97	
SHREVEPORT LA 71134	FWS	$104,811	128	
COASTAL COLLEGE	FEDERAL PERKINS LOAN		3	$4,383
2001 CANAL ST 3RD FLOOR	FSEOG	$97,185	157	
NEW ORLEANS LA 70112				
COMMERCIAL COLLEGE OF SHREVEPORT	FEDERAL PERKINS LOAN		229	$298,144
2640 YOUREE DRIVE	FSEOG	$159,635	257	
SHREVEPORT LA 71104	FWS	$94,107	115	
DEE & JAYS SCHOOL OF BEAUTY INC	FSEOG	$61,846	100	
5131 GOVERNMENT ST				
BATON ROUGE LA 70806				
DELGADO CMTY COLLEGE	FSEOG	$250,000	403	
615 CITY PARK AVE	FWS	$200,000	244	
NEW ORLEANS LA 70119				
DELTA CAREER COLLEGE	FEDERAL PERKINS LOAN		66	$86,007
3900 LEE STREET EXTENSION	FSEOG	$31,566	51	
ALEXANDRIA LA 71301				

STATE OF LOUISIANA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
DELTA CAREER COLLEGE	FEDERAL PERKINS LOAN		17	$23,387
1702 HUDSON LN	FSEOG	$15,288	25	
MONROE LA 71201	FWS	$4,538	6	
DELTA CAREER COLLEGE	FEDERAL PERKINS LOAN		13	$18,035
1900 CAMERON ST	FSEOG	$26,583	43	
LAFAYETTE LA 70506				
DELTA COLLEGE	FEDERAL PERKINS LOAN	$91,925	347	$451,840
7290 EXCHANGE PLACE	FSEOG	$95,033	153	
BATON ROUGE LA 70806	FWS	$51,101	62	
DELTA SCHOOL OF BUSINESS LAKE CHARLES INC	FEDERAL PERKINS LOAN	$81,124	168	$219,127
517 BROAD ST	FSEOG	$69,344	112	
LAKE CHARLES LA 70601	FWS	$19,636	24	
DELTA SCHOOLS	FEDERAL PERKINS LOAN	$29,939	68	$89,504
4549 JOHNSTON STREET	FSEOG	$279,496	451	
LAFAYETTE LA 70503	FWS	$22,100	27	
DILLARD UNIVERSITY	FEDERAL PERKINS LOAN	$44,669	202	$263,526
2601 GENTILLY BLVD	FSEOG	$224,693	362	
NEW ORLEANS LA 70122	FWS	$274,565	335	
GRAMBLING STATE UNIVERSITY	FEDERAL PERKINS LOAN		171	$222,522
P O BOX 629	FSEOG	$491,961	793	
GRAMBLING LA 71245	FWS	$923,489	1,126	
INTERNATIONAL TECHNICAL INST INC	FSEOG	$33,493	54	
13944 AIRLINE HIGHWAY	FWS	$11,939	15	
BATON ROUGE LA 70816				
JOHN JAY BEAUTY COLLEGE	FSEOG	$20,394	33	
540 ROBERT E LEE BLVD				
NEW ORLEANS LA 70124				
LOCKWORKS ACADEMY OF HAIRDRESSING	FSEOG	$15,299	25	
4950 GOVERNMENT STREET				
BATON ROUGE LA 70806				
LOUISIANA ART INSTITUTE INC	FEDERAL PERKINS LOAN		0	$1,062
7380 EXCHANGE PLACE	FSEOG	$68,363	110	
BATON ROUGE LA 70806	FWS	$5,205	6	
LOUISIANA COLLEGE	FSEOG	$75,000	121	
1140 COL. STATION	FWS	$82,118	100	
PINEVILLE LA 71359				

STATE OF LOUISIANA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LOUISIANA HAIR DESIGN COLLEGE	FSEOG	$8,750	14	
7909 AIRLINE HWY				
METAIRIE LA 70003				
LOUISIANA STATE UNIV-A & M COLLEGE	FEDERAL PERKINS LOAN	$156,084	2,980	$3,875,238
	FSEOG	$467,123	753	
BATON ROUGE LA 70803	FWS	$840,173	1,025	
LOUISIANA STATE UNIV-ALEXANDRIA	FSEOG	$48,000	77	
8100 HIGHWAY 71 SOUTH	FWS	$55,982	68	
ALEXANDRIA LA 71302				
LOUISIANA STATE UNIV-EUNICE	FEDERAL PERKINS LOAN		65	$84,786
P O BOX 1129	FSEOG	$45,345	73	
EUNICE LA 70535	FWS	$42,818	52	
LOUISIANA STATE UNIV-SHREVEPORT	FSEOG	$65,736	106	
ONE UNIVERSITY PLACE	FWS	$86,376	105	
SHREVEPORT LA 71115				
LOUISIANA STATE UNIVERSITY MEDICAL CENTER	FEDERAL PERKINS LOAN	$91,808	390	$507,263
433 BOLIVAR STREET	FSEOG	$30,000	48	
NEW ORLEANS LA 70112	FWS	$35,000	43	
LOUISIANA TECH UNIVERSITY	FEDERAL PERKINS LOAN	$82,358	1,130	$1,469,777
PO BOX 7925 TECH STATION	FSEOG	$540,969	873	
RUSTON LA 71272	FWS	$487,614	595	
LOUISIANA UNIV MED CTR-SHREVEPORT	FEDERAL PERKINS LOAN	$63,315	133	$173,762
PO BOX 33932				
SHREVEPORT LA 71130				
LOYOLA UNIVERSITY	FEDERAL PERKINS LOAN	$75,951	574	$747,346
6363 ST CHARLES AVE	FSEOG	$257,839	416	
NEW ORLEANS LA 70118	FWS	$407,312	497	
MCNEESE STATE UNIVERSITY	FEDERAL PERKINS LOAN	$74,640	321	$417,313
MSU BOX 93260	FSEOG	$166,314	268	
LAKE CHARLES LA 70609	FWS	$322,879	394	
MOLER BEAUTY COLLEGE	FSEOG	$12,401	20	
1919 VETERANS BLVD	FWS	$3,054	4	
KENNER LA 70062				
MOLER BEAUTY COLLEGE	FSEOG	$10,217	16	
1975 NORTH CAVSEWAY BLVD				
MANDEVILLE LA 70448				

STATE OF LOUISIANA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MOLER BEAUTY COLLEGE INC	FSEOG	$37,154	60	
2940 CANAL STREET				
NEW ORLEANS LA 70119				
NICHOLLS STATE UNIVERSITY	FEDERAL PERKINS LOAN		24	$31,974
LOUISIANA HIGHWAY 1	FSEOG	$33,800	55	
THIBODAUX LA 70310	FWS	$173,195	211	
NORTHEAST LOUISIANA UNIVERSITY	FEDERAL PERKINS LOAN	$99,521	675	$877,600
700 UNIVERSITY AVENUE	FSEOG	$261,526	422	
MONROE LA 71209	FWS	$789,403	963	
NORTHWESTERN STATE UNIVERSITY	FEDERAL PERKINS LOAN	$156,744	349	$453,748
COLLEGE AVENUE	FSEOG	$116,995	189	
NATCHITOCHES LA 71457	FWS	$234,546	286	
NOTRE DAME SEMINARY	FWS	$18,148	22	
2901 S CARROLLTON AVE				
NEW ORLEANS LA 70118				
OUR LADY OF HOLY CROSS COLLEGE	FSEOG	$69,127	111	
4123 WOODLAND DRIVE	FWS	$36,421	44	
NEW ORLEANS LA 70131				
PAT GOINS BENTON RD BTY SCHOOL	FSEOG	$10,938	18	
1701 OLD MINDEN RD STE 36				
BOSSIER CITY LA 71111				
PINEVILLE BEAUTY SCHOOL	FSEOG	$7,250	12	
1008 MAIN STREET				
PINEVILLE LA 71360				
RETS TRAINING CENTER	FSEOG	$24,290	39	
3321 HESSMER AVE				
METAIRIE LA 70002				
SAINT JOSEPH SEMINARY COLLEGE	FEDERAL PERKINS LOAN		35	$46,136
	FSEOG	$7,420	12	
SAINT BENEDICT LA 70457	FWS	$28,635	35	
SOUTHEASTERN LOUISIANA UNIVERSITY	FEDERAL PERKINS LOAN	$35,827	184	$239,912
PO BOX 703 SLU STATION	FSEOG	$231,677	374	
HAMMOND LA 70402	FWS	$368,155	449	
SOUTHERN TECHNICAL COLLEGE	FSEOG	$18,640	27	
303 RUE LOUIS XIV				
LAFAYETTE LA 70508				

STATE OF LOUISIANA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SOUTHERN UNIVERSITY SHREVEPORT	FEDERAL PERKINS LOAN	$39,414	75	$97,560
3050 MARTIN LUTHER KING JR	FSEOG	$64,129	103	
SHREVEPORT LA 71107	FWS	$233,378	285	
SOUTHERN UNIVERSITY-A & M COLLEGE	FEDERAL PERKINS LOAN		193	$251,762
P O BOX 9961	FSEOG	$702,206	1,133	
BATON ROUGE LA 70813	FWS	$1,132,504	1,381	
SOUTHERN UNIVERSITY-NEW ORLEANS	FSEOG	$226,317	365	
6400 PRESS DRIVE	FWS	$269,527	329	
NEW ORLEANS LA 70126				
STEVENSON'S ACADEMY OF HAIR DESIGN	FSEOG	$12,912	21	
2039 LAPEYROUSE STREET				
NEW ORLEANS LA 70116				
TULANE UNIVERSITY OF LOUISIANA	FEDERAL PERKINS LOAN	$693,497	3,874	$5,037,228
6823 ST CHARLES AVE	FSEOG	$808,658	1,304	
NEW ORLEANS LA 70118	FWS	$1,522,423	1,857	
UNIVERSITY OF NEW ORLEANS	FEDERAL PERKINS LOAN	$97,525	797	$1,037,377
RM 1005 ADMINISTRATION BLDG	FSEOG	$600,000	968	
NEW ORLEANS LA 70148	FWS	$548,401	669	
UNIVERSITY SOUTHWESTERN LOUISIANA	FEDERAL PERKINS LOAN	$348,322	1,539	$2,001,811
STUDENT FAO USL BOX 4-1206	FSEOG	$400,000	645	
LAFAYETTE LA 70504	FWS	$785,959	958	
XAVIER UNIVERSITY OF LOUISIANA	FEDERAL PERKINS LOAN	$87,873	371	$482,897
7325 PALMETTO STREET	FSEOG	$564,440	910	
NEW ORLEANS LA 70125	FWS	$886,768	1,081	

STATE OF LOUISIANA	FEDERAL PERKINS LOAN	$2,412,238	14,355	NO. INSTITUTIONS 33
	FSEOG	$8,121,710	13,099	NO. INSTITUTIONS 54
	FWS	$11,178,462	13,634	NO. INSTITUTIONS 38

STATE OF MAINE

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ANDOVER COLLEGE	FSEOG	$50,000	81	
901 WASHINGTON AVENUE	FWS	$33,831	41	
PORTLAND ME 04103				
BANGOR THEOLOGICAL SEMINARY	FEDERAL PERKINS LOAN	$20,950	72	$94,797
300 UNION STREET	FSEOG	$19,931	32	
BANGOR ME 04401	FWS	$43,556	53	
BATES COLLEGE	FEDERAL PERKINS LOAN	$230,455	867	$1,127,334
23 CAMPUS AVENUE	FSEOG	$305,647	493	
LEWISTON ME 04240	FWS	$198,732	242	
BEAL COLLEGE	FSEOG	$42,330	68	
629 MAIN STREET				
BANGOR ME 04401				
BOWDOIN COLLEGE	FEDERAL PERKINS LOAN	$107,083	532	$692,138
	FSEOG	$286,934	463	
BRUNSWICK ME 04011	FWS	$213,145	260	
CASCO BAY COLLEGE	FSEOG	$25,532	41	
477 CONGRESS STREET	FWS	$8,780	11	
PORTLAND ME 04101				
CENTRAL MAIN MED CENTER SCH OF NURSING	FSEOG	$23,228	37	
300 MAIN STREET				
LEWISTON ME 04240				
CENTRAL MAINE TECHNICAL COLLEGE	FSEOG	$13,632	22	
1250 TURNER ST	FWS	$19,329	24	
AUBURN ME 04210				
COLBY COLLEGE	FEDERAL PERKINS LOAN	$311,809	758	$986,463
MAYFLOWER HILL DRIVE	FSEOG	$313,367	505	
WATERVILLE ME 04901	FWS	$257,693	314	
COLLEGE OF THE ATLANTIC	FEDERAL PERKINS LOAN	$9,525	47	$62,256
105 EDEN STREET	FSEOG	$26,520	43	
BAR HARBOR ME 04609	FWS	$20,022	24	
EASTERN MAINE TECHNICAL COLLEGE	FSEOG	$27,663	45	
354 HOGAN ROAD	FWS	$53,644	65	
BANGOR ME 04401				
HEAD HUNTER II SCHOOL OF HAIR DESIGN	FSEOG	$4,629	7	
26 FOREST AVENUE				
PORTLAND ME 04101				

STATE OF MAINE

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
HUSSON COLLEGE	FEDERAL PERKINS LOAN		113	$146,915
ONE COLLEGE CIRCLE	FSEOG	$364,096	587	
BANGOR ME 04401	FWS	$190,284	232	
KENNEBEC VALLEY TECHNICAL COLLEGE	FSEOG	$14,626	24	
92 WESTERN AVE PO BOX 29	FWS	$15,278	19	
FAIRFIELD ME 04937				
MAINE MARITIME ACADEMY	FEDERAL PERKINS LOAN	$91,259	302	$392,882
BOX C-3	FSEOG	$76,362	123	
CASTINE ME 04420	FWS	$90,913	111	
MAINE STATE ACADEMY OF HAIR DESIGN	FSEOG	$19,484	31	
24 PREBLE STREET				
PORTLAND ME 04101				
MAINE STATE ACADEMY OF HAIR DESIGN	FSEOG	$13,677	22	
5 APPLETON STREET				
WATERVILLE ME 04901				
MID-STATE COLLEGE	FSEOG	$30,378	49	
88 HARDCRABBLE ROAD	FWS	$14,426	18	
AUBURN ME 04210				
NORTHERN MAINE TECHNICAL COLLEGE	FSEOG	$43,679	70	
33 EDGEMONT DRIVE	FWS	$77,423	94	
PRESQUE ISLE ME 04769				
PIERRE'S SCHOOL OF BEAUTY CULTURE	FEDERAL PERKINS LOAN		1	$1,891
659 CONGRESS STREET	FSEOG	$14,111	23	
PORTLAND ME 04101				
PORTLAND SCHOOL OF ART	FEDERAL PERKINS LOAN	$40,795	100	$131,243
97 SPRING STREET	FSEOG	$92,753	150	
PORTLAND ME 04101	FWS	$70,973	87	
SAINT JOSEPH'S COLLEGE	FEDERAL PERKINS LOAN	$15,131	149	$194,676
WHITES BRIDGE ROAD	FSEOG	$96,677	156	
NORTH WINDHAM ME 04062	FWS	$99,366	121	
SOUTHERN MAINE TECHNICAL COLLEGE	FSEOG	$34,388	55	
2 FORT ROAD	FWS	$104,282	127	
SOUTH PORTLAND ME 04106				
THOMAS COLLEGE	FEDERAL PERKINS LOAN		179	$233,090
WEST RIVER ROAD	FSEOG	$242,560	391	
WATERVILLE ME 04901	FWS	$114,976	140	

STATE OF MAINE

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNITY COLLEGE		FEDERAL PERKINS LOAN		47	$61,593
RR #78 BOX 1		FSEOG	$105,010	169	
UNITY	ME 04988	FWS	$218,556	267	
UNIVERSITY OF MAINE - ORONO		FEDERAL PERKINS LOAN	$84,888	3,079	$4,003,810
WINGATE HALL		FSEOG	$1,498,015	2,416	
ORONO	ME 04469	FWS	$1,759,616	2,146	
UNIVERSITY OF MAINE-AUGUSTA		FEDERAL PERKINS LOAN	$48,267	155	$202,420
UNIVERSITY HEIGHTS		FSEOG	$170,653	275	
AUGUSTA	ME 04330	FWS	$268,581	328	
UNIVERSITY OF MAINE-FARMINGTON		FEDERAL PERKINS LOAN	$22,561	651	$846,650
86 MAIN STREET		FSEOG	$262,998	424	
FARMINGTON	ME 04938	FWS	$391,342	477	
UNIVERSITY OF MAINE-FORT KENT		FEDERAL PERKINS LOAN	$28,377	98	$127,612
25 PLEASANT STREET		FSEOG	$114,154	184	
FORT KENT	ME 04743	FWS	$117,311	143	
UNIVERSITY OF MAINE-MACHIAS		FEDERAL PERKINS LOAN		123	$160,075
O'BRIEN AVE		FSEOG	$255,602	412	
MACHIAS	ME 04654	FWS	$145,819	178	
UNIVERSITY OF MAINE-PRESQUE ISLE		FEDERAL PERKINS LOAN	$1,690	196	$254,976
181 MAIN STREET		FSEOG	$424,172	684	
PRESQUE ISLE	ME 04769	FWS	$427,299	521	
UNIVERSITY OF NEW ENGLAND		FEDERAL PERKINS LOAN	$352,583	876	$1,139,829
11 HILLS BEACH ROAD		FSEOG	$126,843	205	
BIDDEFORD	ME 04005	FWS	$249,923	305	
UNIVERSITY OF SOUTHERN MAINE		FEDERAL PERKINS LOAN	$97,216	1,611	$2,094,879
COLLEGE AVENUE		FSEOG	$1,346,586	2,172	
GORHAM	ME 04038	FWS	$1,390,752	1,696	
WASHINGTON COUNTY VOC-TECH INST		FSEOG	$14,646	24	
RIVER ROAD		FWS	$19,441	24	
CALAIS	ME 04619				
WESTBROOK COLLEGE		FEDERAL PERKINS LOAN		146	$190,633
716 STEVENS AVE		FSEOG	$104,470	169	
PORTLAND	ME 04103	FWS	$100,500	123	

STATE OF MAINE	FEDERAL PERKINS LOAN	$1,462,589	9,493	NO. INSTITUTIONS 21
	FSEOG	$6,605,353	10,652	NO. INSTITUTIONS 35
	FWS	$6,715,793	8,191	NO. INSTITUTIONS 29

STATE OF MARYLAND

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
AESTHETICS INSTITUTE	FSEOG	$5,568	9	
26 N SUMMIT AVENUE	FWS	$2,000	2	
GAITHERSBURG MD 20877				
ALLEGANY COMMUNITY COLLEGE	FSEOG	$104,794	169	
WILLOW BROOK ROAD	FWS	$228,431	279	
CUMBERLAND MD 21502				
ANNAPOLIS BEAUTY ACADEMY	FSEOG	$5,500	9	
2064 SOMERVILLE ROAD				
ANNAPOLIS MD 21401				
ANNE ARUNDEL COMMUNITY COLLEGE	FSEOG	$57,199	92	
101 COLLEGE PARKWAY	FWS	$73,574	90	
ARNOLD MD 21012				
ARUNDEL INSTITUTE OF TECHNOLOGY	FSEOG	$54,874	89	
1808 EDISON HIGHWAY				
BALTIMORE MD 21213				
BALTIMORE CITY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		223	$290,638
2901 LIBERTY HGTS AVE	FSEOG	$798,084	1,287	
BALTIMORE MD 21215	FWS	$859,674	1,048	
BALTIMORE INTERNATIONAL CULINARY ARTS INSTITUTE	FEDERAL PERKINS LOAN		28	$37,323
19-21 SOUTH GAY STREET	FSEOG	$65,000	105	
BALTIMORE MD 21202	FWS	$23,900	29	
BOWIE STATE COLLEGE	FEDERAL PERKINS LOAN		244	$318,208
JERICHO PARK ROAD	FSEOG	$147,942	239	
BOWIE MD 20715	FWS	$199,506	243	
BROADCASTING INSTITUTE OF MARYLAND	FSEOG	$10,040	16	
7200 HARFORD ROAD				
BALTIMORE MD 21234				
CAPITOL COLLEGE	FEDERAL PERKINS LOAN	$34,217	171	$223,104
11301 SPRINGFIELD ROAD	FSEOG	$50,032	81	
LAUREL MD 20708	FWS	$46,822	57	
CATONSVILLE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		13	$16,939
800 SO ROLLING ROAD	FSEOG	$191,806	309	
CATONSVILLE MD 21228	FWS	$257,079	314	
CECIL COMMUNITY COLLEGE	FSEOG	$12,000	19	
1000 NORTH EAST ROAD	FWS	$50,852	62	
NORTH EAST MD 21901				

STATE OF MARYLAND

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CHARLES COUNTY COMMUNITY COLLEGE	FSEOG	$30,000	48	
PO BOX 910	FWS	$35,568	43	
LA PLATA MD 20646				
CHESAPEAKE COLLEGE	FEDERAL PERKINS LOAN		18	$24,252
PO BOX 8	FSEOG	$29,600	48	
WYE MILLS MD 21679	FWS	$43,443	53	
COLLEGE OF NOTRE DAME OF MARYLAND	FEDERAL PERKINS LOAN	$37,146	123	$160,602
4701 NO CHARLES STREET	FSEOG	$71,843	116	
BALTIMORE MD 21210	FWS	$46,919	57	
COLUMBIA UNION COLLEGE	FEDERAL PERKINS LOAN		176	$229,044
7600 FLOWER AVE	FSEOG	$78,759	127	
TAKOMA PARK MD 20912	FWS	$60,062	73	
COPPIN STATE COLLEGE	FEDERAL PERKINS LOAN		348	$452,595
2500 WEST NORTH AVE	FSEOG	$588,887	950	
BALTIMORE MD 21216	FWS	$589,136	718	
DIESEL INSTITUTE OF AMERICA	FSEOG	$18,999	31	
RT 40 PO BOX 69	FWS	$6,888	8	
GRANTSVILLE MD 21536				
DUNDALK COMMUNITY COLLEGE	FSEOG	$63,865	103	
7200 SOLLERS POINT ROAD	FWS	$125,329	153	
BALTIMORE MD 21222				
ESSEX COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		5	$6,867
ROSSVILLE BLVD	FSEOG	$170,000	274	
BALTIMORE MD 21237	FWS	$298,523	364	
FLEET BUSINESS SCHOOL	FSEOG	$15,031	24	
2530 RIVA ROAD SUITE 201	FWS	$9,235	11	
ANNAPOLIS MD 21401				
FREDERICK COMMUNITY COLLEGE	FSEOG	$32,256	52	
7932 OPOSSUMTOWN PIKE	FWS	$27,950	34	
FREDERICK MD 21701				
FROSTBURG STATE UNIVERSITY	FEDERAL PERKINS LOAN	$9,724	258	$336,333
	FSEOG	$104,988	169	
FROSTBURG MD 21532	FWS	$184,077	224	
GARRETT COMMUNITY COLLEGE	FSEOG	$27,492	44	
P O BOX 151	FWS	$44,295	54	
MC HENRY MD 21541				

STATE OF MARYLAND

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
GENERAL COMMUNICATIONS INC	FSEOG	$91,054	147	
11300 ROCKVILLE PIKE	FWS	$30,971	38	
ROCKVILLE MD 20852				
GOUCHER COLLEGE	FEDERAL PERKINS LOAN	$87,652	247	$321,732
1021 DULANEY VALLEY RD	FSEOG	$121,060	195	
TOWSON MD 21204	FWS	$161,580	197	
HAGERSTOWN BUS COLLEGE	FEDERAL PERKINS LOAN	$4,325	32	$42,796
18618 CRESTWOOD DR	FSEOG	$26,704	43	
HAGERSTOWN MD 21742	FWS	$10,666	13	
HAGERSTOWN JR COLLEGE	FSEOG	$70,980	114	
751 ROBINWOOD DR	FWS	$43,371	53	
HAGERSTOWN MD 21740				
HARBOR HOSPITAL CENTER SCHOOL OF NURSING	FSEOG	$5,568	9	
3001 SOUTH HANOVER STREET				
BALTIMORE MD 21225				
HARFORD COMMUNITY COLLEGE	FSEOG	$67,302	109	
401 THOMAS RUN ROAD	FWS	$98,587	120	
BEL AIR MD 21014				
HOOD COLLEGE	FEDERAL PERKINS LOAN	$30,414	342	$445,117
ROSEMONT AVE	FSEOG	$125,637	203	
FREDERICK MD 21701	FWS	$153,704	187	
HOWARD COMMUNITY COLLEGE	FSEOG	$35,305	57	
LITTLE PATUXENT PARKWAY	FWS	$25,677	31	
COLUMBIA MD 21044				
INTERNATIONAL BEAUTY SCHOOL	FEDERAL PERKINS LOAN		4	$6,433
119 N CENTER ST PO BOX 1597	FSEOG	$37,800	61	
CUMBERLAND MD 21502				
JOHNS HOPKINS UNIVERSITY	FEDERAL PERKINS LOAN	$536,581	2,821	$3,667,422
3400 N CHARLES ST-122 MERRYMAN	FSEOG	$448,010	723	
BALTIMORE MD 21218	FWS	$1,186,121	1,446	
LINCOLN TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		33	$43,714
3200 WILKENS AVENUE	FSEOG	$40,152	65	
BALTIMORE MD 21229	FWS	$14,775	18	
LINCOLN TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		28	$37,244
7800 CENTRAL AVENUE	FSEOG	$41,366	67	
LANDOVER MD 20785	FWS	$13,367	16	

STATE OF MARYLAND

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LOYOLA COLLEGE	FEDERAL PERKINS LOAN		336	$436,942
4501 NO CHARLES STREET	FSEOG	$141,933	229	
BALTIMORE MD 21210	FWS	$153,988	188	
MACQUEEN GIBBS WILLIS SCH OF NUR MEMORIAL HOSPIT	FSEOG	$5,568	9	
219 S WASHINGTON STREET	FWS	$426	1	
EASTON MD 21601				
MARYLAND COLLEGE OF ART AND DESIGN	FSEOG	$5,568	9	
10500 GEORGIA AVENUE	FWS	$2,012	2	
SILVER SPRING MD 20902				
MARYLAND INSTITUTE COLLEGE OF ART	FEDERAL PERKINS LOAN	$81,531	242	$315,145
1300 MT ROYAL AVE	FSEOG	$161,531	261	
BALTIMORE MD 21217	FWS	$176,093	215	
MONTGOMERY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$84,489	360	$469,183
51 MANNAKEE STREET	FSEOG	$489,516	790	
ROCKVILLE MD 20850	FWS	$630,502	769	
MORGAN STATE UNIVERSITY	FEDERAL PERKINS LOAN		435	$566,019
COLDSPRING LANE AND HILLEN RD	FSEOG	$577,694	932	
BALTIMORE MD 21239	FWS	$845,284	1,031	
MOUNT SAINT MARY'S COLLEGE	FEDERAL PERKINS LOAN	$52,490	197	$257,301
	FSEOG	$84,221	136	
EMMITSBURG MD 21727	FWS	$83,179	101	
NEC TEMPLE SCHOOL CAMPUS	FEDERAL PERKINS LOAN		23	$30,968
3601 O'DONNEL STREET	FSEOG	$26,769	43	
BALTIMORE MD 21224	FWS	$10,000	12	
NER ISRAEL RABBINICAL COLLEGE	FEDERAL PERKINS LOAN		72	$94,703
400 MT WILSON LANE	FSEOG	$21,079	34	
BALTIMORE MD 21208	FWS	$52,168	64	
PRINCE GEORGES CMTY COLLEGE	FSEOG	$183,981	297	
301 LARGO RD	FWS	$113,156	138	
LARGO MD 20772				
ROBERTS INSTITUTE OF HAIR DESIGN OF LANGLEY PARK	FSEOG	$14,607	24	
8020 NEW HAMPSHIRE AVE				
LANGLEY PARK MD 20783				
RON THOMAS SCHOOL OF COSMETOLOGY	FSEOG	$13,644	22	
3550 SOUTH HANOVER STREET				
BALTIMORE MD 21225				

STATE OF MARYLAND

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SAINT JOHN'S COLLEGE	FEDERAL PERKINS LOAN	$49,760	213	$277,530
P O BOX 1671	FSEOG	$163,362	263	
ANNAPOLIS MD 21404	FWS	$120,038	146	
SAINT MARY'S COLLEGE OF MARYLAND	FEDERAL PERKINS LOAN	$21,425	108	$140,938
	FSEOG	$19,879	32	
ST MARYS CITY MD 20686	FWS	$29,424	36	
SAINT MARY'S SEMINARY & UNIVERSITY	FEDERAL PERKINS LOAN		25	$33,683
5400 ROLAND AVE	FWS	$15,000	18	
BALTIMORE MD 21210				
SALISBURY STATE UNIVERSITY	FEDERAL PERKINS LOAN	$11,020	223	$290,844
CAMDEN AVE	FSEOG	$110,437	178	
SALISBURY MD 21801	FWS	$87,667	107	
SOJOURNER-DOUGLASS COLLEGE	FSEOG	$114,481	185	
500 N. CAROLINE STREET	FWS	$67,797	83	
BALTIMORE MD 21205				
THE MEDIX SCHOOLS	FEDERAL PERKINS LOAN		67	$87,474
1017 YORK ROAD	FSEOG	$84,600	136	
TOWSON MD 21204	FWS	$35,474	43	
TOWSON STATE UNIVERSITY	FEDERAL PERKINS LOAN	$631,179	1,572	$2,044,589
8000 YORK ROAD	FSEOG	$519,076	837	
BALTIMORE MD 21204	FWS	$236,221	288	
UNION MEMORIAL HOSPITAL SCHOOL OF NURSING	FSEOG	$14,282	23	
201 E UNIVERSITY PARKWAY	FWS	$6,679	8	
BALTIMORE MD 21218				
UNIV OF MARYLAND-UNIVERSITY COLLEGE	FEDERAL PERKINS LOAN	$65,684	258	$336,442
UNIVERSITY BLVD AT ADELPHI RD	FSEOG	$170,408	275	
COLLEGE PARK MD 20742	FWS	$129,672	158	
UNIVERSITY OF BALTIMORE	FEDERAL PERKINS LOAN	$168,761	516	$671,125
1420 NORTH CHARLES STREET	FSEOG	$99,540	161	
BALTIMORE MD 21201	FWS	$152,765	186	
UNIVERSITY OF MARYLAND COLLEGE PK	FEDERAL PERKINS LOAN		2,144	$2,787,821
0102 LEE BUILDING	FSEOG	$634,397	1,023	
COLLEGE PARK MD 20742	FWS	$719,938	878	
UNIVERSITY OF MARYLAND-BALT CNTY CM	FEDERAL PERKINS LOAN		312	$406,796
5401 WILKINS AVE	FSEOG	$345,844	558	
BALTIMORE MD 21228	FWS	$97,231	119	

STATE OF MARYLAND

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF MARYLAND-EASTRN SHORE	FEDERAL PERKINS LOAN		82	$107,160
	FSEOG	$155,077	250	
PRINCESS ANN MD 21853	FWS	$169,709	207	
UNIVERSITY OF MD BALTIMORE CTY CAMPUS	FEDERAL PERKINS LOAN	$639,740	1,860	$2,418,177
621 WEST LOMBARD	FSEOG	$35,000	56	
BALTIMORE MD 21201	FWS	$200,000	244	
VILLA JULIE COLLEGE INC	FEDERAL PERKINS LOAN	$2,368	74	$96,540
GREEN SPRING VALLEY RD	FSEOG	$69,649	112	
STEVENSON MD 21153	FWS	$50,771	62	
WASHINGTON BIBLE COLLEGE	FSEOG	$16,420	26	
6511 PRINCESS GARDEN PARKWAY	FWS	$34,155	42	
LANHAM MD 20706				
WASHINGTON COLLEGE	FEDERAL PERKINS LOAN	$30,786	143	$186,441
	FSEOG	$94,000	152	
CHESTERTOWN MD 21620	FWS	$50,124	61	
WESTERN MARYLAND COLLEGE	FEDERAL PERKINS LOAN	$54,192	315	$409,641
	FSEOG	$136,847	221	
WESTMINSTER MD 21157	FWS	$112,769	138	
WOODRIDGE BUSINESS INSTITUTE	FSEOG	$23,916	39	
309 E MAIN STREET	FWS	$3,054	4	
SALISBURY MD 21801				
WOR WIC COMMUNITY COLLEGE	FSEOG	$20,000	32	
1409 WESLEY DRIVE	FWS	$17,231	21	
SALISBURY MD 21801				

STATE OF MARYLAND	FEDERAL PERKINS LOAN	$2,633,484	10,075	NO. INSTITUTIONS 40
	FSEOG	$8,398,823	13,548	NO. INSTITUTIONS 67
	FWS	$9,354,609	11,405	NO. INSTITUTIONS 61

STATE OF MASSACHUSETTS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
AMERICAN INTERNATIONAL COLLEGE	FEDERAL PERKINS LOAN	$2,254	227	$295,671
1000 STATE STREET	FSEOG	$176,306	284	
SPRINGFIELD MA 01109	FWS	$203,090	248	
AMHERST COLLEGE	FEDERAL PERKINS LOAN	$98,118	297	$387,081
202 CONVERSE HALL	FSEOG	$314,044	507	
AMHERST MA 01002	FWS	$226,306	276	
ANDOVER NEWTON THEOLOGICAL SCHOOL	FWS	$141,970	173	
210 HERRICK ROAD				
NEWTON CENTRE MA 02159				
ANNA MARIA COLLEGE	FEDERAL PERKINS LOAN		189	$246,567
SUNSET LANE	FSEOG	$75,083	121	
PAXTON MA 01612	FWS	$66,485	81	
AQUINAS COLLEGE AT MILTON	FEDERAL PERKINS LOAN		49	$64,874
303 ADAMS STREET	FSEOG	$34,187	55	
MILTON MA 02186	FWS	$30,810	38	
AQUINAS JR COLLEGE-NEWTON	FEDERAL PERKINS LOAN	$1,177	45	$59,294
15 WALNUT PARK	FSEOG	$37,421	60	
NEWTON MA 02158	FWS	$10,437	13	
ART INSTITUTE OF BOSTON	FEDERAL PERKINS LOAN		26	$33,900
700 BEACON STREET	FSEOG	$34,148	55	
BOSTON MA 02215	FWS	$45,717	56	
ASSOCIATED TECH INST	FSEOG	$33,832	55	
345 WEST CUMMINGS PARK				
WOBURN MA 01801				
ASSUMPTION COLLEGE	FEDERAL PERKINS LOAN		453	$589,332
500 SALISBURY STREET	FSEOG	$162,817	263	
WORCESTER MA 01615	FWS	$220,840	269	
ATLANTIC UNION COLLEGE	FEDERAL PERKINS LOAN		98	$128,330
MAINE STREET	FSEOG	$153,670	248	
SOUTH LANCASTER MA 01561	FWS	$85,979	105	
BABSON COLLEGE	FEDERAL PERKINS LOAN	$79,346	351	$456,653
BABSON PARK	FSEOG	$265,373	428	
WELLESLEY MA 02157	FWS	$179,084	218	
BAY PATH COLLEGE	FEDERAL PERKINS LOAN		155	$201,536
588 LONGMEADOW ST	FSEOG	$78,525	127	
LONGMEADOW MA 01106	FWS	$82,471	101	

STATE OF MASSACHUSETTS

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BAY STATE JUNIOR COLLEGE			FEDERAL PERKINS LOAN		62	$80,714
122 COMMONWEALTH AVE			FSEOG	$109,889	177	
BOSTON	MA	02116	FWS	$52,751	64	
BAY STATE SCHOOL OF APPLIANCES			FEDERAL PERKINS LOAN		10	$13,119
225 TURNPIKE STREET			FSEOG	$49,147	79	
CANTON	MA	02021				
BECKER COLLEGE			FEDERAL PERKINS LOAN	$1,116	128	$166,558
61 SEVER ST BOX 15071			FSEOG	$128,394	207	
WORCESTER	MA	01615	FWS	$142,131	173	
BENTLEY COLLEGE			FEDERAL PERKINS LOAN	$298,561	952	$1,238,619
BEAVER AND FOREST STREETS			FSEOG	$498,368	804	
WALTHAM	MA	02154	FWS	$458,716	559	
BERKLEE COLLEGE OF MUSIC			FEDERAL PERKINS LOAN	$46,496	311	$404,615
1140 BOYLSTON STREET			FSEOG	$229,561	370	
BOSTON	MA	02215	FWS	$189,428	231	
BERKSHIRE COMMUNITY COLLEGE			FSEOG	$39,426	64	
1350 WEST STREET			FWS	$75,925	93	
PITTSFIELD	MA	01201				
BLAINE HAIR SCHOOL			FSEOG	$16,271	26	
231 CENTRAL STREET						
LOWELL	MA	01852				
BLAINE HAIR SCHOOL			FSEOG	$129,445	209	
530 COMMONWEALTH AVE						
BOSTON	MA	02215				
BLAINE THE HAIR AND BEAUTY SCHOOL			FSEOG	$12,316	20	
314 MOODY STREET						
WALTHAM	MA	02154				
BOSTON COLLEGE			FEDERAL PERKINS LOAN		5,925	$7,703,717
140 COMMONWEALTH AVE			FSEOG	$1,418,757	2,288	
CHESTNUT HILL	MA	02167	FWS	$1,927,634	2,351	
BOSTON CONSERVATORY OF MUSIC			FSEOG	$59,088	95	
8 THE FENWAY			FWS	$51,645	63	
BOSTON	MA	02215				
BOSTON UNIVERSITY			FEDERAL PERKINS LOAN	$852,885	4,811	$6,254,573
881 COMMONWEALTH AVENUE			FSEOG	$1,926,966	3,108	
BOSTON	MA	02215	FWS	$2,861,445	3,490	

STATE OF MASSACHUSETTS

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BRADFORD COLLEGE			FEDERAL PERKINS LOAN	$811	32	$42,305
320 SO MAIN ST			FSEOG	$82,609	133	
BRADFORD	MA	01830	FWS	$41,460	51	
BRANDEIS UNIVERSITY			FEDERAL PERKINS LOAN	$67,853	777	$1,011,120
415 SOUTH STREET			FSEOG	$567,453	915	
WALTHAM	MA	02254	FWS	$699,939	854	
BRIDGEWATER STATE COLLEGE			FEDERAL PERKINS LOAN	$238,890	705	$916,529
			FSEOG	$185,995	300	
BRIDGEWATER	MA	02324	FWS	$402,629	491	
BRISTOL COMMUNITY COLLEGE			FEDERAL PERKINS LOAN	$42,032	101	$131,372
777 ELSBREE STREET			FSEOG	$103,285	167	
FALL RIVER	MA	02720	FWS	$240,740	294	
BUNKER HILL COMMUNITY COLLEGE			FEDERAL PERKINS LOAN		177	$230,943
RUTHERFORD AVENUE			FSEOG	$199,023	321	
CHARLESTOWN	MA	02129	FWS	$187,501	229	
BURDETT SCHOOL			FEDERAL PERKINS LOAN		109	$142,201
745 BOYLSTON ST			FSEOG	$78,167	126	
BOSTON	MA	02116	FWS	$23,707	29	
CAMBRIDGE COLLEGE			FEDERAL PERKINS LOAN		3	$5,114
15 MIFFLIN PLACE			FWS	$16,952	21	
CAMBRIDGE	MA	02138				
CAPE COD COMMUNITY COLLEGE			FSEOG	$77,117	124	
			FWS	$95,000	116	
WEST BARNSTABLE	MA	02668				
CLARK UNIVERSITY			FEDERAL PERKINS LOAN		886	$1,151,913
950 MAIN STREET			FSEOG	$442,379	714	
WORCESTER	MA	01610	FWS	$539,735	658	
COLLEGE OF OUR LADY OF ELMS			FEDERAL PERKINS LOAN	$46,164	98	$128,395
291 SPRINGFIELD STREET			FSEOG	$61,474	99	
CHICOPEE	MA	01013	FWS	$55,129	67	
COLLEGE OF THE HOLY CROSS			FEDERAL PERKINS LOAN		803	$1,044,901
COLLEGE STREET			FSEOG	$441,153	712	
WORCESTER	MA	01610	FWS	$583,505	712	
COMPUTER LEARNING CENTER			FEDERAL PERKINS LOAN		18	$23,929
5 MIDDLESEX AVENUE			FSEOG	$90,051	145	
SOMERVILLE	MA	02145	FWS	$30,823	38	

STATE OF MASSACHUSETTS

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CURRY COLLEGE		FEDERAL PERKINS LOAN	$19,905	60	$78,548
*		FSEOG	$100,866	163	
MILTON	MA 02186	FWS	$62,233	76	
DEAN JR COLLEGE		FEDERAL PERKINS LOAN	$34,832	151	$196,562
99 MAIN STREET		FSEOG	$118,117	191	
FRANKLIN	MA 02038	FWS	$92,928	113	
EAST COAST AERO-TECHNICAL SCHOOL		FEDERAL PERKINS LOAN		241	$313,300
BOX 426 HANSCOM FIELD		FSEOG	$102,796	166	
LEXINGTON	MA 02173	FWS	$14,993	18	
EASTERN NAZARENE COLLEGE		FEDERAL PERKINS LOAN		171	$222,975
23 E ELM AVE		FSEOG	$140,000	226	
QUINCY	MA 02170	FWS	$80,098	98	
EMERSON COLLEGE		FEDERAL PERKINS LOAN		265	$345,133
100 BEACON STREET		FSEOG	$283,767	458	
BOSTON	MA 02116	FWS	$309,547	377	
EMMANUEL COLLEGE		FEDERAL PERKINS LOAN		215	$280,790
400 THE FENWAY		FSEOG	$95,765	154	
BOSTON	MA 02115	FWS	$155,287	189	
ENDICOTT COLLEGE		FEDERAL PERKINS LOAN	$7,313	111	$145,553
376 HALE STREET		FSEOG	$130,377	210	
BEVERLY	MA 01915	FWS	$64,387	79	
FISHER COLLEGE		FEDERAL PERKINS LOAN		90	$118,099
118 BEACON STREET		FSEOG	$200,645	324	
BOSTON	MA 02116	FWS	$88,548	108	
FITCHBURG STATE COLLEGE		FEDERAL PERKINS LOAN	$904	308	$401,373
160 PEARL STREET		FSEOG	$172,783	279	
FITCHBURG	MA 01420	FWS	$250,158	305	
FORSYTH SCHOOL DENTAL HYGIENISTS		FEDERAL PERKINS LOAN		62	$80,800
140 THE FENWAY		FSEOG	$23,935	39	
BOSTON	MA 02115				
FRAMINGHAM STATE COLLEGE		FEDERAL PERKINS LOAN	$9,355	439	$571,251
BOX 2000-100 STATE STREET		FSEOG	$120,900	195	
FRAMINGHAM	MA 01701	FWS	$114,305	139	
FRANKLIN INSTITUTE OF BOSTON		FSEOG	$51,235	83	
41 BERKELEY ST		FWS	$4,430	5	
BOSTON	MA 02116				

STATE OF MASSACHUSETTS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
GORDON COLLEGE	FEDERAL PERKINS LOAN	$73,857	368	$478,853
255 GRAPEVINE ROAD	FSEOG	$196,804	317	
WENHAM MA 01984	FWS	$187,703	229	
GORDON-CONWELL THEOLOGICAL SEMINARY	FEDERAL PERKINS LOAN	$29,856	114	$149,082
130 ESSEX STREET	FWS	$100,000	122	
SO HAMILTON MA 01982				
GREENFIELD COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$47,356	106	$137,874
1 COLLEGE DRIVE	FSEOG	$79,414	128	
GREENFIELD MA 01301	FWS	$135,010	165	
HALLMARK INSTITUTE OF PHOTOGRAPHY	FSEOG	$5,555	9	
AT THE AIRPORT				
TURNERS FALLS MA 01376				
HAMPSHIRE COLLEGE	FEDERAL PERKINS LOAN	$102,213	144	$187,280
WEST STREET	FSEOG	$279,270	450	
AMHERST MA 01002	FWS	$175,029	213	
HARVARD UNIVERSITY BYERLY HALL	FEDERAL PERKINS LOAN	$1,516,914	5,252	$6,828,041
8 GARDEN ST ATT E M HICKS	FSEOG	$831,938	1,342	
CAMBRIDGE MA 02138	FWS	$2,987,135	3,643	
HELLENIC COLLEGE	FSEOG	$5,884	9	
50 GODDARD AVE	FWS	$10,829	13	
BROOKLINE MA 02146				
HENRI'S SCHOOL OF HAIR DESIGN	FSEOG	$2,073	3	
276 WATER STREET				
FITCHBURG MA 01420				
HICKOX SCHOOL	FSEOG	$43,613	70	
200 TREMONT ST				
BOSTON MA 02116				
HOLYOKE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$49,445	80	$104,900
303 HOMESTEAD AVE	FSEOG	$101,547	164	
HOLYOKE MA 01040	FWS	$138,256	169	
KATHARINE GIBBS SCHOOL	FEDERAL PERKINS LOAN		12	$18,758
126 NEWBURY STREET	FSEOG	$51,474	83	
BOSTON MA 02116	FWS	$20,339	25	
KINYON & CAMPBELL BUSINESS SCH	FSEOG	$28,112	45	
59 LINDEN STREET	FWS	$4,528	6	
NEW BEDFORD MA 02740				

STATE OF MASSACHUSETTS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LABARON HAIRORESSING ACADEMY	FSEOG	$8,374	14	
240 LIBERTY STREET				
BROCKTON MA 02401				
LABARON HAIRORESSING ACADEMY	FSEOG	$6,340	10	
155 STATE STREET				
SPRINGFIELD MA 01103				
LABARON HAIRDRESSING ACADEMY NEW BEDFORD	FSEOG	$11,049	18	
281 UNION STREET				
NEW BEDFORD MA 02740				
LABOURE JR COLLEGE	FEDERAL PERKINS LOAN	$13,009	165	$215,509
2120 DORCHESTER AVE	FSEOG	$58,566	94	
BOSTON MA 02124	FWS	$16,954	21	
LASELL JR COLLEGE	FEDERAL PERKINS LOAN		50	$66,008
1844 COMMONWEALTH AVE	FSEOG	$102,796	166	
NEWTON MA 02166	FWS	$49,200	60	
LAWRENCE MEMORIAL HOSP SCH OF NURS	FEDERAL PERKINS LOAN	$9,674	40	$52,731
170 GOVERNORS AVE	FSEOG	$14,506	23	
MEDFORD MA 02155	FWS	$9,440	12	
LESLEY COLLEGE	FEDERAL PERKINS LOAN		194	$252,941
29 EVERETT ST	FSEOG	$99,704	161	
CAMBRIDGE MA 02138	FWS	$182,562	223	
LOWELL ACADEMY INC	FSEOG	$8,660	14	
136 CENTRAL ST				
LOWELL MA 01852				
MANSFIELD BEAUTY SCHOOLS	FSEOG	$14,348	23	
200 PARKINGWAY				
QUINCY MA 02169				
MANSFIELD BEAUTY SCHOOLS	FSEOG	$12,289	20	
266 BRIDGE STREET				
SPRINGFIELD MA 01103				
MARIAN COURT JUNIOR COLLEGE	FSEOG	$13,566	22	
35 LITTLE'S POINT RD	FWS	$7,728	9	
SWAMPSCOTT MA 01907				
MASS COL OF PHARMACY AND ALLIED HEALTH SCIENCE	FEDERAL PERKINS LOAN	$78,300	316	$411,119
179 LONGWOOD AVE	FSEOG	$140,715	227	
BOSTON MA 02115	FWS	$76,095	93	

STATE OF MASSACHUSETTS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MASSACHUSETTS BAY COMMUNITY COLLEGE	FSEOG	$77,000	124	
50 OAKLAND STREET	FWS	$52,045	63	
WELLESLEY MA 02181				
MASSACHUSETTS COLLEGE OF ART	FEDERAL PERKINS LOAN	$18,801	106	$138,081
621 HUNTINGTON AVENUE	FSEOG	$93,736	151	
BOSTON MA 02115	FWS	$62,904	77	
MASSACHUSETTS INSTITUTE OF TECH	FEDERAL PERKINS LOAN	$771,119	3,605	$4,687,721
77 MASSACHUSETTS AVE ROOM 5119	FSEOG	$1,247,431	2,012	
CAMBRIDGE MA 02139	FWS	$2,174,544	2,652	
MASSACHUSETTS MARITIME ACADEMY	FEDERAL PERKINS LOAN		58	$76,687
ACADEMY DRIVE	FSEOG	$58,256	94	
BUZZARDS BAY MA 02532	FWS	$103,068	126	
MASSASOIT COMMUNITY COLLEGE	FSEOG	$82,936	134	
ONE MASSASOIT BOULEVARD	FWS	$93,450	114	
BROCKTON MA 02402				
MELROSE BEAUTY ACADEMY INC	FSEOG	$5,568	9	
43 DARTMOUTH				
MALDEN MA 02148				
MERRIMACK COLLEGE	FEDERAL PERKINS LOAN	$83,533	594	$772,782
TURNPIKE ROAD	FSEOG	$153,537	248	
NO ANDOVER MA 01845	FWS	$140,975	172	
MIDDLESEX COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		109	$142,438
SPRINGS ROAD	FSEOG	$169,384	273	
BEDFORD MA 01730	FWS	$96,469	118	
MONTSERRAT COLLEGE OF ART	FSEOG	$20,462	33	
BOX 26 DUNHAM ROAD	FWS	$10,719	13	
BEVERLY MA 01915				
MOUNT HOLYOKE COLLEGE	FEDERAL PERKINS LOAN	$145,818	413	$537,430
COLLEGE STREET	FSEOG	$423,739	683	
SOUTH HADLEY MA 01075	FWS	$286,212	349	
MOUNT IDA COLLEGE	FEDERAL PERKINS LOAN		12	$15,874
777 DEDHAM STREET	FSEOG	$223,381	360	
NEWTON CENTER MA 02159	FWS	$157,840	192	
MOUNT WACHUSETT COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		11	$14,508
444 GREEN STREET	FSEOG	$201,154	324	
GARDNER MA 01440	FWS	$110,970	135	

STATE OF MASSACHUSETTS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NATIONAL EDUCATION CENTER-BRYMAN CAMPUS	FEDERAL PERKINS LOAN		18	$23,471
323 BOYLSTON STREET	FSEOG	$64,452	104	
BROOKLINE MA 02146				
NEW ENGLAND BAPTIST HOSPITAL SCHOOL OF NURSING	FSEOG	$24,374	39	
220 FISHER AVENUE	FWS	$16,350	20	
BOSTON MA 02120				
NEW ENGLAND COL OF OPTOMETRY	FEDERAL PERKINS LOAN	$111,462	362	$470,875
424 BEACON ST	FWS	$104,084	127	
BOSTON MA 02115				
NEW ENGLAND CONSERVATORY OF MUSIC	FEDERAL PERKINS LOAN	$119,014	374	$487,145
290 HUNTINGTON AVE	FSEOG	$119,046	192	
BOSTON MA 02115	FWS	$262,185	320	
NEW ENGLAND HAIR ACADEMY	FSEOG	$8,502	14	
492 - 500 MAIN ST				
MALDEN MA 02148				
NEW ENGLAND SCHOOL OF ACCOUNTING	FEDERAL PERKINS LOAN	$8,673	9	$12,089
155 ARARAT STREET	FSEOG	$5,737	9	
WORCESTER MA 01606	FWS	$841	1	
NEW ENGLAND SCHOOL OF LAW	FEDERAL PERKINS LOAN	$12,734	118	$153,423
154 STUART STREET	FWS	$91,438	112	
BOSTON MA 02116				
NEW ENGLAND SCHOOL OF PHOTOGRAPHY	FSEOG	$15,214	25	
537 COMMONWALTH AVE				
BOSTON MA 02215				
NEWBURY COLLEGE	FEDERAL PERKINS LOAN		48	$62,527
129 FISHER AVE	FSEOG	$206,544	333	
BROOKLINE MA 02146	FWS	$161,579	197	
NICHOLS COLLEGE	FSEOG	$54,039	87	
DUDLEY HILL	FWS	$47,636	58	
DUDLEY MA 01570				
NORTH ADAMS STATE COLLEGE	FEDERAL PERKINS LOAN		183	$238,599
CHURCH STREET	FSEOG	$63,384	102	
NORTH ADAMS MA 01247	FWS	$290,647	354	
NORTH SHORE COMMUNITY COLLEGE	FSEOG	$133,127	215	
ONE FERNCROFT ROAD	FWS	$79,224	97	
DANVERS MA 01923				

STATE OF MASSACHUSETTS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NORTHEAST BROADCASTING SCHOOL	FSEOG	$18,961	31	
142 BERKLEY STREET	FWS	$6,096	7	
BOSTON MA 02116				
NORTHEAST INST OF INDUSTRIAL TECH	FSEOG	$39,672	64	
41 PHILLIPS ST BEACON HILL	FWS	$12,400	15	
BOSTON MA 02114				
NORTHEASTERN UNIVERSITY	FEDERAL PERKINS LOAN		3,567	$4,638,333
360 HUNTINGTON AVE	FSEOG	$3,022,700	4,875	
BOSTON MA 02115	FWS	$3,604,512	4,396	
NORTHERN ESSEX COMMUNITY COLLEGE	FSEOG	$181,049	292	
100 ELLIOTT ST	FWS	$155,790	190	
HAVERHILL MA 01830				
PEDIGREE CAREER INSTITUTE	FEDERAL PERKINS LOAN		12	$16,153
HARBOR MALL RT 1A	FSEOG	$9,403	15	
LYNN MA 01901				
PINE MANOR COLLEGE	FSEOG	$46,534	75	
400 HEATH STREET	FWS	$26,126	32	
CHESTNUT HILL MA 02167				
QUINCY BEAUTY ACADEMY INC	FSEOG	$3,160	5	
30 FRANKLIN STREET				
QUINCY MA 02169				
QUINCY JR COLLEGE	FSEOG	$133,319	215	
34 CODDINGTON ST	FWS	$56,045	68	
QUINCY MA 02169				
QUINSIGAMOND COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$31,797	98	$127,784
670 W BOYLSTON ST	FSEOG	$105,008	169	
WORCESTER MA 01606	FWS	$116,749	142	
R E T S ELECTRONIC SCHOOLS	FEDERAL PERKINS LOAN		32	$42,755
965 COMMONWEALTH AVE	FSEOG	$42,924	69	
BOSTON MA 02215				
RADCLIFFE COLLEGE	FEDERAL PERKINS LOAN	$277,021	780	$1,014,669
10 GARDEN STREET	FSEOG	$472,140	762	
CAMBRIDGE MA 02138	FWS	$428,759	523	
REGIS COLLEGE	FEDERAL PERKINS LOAN		180	$235,201
235 WELLESLEY STREET	FSEOG	$150,466	243	
WESTON MA 02193	FWS	$152,796	186	

STATE OF MASSACHUSETTS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ROB ROY ACADEMY INC	FSEOG	$13,274	21	
150 PLEASANT ST				
WORCESTER MA 01609				
ROXBURY CMTY COLLEGE	FSEOG	$206,237	333	
1234 COLUMBUS AVE	FWS	$119,457	146	
ROXBURY CROSSING MA 02120				
SAINT JOHN'S SEMINARY	FSEOG	$5,840	9	
127 LAKE STREET	FWS	$1,163	1	
BRIGHTON MA 02135				
SALEM STATE COLLEGE	FEDERAL PERKINS LOAN		241	$314,480
352 LAFAYETTE STREET	FSEOG	$242,614	391	
SALEM MA 01970	FWS	$596,123	727	
SCHOOL OF MUSEUM OF FINE ARTS	FSEOG	$60,464	98	
230 THE FENWAY	FWS	$49,547	60	
BOSTON MA 02115				
SIMMONS COLLEGE	FEDERAL PERKINS LOAN	$4,405	508	$661,125
300 THE FENWAY	FSEOG	$369,065	595	
BOSTON MA 02115	FWS	$625,485	763	
SIMONS ROCK OF BARD COLLEGE	FEDERAL PERKINS LOAN		9	$12,974
84 ALFORD ROAD	FSEOG	$74,010	119	
GREAT BARRINGTON MA 01230	FWS	$40,026	49	
SMITH COLLEGE	FEDERAL PERKINS LOAN	$120,917	405	$527,181
	FSEOG	$486,728	785	
NORTHAMPTON MA 01063	FWS	$419,726	512	
SOMERVILLE HOSPITAL SCH OF NURSING	FSEOG	$9,144	15	
125 LOWELL STREET	FWS	$7,005	9	
SOMERVILLE MA 02143				
SPRINGFIELD COLLEGE	FEDERAL PERKINS LOAN	$124,938	430	$559,048
263 ALDEN ST	FSEOG	$249,328	402	
SPRINGFIELD MA 01109	FWS	$251,090	306	
SPRINGFIELD TECHNICAL COMMUNITY COL	FEDERAL PERKINS LOAN	$44,784	120	$156,744
1 ARMORY SQUARE	FSEOG	$126,293	204	
SPRINGFIELD MA 01105	FWS	$149,970	183	
ST ELIZABETHS HOSPITAL SCHOOL OF NURSING	FSEOG	$16,281	26	
159 WASHINGTON STREET				
BRIGHTON MA 02135				

STATE OF MASSACHUSETTS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ST JOHN'S SCHOOL OF BUSINESS	FSEOG	$15,030	24	
PO BOX 1190				
WEST SPRINGFIELD MA 01090				
STONEHILL COLLEGE	FEDERAL PERKINS LOAN		263	$342,313
320 WASHINGTON STREET	FSEOG	$173,399	280	
NORTH EASTON MA 02357	FWS	$192,730	235	
SUFFOLK UNIVERSITY	FEDERAL PERKINS LOAN	$223,921	874	$1,137,000
8 ASHBURTON PLACE	FSEOG	$310,865	501	
BOSTON MA 02108	FWS	$448,741	547	
THE SALTER SCHOOL	FEDERAL PERKINS LOAN	$14,740	16	$20,918
155 ARARAT STREET	FSEOG	$10,614	17	
WORCESTER MA 01606	FWS	$7,567	9	
TUFTS UNIVERSITY	FEDERAL PERKINS LOAN	$127,705	2,122	$2,759,143
	FSEOG	$615,081	992	
MEDFORD MA 02155	FWS	$955,638	1,165	
UNIVERSITY OF MASSACHUSETTS	FEDERAL PERKINS LOAN	$396,027	3,994	$5,192,638
243 WHITMORE BUILDING	FSEOG	$1,593,159	2,570	
AMHERST MA 01003	FWS	$1,942,463	2,369	
UNIVERSITY OF MASSACHUSETTS AT BOSTON	FEDERAL PERKINS LOAN	$325,868	334	$434,491
100 MORRISSEY BOULEVARD	FSEOG	$1,069,942	1,726	
BOSTON MA 02125	FWS	$1,598,343	1,949	
UNIVERSITY OF MASSACHUSETTS DARTMOUTH	FEDERAL PERKINS LOAN		586	$762,038
OLD WESTPORT RD	FSEOG	$182,200	294	
NORTH DARTMOUTH MA 02747	FWS	$631,586	770	
UNIVERSITY OF MASSACHUSETTS MEDICAL CENTER	FEDERAL PERKINS LOAN	$11,217	11	$14,956
55 LAKE AVENUE NORTH	FWS	$63,474	77	
WORCESTER MA 01655				
UNIVERSITY OF MASSACHUSETTS-LOWELL	FEDERAL PERKINS LOAN	$199,040	768	$999,207
1 UNIVERSITY AVENUE	FSEOG	$357,936	577	
LOWELL MA 01854	FWS	$397,376	485	
WELLESLEY COLLEGE	FEDERAL PERKINS LOAN	$191,545	451	$586,631
106 CENTRAL STREET	FSEOG	$429,170	692	
WELLESLEY MA 02181	FWS	$299,505	365	
WENTWORTH INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$84,409	494	$642,828
550 HUNTINGTON AVE	FSEOG	$342,720	553	
BOSTON MA 02115	FWS	$178,661	218	

STATE DF MASSACHUSETTS

INSTITUTIDN	PRDGRAM	FEDERAL FUNDS	ESTIMATED ND. STUDENT AWARDS	AUTHDRIZED FEDERAL PERKINS LDAN LEVEL OF EXPENDITURES
WENTWDRTH TECHNICAL SCHODL	FEDERAL PERKINS LDAN	$49,760	107	$139,144
191 SPRING STREET	FSEOG	$51,238	83	
LEXINGTDN MA 02173	FWS	$53,697	65	
WESTERN NEW ENGLAND COLLEGE	FEDERAL PERKINS LOAN	$61,161	472	$614,851
1215 WILBRAHAM RD	FSEOG	$238,796	385	
SPRINGFIELD MA 01119	FWS	$364,353	444	
WESTFIELD STATE COLLEGE	FEDERAL PERKINS LOAN		245	$319,727
WESTERN AVENUE	FSEOG	$288,306	465	
WESTFIELO MA 01085	FWS	$335,569	409	
WHEATON COLLEGE	FEDERAL PERKINS LOAN	$30,537	347	$451,873
EAST MAIN STREET	FSEDG	$269,310	434	
NDRTON MA 02766	FWS	$178,827	218	
WHEELOCK CDLLEGE	FEDERAL PERKINS LOAN		212	$276,687
200 THE RIVERWAY	FSEOG	$103,205	166	
BDSTON MA 02215	FWS	$154,595	189	
WILLIAMS CDLLEGE	FEDERAL PERKINS LOAN	$173,422	511	$664,844
MAIN ST PD BOX 37	FSEDG	$283,859	458	
WILLIAMSTDWN MA 01267	FWS	$226,165	276	
WORCESTER POLYTECHNIC INSTITUTE	FEDERAL PERKINS LDAN	$24,486	1,153	$1,499,716
100 INSTITUTE ROAD	FSEOG	$552,079	890	
WDRCESTER MA 01609	FWS	$375,771	458	
WORCESTER STATE COLLEGE	FEDERAL PERKINS LOAN	$19,905	146	$190,326
486 CHANDLER STREET	FSEOG	$220,389	355	
WORCESTER MA 01602	FWS	$156,750	191	

STATE OF MASSACHUSETTS	FEDERAL PERKINS LDAN	$7,577,395	36,211	ND. INSTITUTIONS	97
	FSEOG	$28,612,438	46,146	NO. INSTITUTIDNS	134
	FWS	$35,031,562	42,723	NO. INSTITUTIDNS	115

STATE OF MICHIGAN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ADRIAN COLLEGE	FEDERAL PERKINS LOAN		339	$441,129
110 SO MADISON STREET	FSEOG	$137,201	221	
ADRIAN MI 49221	FWS	$125,187	153	
ALBION COLLEGE	FEDERAL PERKINS LOAN	$45,092	344	$448,328
704 EAST PORTER STREET	FSEOG	$162,834	263	
ALBION MI 49224	FWS	$144,629	176	
ALMA COLLEGE	FEDERAL PERKINS LOAN	$79,616	250	$325,048
614 WEST SUPERIOR STREET	FSEOG	$158,640	256	
ALMA MI 48801	FWS	$128,335	157	
ALPENA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		3	$4,929
666 JOHNSON STREET	FSEOG	$49,986	81	
ALPENA MI 49707	FWS	$86,416	105	
ANDREWS UNIVERSITY	FEDERAL PERKINS LOAN	$74,640	291	$379,402
	FSEOG	$233,481	377	
BERRIEN SPGS MI 49104	FWS	$176,568	215	
AQUINAS COLLEGE	FEDERAL PERKINS LOAN	$9,952	94	$122,991
1607 ROBINSON ROAD SE	FSEOG	$100,000	161	
GRAND RAPIDS MI 49506	FWS	$134,356	164	
BAKER COLLEGE	FEDERAL PERKINS LOAN	$80,283	187	$243,271
G-1050 W BRISTOL ROAD	FSEOG	$595,433	960	
FLINT MI 48507	FWS	$272,440	332	
BAY DE NOC COMMUNITY COLLEGE	FSEOG	$90,891	147	
2001 NORTH LINCOLN ROAD	FWS	$119,840	146	
ESCANABA MI 49829				
BAY MILLS COMMUNITY COLLEGE	FSEOG	$14,760	24	
ROUTE 1 BOX 315A	FWS	$13,558	17	
BRIMLEY MI 49715				
BRONSON METHODIST HOSPITAL SCHOOL OF NURSING	FSEOG	$16,831	27	
252 E LOVELL STREET	FWS	$6,116	7	
KALAMAZOO MI 49007				
CALVIN COLLEGE	FEDERAL PERKINS LOAN	$219,223	1,338	$1,739,404
3207 BURTON ST SE	FSEOG	$440,403	710	
GRAND RAPIDS MI 49506	FWS	$422,030	515	
CALVIN THEOLOGICAL SEMINARY	FEDERAL PERKINS LOAN		63	$82,967
3233 BURTON ST SE				
GRAND RAPIDS MI 49506				

STATE OF MICHIGAN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CARNEGIE INSTITUTE	FEDERAL PERKINS LOAN	$9,952	25	$33,681
550 STEPHENSON HWY SUITE 100	FSEOG	$33,938	55	
TROY MI 48083	FWS	$8,500	10	
CCS COLLEGE OF ART AND DESIGN	FSEOG	$81,403	131	
245 E KIRBY	FWS	$56,364	69	
DETROIT MI 48202				
CENTRAL MICHIGAN UNIVERSITY	FEDERAL PERKINS LOAN	$87,887	1,594	$2,072,931
	FSEOG	$445,796	719	
MOUNT PLEASANT MI 48859	FWS	$823,660	1,004	
CHIC UNIVERSITY OF COSMETOLOGY	FSEOG	$41,889	68	
1735 FOUR MILE ROAD NE				
GRAND RAPIDS MI 49505				
CLEARY COLLEGE	FSEOG	$69,858	113	
2170 WASHTENAW AVE	FWS	$30,252	37	
YPSILANTI MI 48197				
CONCORDIA COLLEGE	FEDERAL PERKINS LOAN	$99,521	237	$309,341
4090 GEDDES ROAD	FSEOG	$97,211	157	
ANN ARBOR MI 48105	FWS	$69,794	85	
CRAIG'S COLLEGE OF BEAUTY	FSEOG	$2,804	5	
3222 S LOGAN				
LANSING MI 48910				
CRANBROOK ACADEMY OF ART	FWS	$34,083	42	
P. O. BOX 801				
BLOOMFIELD HILLS MI 48013				
DAVENPORT COLLEGE	FEDERAL PERKINS LOAN	$149,280	261	$340,145
415 E FULTON ST	FSEOG	$495,467	799	
GRAND RAPIDS MI 49503	FWS	$245,661	300	
DELTA COLLEGE	FSEOG	$372,519	601	
	FWS	$199,239	243	
UNIVERSITY CENTER MI 48710				
DETROIT BUSINESS INSTITUTE	FSEOG	$309,704	500	
115 STATE STREET	FWS	$21,360	26	
DETROIT MI 48226				
DETROIT BUSINESS INSTITUTE-DOWN RIVER	FEDERAL PERKINS LOAN		8	$10,953
19100 FORT STREET	FSEOG	$23,858	38	
RIVERVIEW MI 48192	FWS	$4,610	6	

STATE OF MICHIGAN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
DETROIT COLLEGE OF BUSINESS	FSEOG	$310,259	500	
4801 OAKMAN BLVD	FWS	$108,054	132	
DEARBORN MI 48126				
DETROIT COLLEGE OF LAW	FWS	$75,000	91	
130 E ELIZABETH				
DETROIT MI 48201				
DETROIT INSTITUTE OF AERONAUTICS	FEDERAL PERKINS LOAN		0	$1,000
47884 D STREET	FSEOG	$36,847	59	
BELLEVILLE MI 48111	FWS	$11,319	14	
EASTERN MICHIGAN UNIVERSITY	FEDERAL PERKINS LOAN	$56,177	1,766	$2,296,889
STUDENT LOANS 203 PIERCE HALL	FSEOG	$843,595	1,361	
YPSILANTI MI 48197	FWS	$815,511	995	
FERRIS STATE UNIVERSITY	FEDERAL PERKINS LOAN	$350,494	2,598	$3,378,640
901 S STATE STREET	FSEOG	$826,502	1,333	
BIG RAPIDS MI 49307	FWS	$509,194	621	
GLEN OAKS CMTY COLLEGE	FSEOG	$17,822	29	
62249 SHIMMEL ROAD	FWS	$15,790	19	
CENTREVILLE MI 49032				
GMI ENGINEERING AND MANAGEMENT INSTITUTE	FSEOG	$201,206	325	
1700 W THIRD AVE	FWS	$116,293	142	
FLINT MI 48502				
GOGEBIC COMMUNITY COLLEGE	FSEOG	$25,757	42	
E4946 JACKSON ROAD	FWS	$53,393	65	
IRONWOOD MI 49938				
GRACE BIBLE COLLEGE	FSEOG	$10,465	17	
1011 ALDON ST SW PO BOX 910	FWS	$22,397	27	
GRAND RAPIDS MI 49509				
GRAND RAPIDS BAPTIST COLLEGE	FEDERAL PERKINS LOAN	$52,041	168	$219,420
1001 E BELTLINE N E	FSEOG	$62,979	102	
GRAND RAPIDS MI 49505	FWS	$64,238	78	
GRAND RAPIDS COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$34,832	135	$175,578
143 BOSTWICK NE	FSEOG	$209,803	338	
GRAND RAPIDS MI 49503	FWS	$199,537	243	
GRAND RAPIDS EDUCATION NORTHBROOK PARK #2	FSEOG	$20,000	32	
2922 FULLER AVENUE	FWS	$1,668	2	
GRAND RAPIDS MI 49505				

STATE OF MICHIGAN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
GRAND VALLEY STATE UNIVERSITY	FEDERAL PERKINS LOAN	$198,517	1,627	$2,116,184
COLLEGE LANDING	FSEOG	$1,271,809	2,051	
ALLENDALE MI 49401	FWS	$900,356	1,098	
GREAT LAKES CHRISTIAN COLLEGE	FSEOG	$21,000	34	
6211 W WILLOW HIWAY	FWS	$24,998	30	
LANSING MI 48917				
GREAT LAKES JUNIOR COLLEGE OF BUSINESS	FEDERAL PERKINS LOAN	$29,856	67	$88,215
310 SO WASHINGTON	FSEOG	$170,406	275	
SAGINAW MI 48607	FWS	$97,478	119	
HAIRACY COLLEGE OF COSMETOLOGY	FSEOG	$4,240	7	
204 EAST NEPESSING STREET				
LAPEER MI 48446				
HAIRACY II COLLEGE OF COSMETOLOGY	FSEOG	$3,817	6	
2950 LAPEER ROAD				
PORT HURON MI 48060				
HENRY FORD COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		27	$36,247
5101 EVERGREEN	FSEOG	$201,478	325	
DEARBORN MI 48128	FWS	$187,922	229	
HIGH TECH LEARNING INC	FSEOG	$5,568	9	
7531 E EIGHT MILE ROAD				
WARREN MI 48091				
HIGHLAND PARK COMMUNITY COLLEGE	FSEOG	$180,381	291	
GLENDALE AT 3RD AVE	FWS	$201,553	246	
HIGHLAND PARK MI 48203				
HOPE COLLEGE	FEDERAL PERKINS LOAN	$135,523	816	$1,061,394
DEWITT CENTER	FSEOG	$236,355	381	
HOLLAND MI 49423	FWS	$184,734	225	
HURLEY MEDICAL CENTER SCHOOL OF NURSING	FSEOG	$8,000	13	
701 WEST EIGHT AVE	FWS	$4,722	6	
FLINT MI 48502				
I D E A CAREER TRAINING	FSEOG	$8,472	14	
14500 WEST 8 MILE SUITE 305	FWS	$6,152	8	
OAK PARK MI 48237				
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN	$17,982	58	$76,321
4020 SPARKS DR SE	FSEOG	$57,756	93	
GRAND RAPIDS MI 49546	FWS	$20,934	26	

STATE OF MICHIGAN

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
JACKSON COMMUNITY COLLEGE			FSEOG	$100,000	161	
2111 EMMONS RD			FWS	$65,785	80	
JACKSON	MI	49201				
JORDAN COLLEGE			FSEOG	$257,410	415	
360 W PINE			FWS	$185,795	227	
CEDAR SPRINGS	MI	49319				
KALAMAZOO COLLEGE			FEDERAL PERKINS LOAN	$208,329	804	$1,045,369
1200 ACADEMY STREET			FSEOG	$191,806	309	
KALAMAZOO	MI	49007	FWS	$284,730	347	
KALAMAZOO VALLEY COMMUNITY COLLEGE			FEDERAL PERKINS LOAN	$14,154	67	$88,089
8767 WEST D AVE			FSEOG	$166,669	269	
KALAMAZOO	MI	49009	FWS	$84,874	104	
KELLOGG COMMUNITY COLLEGE			FEDERAL PERKINS LOAN		135	$176,613
450 NORTH AVE			FSEOG	$64,896	105	
BATTLE CREEK	MI	49016	FWS	$49,412	60	
KENDALL COLLEGE OF ART & DESIGN			FEDERAL PERKINS LOAN	$51,750	150	$195,121
111 N DIVISION			FSEOG	$68,552	111	
GRAND RAPIDS	MI	49503	FWS	$37,620	46	
KIRTLAND COMMUNITY COLLEGE			FSEOG	$58,381	94	
10775 N ST HELEN RD			FWS	$56,259	69	
ROSCOMMON	MI	48653				
LAKE MICHIGAN COLLEGE			FEDERAL PERKINS LOAN		1	$1,770
2755 E NAPIER AVE			FSEOG	$48,094	78	
BENTON HARBOR	MI	49022	FWS	$62,490	76	
LAKE SUPERIOR STATE UNIVERSITY			FEDERAL PERKINS LOAN	$59,713	343	$446,898
			FSEOG	$75,466	122	
SAULT SAINTE MARIE	MI	49783	FWS	$247,761	302	
LANSING COMMUNITY COLLEGE			FEDERAL PERKINS LOAN		185	$240,663
430 N CAPITOL BOX 40010			FSEOG	$413,498	667	
LANSING	MI	48901	FWS	$357,975	437	
LAWRENCE TECHNOLOGICAL UNIVERSITIES			FEDERAL PERKINS LOAN	$1,302	65	$85,759
21000 W TEN MILE RD			FSEOG	$187,183	302	
SOUTHFIELD	MI	48075	FWS	$60,960	74	
LAWTON SCHOOL			FSEOG	$181,384	293	
21800 GREENFIELD			FWS	$9,943	12	
OAK PARK	MI	48237				

STATE OF MICHIGAN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LEWIS COLLEGE OF BUSINESS	FEDERAL PERKINS LOAN		7	$9,820
17370 MEYERS	FSEOG	$123,874	200	
DETROIT MI 48235	FWS	$63,671	78	
MACOMB COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$308,513	656	$852,987
14500 E TWELVE MILE RD	FSEOG	$207,778	335	
WARREN MI 48093	FWS	$123,204	150	
MADONNA UNIVERSITY	FEDERAL PERKINS LOAN	$9,952	26	$34,634
36600 SCHOOLCRAFT RD	FSEOG	$65,019	105	
LIVONIA MI 48150	FWS	$37,760	46	
MARYGROVE COLLEGE	FEDERAL PERKINS LOAN	$149,280	279	$363,606
8425 W MCNICHOLS	FSEOG	$203,145	328	
DETROIT MI 48221	FWS	$110,635	135	
MICHIGAN CAREER INST	FSEOG	$48,093	78	
14520 GRATIOT AVENUE	FWS	$31,155	38	
DETROIT MI 48205				
MICHIGAN CHRISTIAN COLLEGE	FEDERAL PERKINS LOAN		56	$73,901
800 WEST AVON ROAD	FSEOG	$103,565	167	
ROCHESTER HILL MI 48063	FWS	$47,031	57	
MICHIGAN COLLEGE OF BEAUTY	FSEOG	$10,944	18	
22100 COOLIDGE				
OAK PARK MI 48237				
MICHIGAN STATE UNIVERSITY	FEDERAL PERKINS LOAN	$258,305	4,123	$5,361,174
	FSEOG	$1,235,202	1,992	
EAST LANSING MI 48824	FWS	$2,099,038	2,560	
MICHIGAN TECHNOLOGICAL UNIVERSITY	FEDERAL PERKINS LOAN	$398,081	1,301	$1,692,502
1400 TOWNSEND DRIVE	FSEOG	$277,046	447	
HOUGHTON MI 49931	FWS	$269,859	329	
MID MICHIGAN COMMUNITY COLLEGE	FSEOG	$40,000	65	
1375 SO CLARE AVE	FWS	$47,056	57	
HARRISON MI 48625				
MONROE COUNTY COMMUNITY COLLEGE	FSEOG	$36,870	59	
1555 SO RAISINVILLE ROAD	FWS	$28,103	34	
MONROE MI 48161				
MONTCALM COMMUNITY COLLEGE	FSEOG	$59,700	96	
2800 COLLEGE DRIVE	FWS	$40,850	50	
SIDNEY MI 48885				

STATE OF MICHIGAN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MOTECH AUTOMOTIVE EDUCATION CENTER	FEDERAL PERKINS LOAN		85	$110,749
35155 INDUSTRIAL RD	FSEOG	$50,273	81	
LIVONIA MI 48150	FWS	$6,827	8	
MOTT COMMUNITY COLLEGE	FSEOG	$342,771	553	
1401 E COURT ST	FWS	$162,636	198	
FLINT MI 48503				
MUSKEGON COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		42	$54,652
221 SO QUARTERLINE ROAD	FSEOG	$121,266	196	
MUSKEGON MI 49442	FWS	$112,938	138	
NATIONAL INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN		134	$174,221
2620 REMICO S W	FSEOG	$48,835	79	
WYOMING MI 49509	FWS	$10,931	13	
NATIONAL INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN		173	$225,296
18000 NEWBURG ROAD	FSEOG	$71,912	116	
LIVONIA MI 48152				
NORTH CENTRAL MICHIGAN COLLEGE	FSEOG	$35,884	58	
1515 HOWARD STREET	FWS	$29,619	36	
PETOSKEY MI 49770				
NORTHERN MICHIGAN UNIVERSITY	FEDERAL PERKINS LOAN	$394,244	1,316	$1,711,035
PRESQUE ISLE AVE	FSEOG	$268,990	434	
MARQUETTE MI 49855	FWS	$786,171	959	
NORTHWESTERN MICHIGAN COLLEGE	FEDERAL PERKINS LOAN		58	$76,457
1701 E FRONT STREET	FSEOG	$119,962	193	
TRAVERSE CITY MI 49684	FWS	$70,384	86	
NORTHWOOD UNIVERSITY	FEDERAL PERKINS LOAN	$19,905	63	$83,139
3225 COOK ROAD	FSEOG	$285,988	461	
MIDLAND MI 48640	FWS	$152,665	186	
OAKLAND COMMUNITY COLLEGE	FSEOG	$287,147	463	
2480 OPDYKE ROAD	FWS	$240,449	293	
BLOOMFIELD HILLS MI 48013				
OAKLAND UNIVERSITY	FEDERAL PERKINS LOAN	$23,875	344	$447,289
WALTON AT SQUIRREL ROAD	FSEOG	$200,614	324	
ROCHESTER MI 48309	FWS	$190,850	233	
OLIVET COLLEGE	FEDERAL PERKINS LOAN		155	$202,794
	FSEOG	$101,000	163	
OLIVET MI 49076	FWS	$127,327	155	

STATE OF MICHIGAN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PAYNE-PULLIAM SCHOOL OF TRADE AND COMMERCE, INC.	FSEOG	$6,172	10	
2345 CASS AVENUE				
DETROIT MI 48201				
REFORMED BIBLE COLLEGE	FSEOG	$27,098	44	
3333 E BELTLINE NE	FWS	$16,746	20	
GRAND RAPIDS MI 49505				
SAGINAW VALLEY STATE UNIVERSITY	FEDERAL PERKINS LOAN	$89,568	282	$367,491
2250 PIERCE RD	FSEOG	$197,121	318	
UNIVERSITY CENTER MI 48710	FWS	$217,460	265	
SAINT CLAIR COUNTY COMMUNITY COL	FEDERAL PERKINS LOAN		8	$11,580
323 ERIE ST	FSEOG	$78,351	126	
PORT HURON MI 48060	FWS	$94,171	115	
SAINT MARY'S COLLEGE	FSEOG	$7,355	12	
COMMERCE AND INDIAN TRAIL RDS	FWS	$6,617	8	
ORCHARD LAKE MI 48033				
SAWYER SCHOOL OF BUSINESS	FEDERAL PERKINS LOAN	$20,301	64	$83,756
26051 HOOVER ROAD	FSEOG	$24,600	40	
WARREN MI 48089				
SCHOOLCRAFT COLLEGE	FEDERAL PERKINS LOAN		27	$35,887
18600 HAGGERTY ROAD	FSEOG	$91,818	148	
LIVONIA MI 48152	FWS	$67,872	83	
SIENA HEIGHTS COLLEGE	FSEOG	$79,869	129	
1247 E SIENA HTS DR	FWS	$61,654	75	
ADRIAN MI 49221				
SOUTHWESTERN MICHIGAN COLLEGE	FEDERAL PERKINS LOAN		185	$240,966
CHERRY GROVE RD	FSEOG	$71,035	115	
DOWAGIAC MI 49047	FWS	$105,740	129	
SPECS HOWARD SCHOOL OF BROADCAST	FSEOG	$46,891	76	
16900 W 8 MILE ROAD				
SOUTHFIELD MI 48075				
SPRING ARBOR COLLEGE	FEDERAL PERKINS LOAN	$131,837	469	$609,702
MAIN AVENUE	FSEOG	$166,468	268	
SPRING ARBOR MI 49283	FWS	$128,266	156	
STATE W COLLEGE OF BEAUTY-WYANDOTTE	FSEOG	$40,927	66	
3863 W FORT STREET				
WYANDOTTE MI 48192				

STATE OF MICHIGAN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SUOMI COLLEGE	FEDERAL PERKINS LOAN		136	$177,202
	FSEOG	$420,000	677	
HANCOCK MI 49930	FWS	$310,000	378	
THOMAS M COOLEY LAW SCHOOL	FWS	$279,271	341	
217 S CAPITOL AVE PO BOX 13038				
LANSING MI 48901				
UNIVERSITY OF DETROIT MERCY	FEDERAL PERKINS LOAN	$178,388	2,158	$2,806,398
PO BOX 19900	FSEOG	$1,439,554	2,322	
DETROIT MI 48219	FWS	$855,524	1,043	
UNIVERSITY OF MICHIGAN	FEDERAL PERKINS LOAN	$1,625,464	8,688	$11,295,283
2011 STUDENT ACTIVITIES BLVD	FSEOG	$1,739,165	2,805	
ANN ARBOR MI 48109	FWS	$2,442,974	2,979	
VIRGINIA FARRELL BEAUTY SCHOOL	FSEOG	$8,709	14	
22925 WOODWARD AVENUE				
FERNDALE MI 48220				
VIRGINIA FARRELL BEAUTY SCHOOL	FSEOG	$14,028	23	
24444 WEST SEVEN MILE RD				
DETROIT MI 48219				
VIRGINIA FARRELL BEAUTY SCHOOL	FSEOG	$12,725	21	
23620 HARPER				
SAINT CLAIR SHORES MI 48080				
VIRGINIA FARRELL BEAUTY SCHOOL	FSEOG	$17,485	28	
1725 FORT STREET				
LINCOLN PARK MI 48146				
VIRGINIA FARRELL BEAUTY SCHOOL	FSEOG	$8,176	13	
34580 FORD ROAD				
WESTLAND MI 48185				
VIRGINIA FARRELL BEAUTY SCHOOL	FSEOG	$5,568	9	
33425 FIVE MILE ROAD				
LIVONIA MI 48154				
WALSH COLLEGE	FEDERAL PERKINS LOAN	$209	60	$78,528
3838 LIVERNOIS ROAD	FSEOG	$40,882	66	
TROY MI 48007	FWS	$15,782	19	
WASHTENAW COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		3	$5,007
P O BOX D-1	FSEOG	$100,000	161	
ANN ARBOR MI 48106	FWS	$115,777	141	

STATE OF MICHIGAN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WAYNE COUNTY COMMUNITY COLLEGE 801 W FORT STREET DETROIT MI 48226	FEDERAL PERKINS LOAN FSEOG FWS	 $556,392 $606,985	5 897 740	$7,276
WAYNE STATE UNIVERSITY STUDENT SERVICES CTR3 WEST HNT DETROIT MI 48202	FEDERAL PERKINS LOAN FSEOG FWS	$829,815 $479,873 $688,218	2,552 774 839	$3,318,001
WEST SHORE COMMUNITY COLLEGE 3000 NORTH STILES ROAD SCOTTSVILLE MI 49454	FEDERAL PERKINS LOAN FSEOG FWS	 $31,441 $71,893	55 51 88	$71,585
WESTERN MICHIGAN UNIVERSITY W MICHIGAN AVENUE KALAMAZOO MI 49008	FEDERAL PERKINS LOAN FSEOG FWS	$82,419 $770,843 $802,782	1,421 1,243 979	$1,847,808
WESTERN THEOLOGICAL SEMINARY 101 E 13TH STREET HOLLAND MI 49423	FEDERAL PERKINS LOAN		32	$41,630
WILLIAM TYNDALE COLLEGE 35700 WEST TWELVE MILE ROAD FARMINGTON HILLS MI 48018	FSEOG FWS	$15,329 $13,474	25 16	
YESHIVA GEDOLA RABBINICAL COLLEGE 24600 GREENFIELD OAK PARK MI 48237	FSEOG FWS	$5,568 $5,113	9 6	

STATE OF MICHIGAN	FEDERAL PERKINS LOAN	$6,586,272	37,087	NO. INSTITUTIONS 64
	FSEOG	$21,372,084	34,477	NO. INSTITUTIONS 110
	FWS	$19,943,323	24,318	NO. INSTITUTIONS 96

STATE OF MINNESOTA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZEO FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ALBERT LEA/MANKATO TECH COLLEGE			FSEOG	$70,537	114	
2200 TECH DRIVE			FWS	$91,312	111	
ALBERT LEA	MN	56007				
ALEXANDRIA TECH COLLEGE			FSEOG	$105,559	170	
1600 JEFFERSON STREET			FWS	$122,935	150	
ALEXANDRIA	MN	56308				
AMERICAN INOIAN OIC			FSEOG	$5,568	9	
1845 EAST FRANKLIN AVE			FWS	$5,113	6	
MINNEAPOLIS	MN	55404				
ANOKA RAMSEY CMTY COLLEGE			FEDERAL PERKINS LOAN	$34,832	128	$166,731
11200 MISSISSIPPI BLVO NW			FSEOG	$100,000	161	
COON RAPIOS	MN	55433	FWS	$114,797	140	
ANOKA TECHNICAL COLLEGE			FSEOG	$39,868	64	
1355 W HIGHWAY 10			FWS	$39,897	49	
ANOKA	MN	55303				
ARROWHEAO COMMUNITY COLLEGE			FEDERAL PERKINS LOAN	$94,584	352	$458,238
1855 E HWY 169			FSEOG	$179,169	289	
GRAND RAPIDS	MN	55744	FWS	$543,291	663	
AUGSBURG COLLEGE			FEDERAL PERKINS LOAN	$70,057	772	$1,004,239
731 21ST AVE SO			FSEOG	$669,241	1,079	
MINNEAPOLIS	MN	55454	FWS	$310,017	378	
AUSTIN CMTY COLLEGE			FEDERAL PERKINS LOAN	$8,206	64	$83,460
1600 8TH AVE NW			FSEOG	$29,400	47	
AUSTIN	MN	55912	FWS	$54,792	67	
BEMIOJI STATE UNIVERSITY			FEDERAL PERKINS LOAN	$1,444	842	$1,094,708
1500 BIRCHMONT DRIVE N E			FSEOG	$617,038	995	
BEMIDJI	MN	56601	FWS	$365,357	446	
BEMIDJI TECH COLLEGE			FSEOG	$22,793	37	
905 GRANT AVE S E			FWS	$28,304	35	
BEMIOJI	MN	56601				
BETHANY LUTHERAN COLLEGE INC			FEDERAL PERKINS LOAN	$25,913	90	$117,642
734 MARSH ST			FSEOG	$31,873	51	
MANKATO	MN	56001	FWS	$33,532	41	
BETHEL COLLEGE			FEDERAL PERKINS LOAN	$1,163	592	$770,498
3900 BETHEL DR			FSEOG	$324,831	524	
SAINT PAUL	MN	55112	FWS	$251,539	307	

STATE OF MINNESOTA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BETHEL THEOLOGICAL SEMINARY 3949 BETHEL DRIVE ST. PAUL MN 55112	FWS	$16,559	20	
BRAINERD CMTY COLLEGE COLLEGE DRIVE BRAINERD MN 56401	FEDERAL PERKINS LOAN	$3,329	42	$54,921
	FSEOG	$46,737	75	
	FWS	$95,902	117	
BRAINERD STAPLES REGIONAL TECHNICAL COLLEGE 300 QUINCE STREET BRAINERD MN 56401	FSEOG	$69,862	113	
	FWS	$116,902	143	
CARLETON COLLEGE ONE NORTH COLLEGE STREET NORTHFIELD MN 55057	FEDERAL PERKINS LOAN	$260,259	768	$998,954
	FSEOG	$368,693	595	
	FWS	$290,627	354	
COLLEGE OF ASSOCIATED ARTS 344 SUMMIT AVE ST PAUL MN 55102	FSEOG	$16,462	27	
	FWS	$8,314	10	
COLLEGE OF SAINT BENEDICT 37 S COLLEGE AVE ST JOSEPH MN 56374	FEDERAL PERKINS LOAN	$227,218	845	$1,099,050
	FSEOG	$329,412	531	
	FWS	$445,283	543	
COLLEGE OF SAINT CATHERINE 2004 RANDOLPH AVE SAINT PAUL MN 55105	FEDERAL PERKINS LOAN	$145,366	745	$968,649
	FSEOG	$387,160	624	
	FWS	$162,413	198	
COLLEGE OF SAINT SCHOLASTICA 1200 KENWOOD AVENUE DULUTH MN 55811	FEDERAL PERKINS LOAN	$120,450	555	$721,537
	FSEOG	$230,801	372	
	FWS	$172,419	210	
CONCORDE CAREER INST 12 N 12TH ST 4TH FLR MINNEAPOLIS MN 55405	FEDERAL PERKINS LOAN	$37,320	39	$50,855
	FSEOG	$28,963	47	
CONCORDIA COLLEGE-MOORHEAD 901 SOUTH 8TH ST MOORHEAD MN 56560	FEDERAL PERKINS LOAN	$1,687	1,022	$1,329,420
	FSEOG	$568,316	917	
	FWS	$230,000	280	
CONCORDIA COLLEGE-SAINT PAUL 275 NO SYNDICATE STREET SAINT PAUL MN 55104	FEDERAL PERKINS LOAN	$149,280	292	$380,447
	FSEOG	$140,611	227	
	FWS	$93,085	114	
COSMETOLOGY TRAINING CENTER 2323 WEST 66TH ST RICHFIELD MN 55423	FSEOG	$3,309	5	

STATE OF MINNESOTA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
COSMETOLOGY TRAINING CENTER INC 149 THOMPSON AVE E ST PAUL MN 55118	FSEOG	$2,831	5	
COSMETOLOGY TRAINING CENTER LTD 111 E HICKORY MANKATO MN 56001	FSEOG	$3,490	6	
COSMETOLOGY TRAINING CENTERS LTD 306 CENTRAL AVE FARRBAULT MN 55021	FSEOG	$3,411	6	
CROWN COLLEGE 6425 COUNTY ROAD 30 ST BONIFACIUS MN 55375	FEDERAL PERKINS LOAN FSEOG FWS	$42,101 $184,771 $98,565	149 298 120	$193,891
DAKOTA COUNTY TECH COLLEGE 1300 E 145TH STREET ROSEMOUNT MN 55068	FSEOG FWS	$50,000 $41,887	81 51	
DETROIT LAKES TECH COLLEGE HIGHWAY 34 EAST DETROIT LAKES MN 56501	FSEOG FWS	$45,314 $47,582	73 58	
DR MARTIN LUTHER COLLEGE 1884 COLLEGE HEIGHTS NEW ULM MN 56073	FEDERAL PERKINS LOAN FSEOG FWS	$24,880 $19,492 $15,412	88 31 19	$114,940
DULUTH BUSINESS UNIVERSITY INC 412 W SUPERIOR STREET DULUTH MN 55802	FSEOG FWS	$34,556 $19,808	56 24	
DULUTH TECH COLLEGE 2101 TRINITY RD DULUTH MN 55811	FSEOG FWS	$38,197 $45,615	62 56	
DUNWOODY INDUSTRIAL INSTITUTE 818 DUNWOODY BLVD MINNEAPOLIS MN 55403	FSEOG FWS	$48,757 $40,000	79 49	
EAST GRAND FORKS TECH COLLEGE HIGHWAY 220 NORTH BOX 111 EAST GRAND FORKS MN 56721	FSEOG FWS	$40,000 $27,825	65 34	
FERGUS FALLS CMTY COLLEGE 1414 COLLEGE WAY FERGUS FALLS MN 56537	FEDERAL PERKINS LOAN FSEOG FWS	$9,952 $29,492 $66,855	58 48 82	$75,616

STATE OF MINNESOTA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
GLOBE COLLEGE OF BUSINESS INC			FEDERAL PERKINS LOAN		16	$21,968
289 E 5TH ST			FSEOG	$49,657	80	
SAINT PAUL	MN	55101				
GUSTAVUS ADOLPHUS COLLEGE			FEDERAL PERKINS LOAN	$132,419	602	$782,629
			FSEOG	$301,686	487	
SAINT PETER	MN	56082	FWS	$422,982	516	
HAMLINE UNIVERSITY			FEDERAL PERKINS LOAN	$359,417	1,307	$1,699,851
1536 HEWITT AVENUE			FSEOG	$291,558	470	
SAINT PAUL	MN	55104	FWS	$336,553	410	
HASTING COLLEGE OF HAIR DESIGN INC			FSEOG	$3,199	5	
213 EAST 2ND						
HASTING	MN	55033				
HENNEPIN TECH INST			FSEOG	$75,000	121	
1820 N XENIUM LANE			FWS	$72,700	89	
PLYMOUTH	MN	55441				
HORST EDUCATION CENTER FOR COSMETOLOGY			FSEOG	$15,760	25	
400 CENTRAL AVE SOUTHEAST			FWS	$11,023	13	
MINNEAPOLIS	MN	55414				
HUTCHINSON-WILLMAR REGIONAL TECHNICAL COLLEGE			FSEOG	$187,976	303	
2101 15TH AVE N W			FWS	$289,715	353	
WILLMAR	MN	56201				
INVER HILLS CMTY COLLEGE			FEDERAL PERKINS LOAN	$22,392	126	$164,281
8445 COLLEGE TRAIL			FSEOG	$78,796	127	
INVER GROVE HEIGHTS	MN	55076	FWS	$83,829	102	
LAKELAND MEDICAL-DENTAL ACADEMY			FSEOG	$40,750	66	
1402 WEST LAKE STREET			FWS	$8,534	10	
MINNEAPOLIS	MN	55408				
LAKEWOOD CMTY COLLEGE			FSEOG	$80,000	129	
3401 CENTURY AVENUE			FWS	$71,296	87	
WHITE BEAR LAKE	MN	55110				
LOWTHIAN COLLEGE			FSEOG	$19,087	31	
825 2ND AVE S						
MINNEAPOLIS	MN	55402				
LUTHER NORTHWESTERN THEOLOGICAL SEMINARY			FEDERAL PERKINS LOAN	$79,616	237	$309,306
2481 COMO AVE			FWS	$64,888	79	
ST PAUL	MN	55108				

STATE OF MINNESOTA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MACALESTER COLLEGE	FEDERAL PERKINS LOAN	$156,513	520	$676,897
1600 GRAND AVE	FSEOG	$258,866	418	
SAINT PAUL MN 55105	FWS	$342,305	417	
MANKATO STATE UNIVERSITY	FEDERAL PERKINS LOAN	$40,026	1,077	$1,400,756
P O BOX 8400	FSEOG	$413,486	667	
MANKATO MN 56002	FWS	$606,055	739	
MAXIMS COLLEGE OF BEAUTY CULTURE	FSEOG	$7,245	12	
40 HIGHWAY 10				
BLAINE MN 55434				
MEDICAL INSTITUTE OF MINNESOTA-INC	FEDERAL PERKINS LOAN		87	$114,147
5503 GREEN VALLEY DRIVE	FSEOG	$104,321	168	
BLOOMINGTON MN 55437				
METROPOLITAN STATE UNIVERSITY	FSEOG	$68,593	111	
700 E 7TH STREET	FWS	$41,442	51	
SAINT PAUL MN 55106				
MINNEAPOLIS BUSINESS COLLEGE	FEDERAL PERKINS LOAN	$22,615	70	$92,006
1711 WEST COUNTY ROAD B	FSEOG	$25,087	40	
ROSEVILLE MN 55113				
MINNEAPOLIS COLLEGE OF ART & DESIGN	FEDERAL PERKINS LOAN	$73,496	190	$247,669
2501 STEVENS AVE	FSEOG	$57,186	92	
MINNEAPOLIS MN 55404	FWS	$44,013	54	
MINNEAPOLIS COMMUNITY COLLEGE	FSEOG	$174,415	281	
1501 HENNEPIN AVENUE	FWS	$177,099	216	
MINNEAPOLIS MN 55403				
MINNEAPOLIS TECH INST	FSEOG	$75,000	121	
1415 HENNEPIN AVE SOUTH				
MINNEAPOLIS MN 55403				
MINNESOTA BIBLE COLLEGE	FSEOG	$6,982	11	
920 MAYOWOOD ROAD SW	FWS	$6,435	8	
ROCHESTER MN 55902				
MINNESOTA RIVERLAND TECH COLLEGE	FSEOG	$78,383	126	
1900 8TH AVE N W	FWS	$100,339	122	
AUSTIN MN 55912				
MINNESOTA SCHOOL OF BUSINESS	FEDERAL PERKINS LOAN	$50,511	51	$67,348
11 SOUTH FIFTH ST	FSEOG	$106,136	171	
MINNEAPOLIS MN 55402	FWS	$44,775	55	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MOORHEAD STATE UNIVERSITY	FEDERAL PERKINS LOAN	$1,651	847	$1,101,958
11TH STREET AND 9TH AVE SOUTH	FSEOG	$341,419	551	
MOORHEAD MN 56560	FWS	$399,981	488	
NATIONAL EDUCATION CTR-BROWN INST CAMPUS	FEDERAL PERKINS LOAN	$111,262	350	$455,360
2225 EAST LAKE ST	FSEOG	$102,816	166	
MINNEAPOLIS MN 55407	FWS	$29,602	36	
NORMANDALE CMTY COLLEGE	FEDERAL PERKINS LOAN	$64,688	221	$288,222
9700 FRANCE AVE SO	FSEOG	$122,922	198	
BLOOMINGTON MN 55431	FWS	$88,191	108	
NORTH CENTRAL BIBLE COLLEGE	FEDERAL PERKINS LOAN	$49,760	196	$255,284
910 ELLIOT AVE SO	FSEOG	$74,692	120	
MINNEAPOLIS MN 55404	FWS	$75,546	92	
NORTH HENNEPIN CMTY COLLEGE	FEDERAL PERKINS LOAN	$75,334	286	$372,312
7411 85TH AVE NO	FSEOG	$120,484	194	
BROOKLYN PARK MN 55445	FWS	$204,056	249	
NORTHEAST METRO TECHNICAL COLLEGE	FSEOG	$60,894	98	
3300 CENTURY AVE NORTH	FWS	$27,640	34	
WHITE BEAR LAKE MN 55110				
NORTHLAND CMTY COLLEGE	FEDERAL PERKINS LOAN	$9,952	31	$41,171
HIGHWAY ONE EAST	FSEOG	$19,728	32	
THIEF RIVER FALLS MN 56701	FWS	$71,929	88	
NORTHWEST TECHNICAL COLLEGE-MOORHEAD	FSEOG	$49,753	80	
1900 28TH AVENUE SOUTH	FWS	$50,096	61	
MOORHEAD MN 56560				
NORTHWESTERN COL OF CHIROPRACTIC	FEDERAL PERKINS LOAN	$218,133	728	$946,575
2501 WEST 84TH ST	FSEOG	$19,499	31	
BLOOMINGTON MN 55431	FWS	$113,530	138	
NORTHWESTERN COLLEGE	FEDERAL PERKINS LOAN	$134,353	345	$449,082
3003 NORTH SNELLING AVE	FSEOG	$173,580	280	
ROSEVILLE MN 55113	FWS	$90,305	110	
NORTHWESTERN ELECTRONICS INSTITUTE	FSEOG	$19,928	32	
825 41ST AVENUE N E	FWS	$16,294	20	
COLUMBIA HEIGHTS MN 55421				
OAK HILLS BIBLE COLLEGE	FSEOG	$8,410	14	
1600 OAK HILLS RD S W	FWS	$5,497	7	
BEMIDJI MN 56601				

STATE OF MINNESOTA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PINE TECH COLLEGE			FSEOG	$19,960	32	
1100 4TH STREET			FWS	$13,829	17	
PINE CITY	MN	55063				
RAMSEY COUNTY OIC			FSEOG	$6,036	10	
215 E NINTH ST			FWS	$4,575	6	
ST PAUL	MN	55101				
RANGE TECHNICAL COLLEGE			FSEOG	$18,356	30	
2900 E BELTLINE			FWS	$46,928	57	
HIBBING	MN	55746				
RASMUSSEN BUSINESS COLLEGE			FSEOG	$25,540	41	
GOOD COUNSEL DRIVE			FWS	$4,492	5	
MANKATO	MN	56001				
RASMUSSEN BUSINESS COLLEGE INC			FSEOG	$48,210	78	
3500 FEDERAL DRIVE			FWS	$4,776	6	
EAGAN	MN	55122				
RASSMUSSEN BUS COLLEGE MPLS			FSEOG	$28,930	47	
12450 WAYZATA BLVD						
MINNETONKA	MN	55305				
RED WING WINONA TECHNICAL COLLEGE			FSEOG	$21,561	35	
1250 HOMER ROAD			FWS	$63,532	77	
WINONA	MN	55987				
ROBINSON BEAUTY SCHOOL			FSEOG	$5,568	9	
7831 BROOKLYN BLVD						
BROOKLYN PARK	MN	55445				
ROCHESTER COMMUNITY COLLEGE			FEDERAL PERKINS LOAN		258	$338,380
851 30TH AVE S E			FSEOG	$141,040	227	
ROCHESTER	MN	55904	FWS	$258,549	315	
SAINT CLOUD BUSINESS COLLEGE INC			FSEOG	$35,530	57	
245 NORTH 37 AVENUE			FWS	$20,554	25	
SAINT CLOUD	MN	56303				
SAINT JOHN'S UNIVERSITY			FEDERAL PERKINS LOAN	$32,240	401	$522,357
			FSEOG	$345,553	557	
COLLEGEVILLE	MN	56321	FWS	$260,726	318	
SAINT MARY'S COLLEGE			FEDERAL PERKINS LOAN	$596	491	$638,610
TERRACE HEIGHTS			FSEOG	$204,989	331	
WINONA	MN	55987	FWS	$265,914	324	

STATE OF MINNESOTA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SAINT OLAF COLLEGE	FEDERAL PERKINS LOAN	$183,416	866	$1,126,699
	FSEOG	$434,800	701	
NORTHFIELD MN 55057	FWS	$346,702	423	
SCHOOL OF COMMUNICATION ARTS 2526 27TH AVENUE SOUTH MINNEAPOLIS MN 55406	FSEOG	$11,717	19	
SCOT LEWIS SCH OF COSM 6406 BASS LAKE ROAD CRYSTAL MN 55428	FSEOG	$10,021	16	
SCOT LEWIS SCI SCH OF COSM 9801 JAMES CIRCLE BLOOMINGTON MN 55431	FSEOG	$5,424	9	
SOUTHWEST STATE UNIVERSITY	FEDERAL PERKINS LOAN		210	$273,079
	FSEOG	$114,972	185	
MARSHALL MN 56258	FWS	$111,891	136	
SOUTHWESTERN TECHICAL COLLEGE 11TH AVE AND 15TH STREET GRANITE FALLS MN 56241	FSEOG	$91,944	148	
	FWS	$165,708	202	
ST CLOUD STATE UNIVERSITY 720 4TH AVE S SAINT CLOUD MN 56301	FEDERAL PERKINS LOAN	$31,901	1,320	$1,716,330
	FSEOG	$407,245	657	
	FWS	$720,310	878	
ST CLOUD TECH COLLEGE 1540 NORTHWAY DRIVE ST CLOUD MN 56301	FSEOG	$93,132	150	
	FWS	$113,848	139	
ST PAUL TECHNICAL INSTITUTE 235 MARSHALL AVE SAINT PAUL MN 55102	FSEOG	$132,178	213	
	FWS	$51,984	63	
THIEF RIVER FALLS TECH COLLEGE HIGHWAY ONE EAST THIEF RIVER FALLS MN 56701	FSEOG	$31,040	50	
	FWS	$30,229	37	
TWIN CITIES OPPORTUNITIES INDUSTRIALIZATION CENT 1015 OLSON MEMORIAL HIGHWAY MINNEAPOLIS MN 55405	FSEOG	$34,556	56	
	FWS	$11,639	14	
UNIVERSITY OF MINNESOTA-DULUTH 2400 OAKLAND AVE DULUTH MN 55812	FEDERAL PERKINS LOAN	$380,620	1,535	$1,995,705
	FSEOG	$335,106	540	
	FWS	$472,780	577	

STATE OF MINNESOTA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF MINNESOTA-MINNEAPOLIS	FEDERAL PERKINS LOAN	$7,784	3,426	$4,455,012
106 PLEASANT ST 210 FRASER HAL	FSEOG	$1,813,661	2,925	
MINNEAPOLIS MN 55455	FWS	$1,843,988	2,249	
UNIVERSITY OF MINNESOTA-MORRIS	FEDERAL PERKINS LOAN	$38,414	265	$344,836
	FSEOG	$480,141	774	
MORRIS MN 56267	FWS	$277,740	339	
UNIVERSITY OF SAINT THOMAS	FEDERAL PERKINS LOAN	$44,815	625	$812,867
2115 SUMMIT AVE	FSEOG	$487,916	787	
SAINT PAUL MN 55105	FWS	$344,596	420	
WADENA TECH COLLEGE	FSEOG	$27,846	45	
405 SW COLFAX AVE	FWS	$34,652	42	
WADENA MN 56303				
WILLIAM MITCHELL COLLEGE OF LAW	FEDERAL PERKINS LOAN	$158,288	330	$429,618
875 SUMMIT AVENUE	FWS	$135,966	166	
ST PAUL MN 55105				
WILLMAR CMTY COLLEGE	FEDERAL PERKINS LOAN		36	$47,220
BX 797	FSEOG	$30,020	48	
WILLMAR MN 56201	FWS	$125,159	153	
WINONA STATE UNIVERSITY	FEDERAL PERKINS LOAN	$12,995	426	$554,075
JOHNSON AND SANBORN STS	FSEOG	$139,828	226	
WINONA MN 55987	FWS	$214,745	262	
WORTHINGTON CMTY COLLEGE	FEDERAL PERKINS LOAN		86	$113,034
1450 COLLEGEWAY	FSEOG	$17,258	28	
WORTHINGTON MN 56187	FWS	$33,192	40	
STATE OF MINNESOTA	FEDERAL PERKINS LOAN	$3,751,248	24,312	NO. INSTITUTIONS 51
	FSEOG	$14,119,886	22,772	NO. INSTITUTIONS 101
	FWS	$13,871,593	16,917	NO. INSTITUTIONS 87

STATE OF MISSISSIPPI

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ALCORN STATE UNIVERSITY	FEDERAL PERKINS LOAN		114	$149,123
ALCORN RURAL STATION	FSEOG	$746,255	1,204	
LORMAN MS 39096	FWS	$582,276	710	
AMERICAN BEAUTY COLLEGE	FSEOG	$6,867	11	
2200-25TH AVENUE				
GULF PORT MS 39501				
BELHAVEN COLLEGE	FEDERAL PERKINS LOAN		72	$94,779
1500 PEACHTREE ST	FSEOG	$88,574	143	
JACKSON MS 39202	FWS	$81,328	99	
BLUE MOUNTAIN COLLEGE	FEDERAL PERKINS LOAN	$5,941	70	$92,099
P O BOX 267	FSEOG	$20,000	32	
BLUE MOUNTAIN MS 38610	FWS	$32,947	40	
CHRIS BEAUTY COLLEGE	FSEOG	$4,862	8	
1265 PASS ROAD				
GULFPORT MS 39501				
COAHOMA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		65	$85,675
3240 FRIARS POINT ROAD	FSEOG	$182,137	294	
CLARKSDALE MS 38614	FWS	$301,934	368	
COPIAH-LINCOLN COMMUNITY COLLEGE	FSEOG	$81,250	131	
P O BOX 457	FWS	$72,142	88	
WESSON MS 39191				
DELTA STATE UNIVERSITY	FEDERAL PERKINS LOAN	$29,080	373	$485,082
POST OFFICE BOX 3154	FSEOG	$122,557	198	
CLEVELAND MS 38733	FWS	$291,636	356	
EAST CENTRAL COMMUNITY COLLEGE	FSEOG	$30,000	48	
P O BOX 129	FWS	$31,682	39	
DECATUR MS 39327				
EAST MISSISSIPPI COMMUNITY COLLEGE	FSEOG	$30,349	49	
P O BOX 158	FWS	$38,604	47	
SCOOBA MS 39358				
HINDS JR COLLEGE	FSEOG	$387,891	626	
OFFICE OF FINANCIAL AID	FWS	$356,896	435	
RAYMOND MS 39154				
HOLMES COMMUNITY COLLEGE	FSEOG	$37,713	61	
PO BOX 369	FWS	$79,367	97	
GOODMAN MS 39079				

STATE OF MISSISSIPPI

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ITAWAMBA JR COLLEGE			FEDERAL PERKINS LOAN		1	$2,582
			FSEOG	$86,581	140	
FULTON	MS	38843	FWS	$172,750	211	
JACKSON ACADEMY OF BEAUTY			FEDERAL PERKINS LOAN		10	$13,918
2525 ROBINSON RD			FSEOG	$3,560	6	
JACKSON	MS	39219				
JACKSON STATE UNIVERSITY			FEDERAL PERKINS LOAN		468	$609,293
1325 J R LYNCH STREET			FSEOG	$992,947	1,602	
JACKSON	MS	39217	FWS	$1,829,460	2,231	
JONES COUNTY JR COLLEGE			FEDERAL PERKINS LOAN		4	$6,093
			FSEOG	$124,581	201	
ELLISVILLE	MS	39437	FWS	$126,231	154	
MAGNOLIA BIBLE COLLEGE			FSEOG	$5,568	9	
P O BOX 1109			FWS	$5,113	6	
KOSCIUSKO	MS	39090				
MARY HOLMES COLLEGE			FSEOG	$185,050	298	
HIGHWAY 50 WEST			FWS	$215,496	263	
WEST POINT	MS	39773				
MERIDIAN COMMUNITY COLLEGE			FSEOG	$72,219	116	
910 HIGHWAY 19 NORTH			FWS	$100,000	122	
MERIDIAN	MS	39301				
MILLSAPS COLLEGE			FEDERAL PERKINS LOAN	$25,242	301	$391,622
1701 N STATE STREET			FSEOG	$151,457	244	
JACKSON	MS	39210	FWS	$138,741	169	
MISSISSIPPI VALLEY STATE UNIVERSITY			FEDERAL PERKINS LOAN		188	$245,353
BOX 1054 14000 HWY 82 WEST			FSEOG	$430,748	695	
ITTA BENA	MS	38941	FWS	$591,570	721	
MISSISSIPPI COLLEGE			FEDERAL PERKINS LOAN		365	$474,810
P O BOX 4085			FSEOG	$173,970	281	
CLINTON	MS	39058	FWS	$211,625	258	
MISSISSIPPI DELTA COMMUNITY COLLEGE			FSEOG	$101,321	163	
P O BOX 668			FWS	$95,360	116	
MOORHEAD	MS	38761				
MISSISSIPPI GULF COAST COMMUNITY COLLEGE DISTRIC			FSEOG	$150,000	242	
P O BOX 67			FWS	$179,566	219	
PERKINSTON	MS	39573				

STATE OF MISSISSIPPI

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MISSISSIPPI STATE UNIVERSITY	FEDERAL PERKINS LOAN	$171,006	2,886	$3,752,958
BOX 9501	FSEOG	$749,659	1,209	
MISSISSIPPI STATE MS 39762	FWS	$1,041,201	1,270	
MISSISSIPPI UNIVERSITY FOR WOMEN	FEDERAL PERKINS LOAN	$11,874	353	$459,442
W-BOX 1614	FSEOG	$75,225	121	
COLUMBUS MS 39701	FWS	$145,952	178	
MOORE CAREER COLLEGE INC	FEDERAL PERKINS LOAN		69	$90,147
2460 TERRY ROAD	FSEOG	$79,412	128	
JACKSON MS 39204	FWS	$45,607	56	
NORTHEAST MISSISSIPPI COMMUNITY COLLEGE	FSEOG	$50,407	81	
	FWS	$149,204	182	
BOONEVILLE MS 38829				
NORTHWEST MISSISSIPPI COMMUNITY COLLEGE	FSEOG	$106,874	172	
510 NORTH PANOLA	FWS	$214,358	261	
SENATOBIA MS 38668				
PASCAGOULA BEAUTY ACADEMY INC.	FSEOG	$5,568	9	
3425 DENNY AVE				
PASCAGOULA MS 39567				
PEARL RIVER COMMUNITY COLLEGE	FSEOG	$80,941	131	
STATION A BOX 5120 101 HWY 11	FWS	$96,210	117	
POPLARVILLE MS 39470				
PHILLIPS COLLEGE INC	FEDERAL PERKINS LOAN		27	$35,481
2680 INSURANCE CENTER DRIVE	FSEOG	$42,770	69	
JACKSON MS 39216	FWS	$18,429	22	
RUST COLLEGE	FEDERAL PERKINS LOAN		22	$28,758
150 EAST RUST AVE	FSEOG	$477,346	770	
HOLLY SPRINGS MS 38635	FWS	$366,918	447	
SOUTHWEST MISSISSIPPI JR COLLEGE	FSEOG	$15,000	24	
	FWS	$35,046	43	
SUMMIT MS 39666				
TOUGALOO COLLEGE	FEDERAL PERKINS LOAN		84	$109,906
500 WEST COUNTY LINE ROAD	FSEOG	$194,067	313	
TOUGALOO MS 39174	FWS	$241,081	294	
UNIVERSITY OF MISSISSIPPI	FEDERAL PERKINS LOAN	$441,132	2,248	$2,923,348
	FSEOG	$222,733	359	
UNIVERSITY MS 38677	FWS	$517,167	631	

STATE OF MISSISSIPPI

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF SOUTHERN MISSISSIPPI SOUTHERN STATION PO BOX 5101 HATTIESBURG MS 39406	FEDERAL PERKINS LOAN	$1,349,746	3,344	$4,347,460
	FSEOG	$493,184	795	
	FWS	$814,844	994	
WESLEY COLLEGE PO BOX 70 FLORENCE MS 39703	FSEOG	$8,809	14	
	FWS	$18,434	22	
WILLIAM CAREY COLLEGE TUSCAN AVENUE HATTIESBURG MS 39401	FEDERAL PERKINS LOAN		68	$88,730
	FSEOG	$100,000	161	
	FWS	$331,616	404	
WOOD JR COLLEGE PO BOX 289 MATHISTON MS 39752	FSEOG	$19,083	31	
	FWS	$26,906	33	

STATE OF MISSISSIPPI	FEDERAL PERKINS LOAN	$2,034,021	9,575	NO. INSTITUTIONS	21
	FSEOG	$6,937,535	11,189	NO. INSTITUTIONS	40
	FWS	$9,597,697	11,703	NO. INSTITUTIONS	36

STATE OF MISSOURI

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
AL-MED ACADEMY 10963 ST CHARLES ROCK RD ST LOUIS MO 63074	FSEOG	$28,378	46	
AQUINAS INST OF THEOLOGY 3642 LINDELL BLVD ST LOUIS MO 63108	FEDERAL PERKINS LOAN	$2,223	6	$7,808
ASSEMBLIES OF GOD THEOLOGICAL SEMINARY 1445 BOONVILLE AVE SPRINGFIELD MO 65802	FEDERAL PERKINS LOAN FWS	$20,816 $26,278	87 32	$113,127
AVILA COLLEGE 11901 WORNALL ROAD KANSAS CITY MO 64145	FEDERAL PERKINS LOAN FSEOG FWS	 $94,503 $114,629	354 152 140	$460,460
BAPTIST BIBLE COLLEGE 628 E KEARNEY SPRINGFIELD MO 65803	FSEOG	$33,924	55	
BARNES COLLEGE 416 SOUTH KINGSHIGHWAY ST LOUIS MO 63110	FSEOG FWS	$31,123 $12,986	50 16	
BRYAN INSTITUTE 12184 NATURAL BRIDGE ROAD BRIDGETON MO 63044	FEDERAL PERKINS LOAN FSEOG FWS	 $55,696 $10,650	42 90 13	$54,601
BURGE SCHOOL OF NURSING 1423 NORTH JEFFERSON SPRINGFIELD MO 65802	FEDERAL PERKINS LOAN FSEOG FWS	$26,733 $21,010 $9,077	102 34 11	$132,725
CAREER BEAUTY SCHOOL 1821 DUNN RD FLORISSANT MO 63033	FSEOG	$7,874	13	
CENTRAL BIBLE COLLEGE 3000 NO GRANT AVE SPRINGFIELD MO 65802	FEDERAL PERKINS LOAN FSEOG FWS	 $83,982 $112,491	191 135 137	$249,290
CENTRAL CHRISTIAN COLLEGE OF THE BIBLE 911 URBANDALE DR E MOBERLY MO 65270	FWS	$5,164	6	
CENTRAL METHODIST COLLEGE 411 CENTRAL METHODIST SQUARE FAYETTE MO 65248	FEDERAL PERKINS LOAN FSEOG FWS	 $109,568 $75,033	149 177 92	$194,680

STATE OF MISSOURI

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CENTRAL MISSOURI STATE UNIVERSITY			FEDERAL PERKINS LOAN	$166,677	1,138	$1,479,867
			FSEOG	$266,369	430	
WARRENSBURG	MO	64093	FWS	$269,431	329	
CLEVELAND CHIROPRACTIC COLLEGE			FEDERAL PERKINS LOAN	$39,808	67	$87,295
6401 ROCKHILL ROAD			FSEOG	$14,203	23	
KANSAS CITY	MO	64131	FWS	$50,000	61	
COLLEGE OF THE OZARKS			FSEOG	$209,208	337	
			FWS	$204,530	249	
POINT LOOKOUT	MO	65726				
COLUMBIA COLLEGE			FEDERAL PERKINS LOAN		119	$154,864
1001 ROGERS			FSEOG	$191,796	309	
COLUMBIA	MO	65216	FWS	$137,271	167	
CONCEPTION SEMINARY COLLEGE			FSEOG	$16,000	26	
			FWS	$12,353	15	
CONCEPTION	MO	64433				
CONCORDIA SEMINARY			FEDERAL PERKINS LOAN	$21,895	80	$104,777
801 DE MUN AVENUE			FWS	$65,370	80	
SAINT LOUIS	MO	63105				
COTTEY COLLEGE			FSEOG	$18,567	30	
1000 W AUSTIN STREET			FWS	$27,100	33	
NEVADA	MO	64772				
CROWDER COLLEGE			FEDERAL PERKINS LOAN	$8,957	9	$12,093
601 LACLEDE AVE			FSEOG	$31,194	50	
NEOSHO	MO	64850	FWS	$165,192	201	
CULVER STOCKTON COLLEGE			FEDERAL PERKINS LOAN	$5,472	129	$168,093
			FSEOG	$103,979	168	
CANTON	MO	63435	FWS	$52,577	64	
DEACONESS COLLEGE OF NURSING			FSEOG	$22,202	36	
6150 OAKLAND AVE			FWS	$8,831	11	
ST LOUIS	MO	63139				
DEVRY INSTITUTE OF TECHNOLOGY			FEDERAL PERKINS LOAN	$242,531	703	$913,909
11224 HOLMES RD			FSEOG	$269,123	434	
KANSAS CITY	MO	64131	FWS	$114,337	139	
DRURY COLLEGE			FEDERAL PERKINS LOAN	$5,598	124	$161,962
900 NORTH BENTON AVE			FSEOG	$118,272	191	
SPRINGFIELD	MO	65802	FWS	$76,739	94	

STATE OF MISSOURI

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
EAST CENTRAL COLLEGE	FSEOG	$60,417	97	
PO BOX 529	FWS	$38,831	47	
UNION MO 63084				
EDEN THEOLOGICAL SEMINARY	FWS	$5,709	7	
475 E LOCKWOOD AVE				
WEBSTER GROVES MO 63119				
ELECTRONICS INSTITUTE	FEDERAL PERKINS LOAN		39	$50,846
15329 KENSINGTON AVE	FSEOG	$25,000	40	
KANSAS CITY MO 64147	FWS	$2,173	3	
EVANGEL COLLEGE OF THE ASSEMBLIES OF GOD	FEDERAL PERKINS LOAN		374	$487,424
1111 NO GLENSTONE	FSEOG	$183,418	296	
SPRINGFIELD MO 65802	FWS	$271,786	331	
FONTBONNE COLLEGE	FEDERAL PERKINS LOAN	$44,312	268	$349,532
6800 WYDOWN	FSEOG	$68,297	110	
SAINT LOUIS MO 63105	FWS	$64,330	78	
HANNIBAL-LAGRANGE COLLEGE	FEDERAL PERKINS LOAN	$16,622	96	$125,052
2800 PALMYRA RD	FSEOG	$36,008	58	
HANNIBAL MO 63401	FWS	$39,877	49	
HARRIS-STOWE STATE COLLEGE	FEDERAL PERKINS LOAN		94	$123,282
3026 LACLEDE AVE	FSEOG	$58,648	95	
SAINT LOUIS MO 63103	FWS	$112,943	138	
HICKEY SCHOOL	FEDERAL PERKINS LOAN		162	$211,148
940 WESTPORT PLAZA #101	FSEOG	$43,860	71	
SAINT LOUIS MO 63146				
INDEPENDENCE COLLEGE OF COSMETOLOGY	FSEOG	$2,068	3	
815 W 23RD ST				
INDEPENDENCE MO 64055				
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		52	$68,617
13505 LAKEFRONT DR	FSEOG	$130,000	210	
EARTH CITY MO 63045	FWS	$62,887	77	
JEFFERSON COLLEGE	FSEOG	$50,000	81	
1000 VIKING DRIVE	FWS	$47,258	58	
HILLSBORO MO 63050				
JEWISH HOSPITAL SCHOOL OF NURSING	FSEOG	$14,330	23	
306 S KINGSHIG BLVD	FWS	$3,706	5	
ST LOUIS MO 63110				

STATE OF MISSOURI

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
KANSAS CITY ART INSTITUTE	FEDERAL PERKINS LOAN	$7,827	215	$280,750
4415 WARWICK BLVD	FSEOG	$120,111	194	
KANSAS CITY MO 64111	FWS	$76,818	94	
KEMPER MILITARY SCHOOL & COLLEGE	FSEOG	$18,721	30	
701 THIRD STREET	FWS	$7,492	9	
BOONVILLE MO 65233				
KIRKSVILLE AREA VOC-TECH SCHOOL	FWS	$882	1	
1103 SOUTH COTTAGE GROVE				
KIRKSVILLE MO 63501				
KIRKSVILLE COLLEGE/OSTEOPATHIC MED	FEDERAL PERKINS LOAN		602	$782,675
800 WEST JEFFERSON STREET	FWS	$80,000	98	
KIRKSVILLE MO 63501				
LINCOLN UNIVERSITY	FEDERAL PERKINS LOAN		60	$79,247
820 CHESTNUT STREET	FSEOG	$122,175	197	
JEFFERSON CITY MO 65101	FWS	$178,957	218	
LINDENWOOD COLLEGE	FEDERAL PERKINS LOAN	$18,795	147	$191,693
209 SOUTH KINGSHIGHWAY	FSEOG	$158,498	256	
SAINT CHARLES MO 63301	FWS	$86,478	105	
LINN TECHNICAL COLLEGE	FSEOG	$49,866	80	
ONE TECHNOLOGY DRIVE	FWS	$45,546	56	
LINN MO 65051				
LOGAN COLLEGE OF CHIROPRACTIC	FEDERAL PERKINS LOAN	$218,945	679	$883,533
1851 SCHOETTLER RD P O B 1065	FSEOG	$15,337	25	
CHESTERFIELD MO 63006	FWS	$110,000	134	
LONGVIEW CMTY COLLEGE	FEDERAL PERKINS LOAN		33	$42,900
500 S W LONGVIEW ROAD	FSEOG	$110,954	179	
LEE'S SUMMIT MO 64081	FWS	$88,096	107	
MAPLE WOODS CMTY COLLEGE	FEDERAL PERKINS LOAN		26	$34,929
2601 N E BARRY RD	FSEOG	$59,502	96	
KANSAS CITY MO 64156	FWS	$45,027	55	
MARYVILLE UNIVERSITY	FEDERAL PERKINS LOAN		155	$202,653
13550 CONWAY ROAD	FSEOG	$131,785	213	
SAINT LOUIS MO 63141	FWS	$102,534	125	
MERRELL UNIVERSITY OF BEAUTY ARTS AND SCI, INC	FSEOG	$4,646	7	
1101-R S W BLVD				
JEFFERSON CITY MO 65109				

STATE OF MISSOURI

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MINERAL AREA COLLEGE	FEDERAL PERKINS LOAN		12	$15,826
PO BOX 1000	FSEOG	$52,098	84	
PARK HILLS MO 63601	FWS	$58,321	71	
MISSOURI BAPTIST COLLEGE	FEDERAL PERKINS LOAN		21	$28,099
12542 CONWAY RD	FSEOG	$28,648	46	
SAINT LOUIS MO 63141	FWS	$19,558	24	
MISSOURI BAPTIST HOSP SCH OF NRSG	FEDERAL PERKINS LOAN	$4,926	21	$28,098
3015 N BALLAS ROAD	FSEOG	$18,130	29	
SAINT LOUIS MO 63131	FWS	$5,220	6	
MISSOURI SCHOOL FOR DOCTORS ASSISTANTS	FSEOG	$32,789	53	
10121 MANCHESTER RD	FWS	$6,384	8	
SAINT LOUIS MO 63122				
MISSOURI SCHOOL OF BARBERING & HAIRSTYLING-ST LO	FEDERAL PERKINS LOAN		5	$6,673
1125 NORTH HWY 67	FSEOG	$16,704	27	
FLORISSANT MO 63031	FWS	$5,113	6	
MISSOURI SOUTHERN STATE COLLEGE	FEDERAL PERKINS LOAN	$278,055	631	$820,413
3950 EAST NEWMAN ROAD	FSEOG	$221,014	356	
JOPLIN MO 64801	FWS	$169,552	207	
MISSOURI VALLEY COLLEGE	FEDERAL PERKINS LOAN		98	$128,634
500 EAST COLLEGE ST	FSEOG	$132,962	214	
MARSHALL MO 65340	FWS	$59,272	72	
MISSOURI WESTERN STATE COLLEGE	FEDERAL PERKINS LOAN	$99,521	275	$357,677
4525 DOWNS DRIVE	FSEOG	$130,386	210	
SAINT JOSEPH MO 64507	FWS	$294,825	360	
MOBERLY AREA COMMUNITY COLLEGE	FSEOG	$40,000	65	
COLLEGE AND ROLLINS	FWS	$28,066	34	
MOBERLY MO 65270				
N S HILLYARD AREA VOC TECH SCHOOL	FSEOG	$5,568	9	
3434 FARAON STREET	FWS	$320		
ST JOSEPH MO 64506				
NATIONAL CAREER INSTITUTE	FEDERAL PERKINS LOAN		0	$1,000
17601-A EAST 40 HIGHWAY	FSEOG	$21,438	35	
INDEPENDENCE MO 64055	FWS	$4,341	5	
NEOSHO BEAUTY COLLEGE	FSEOG	$5,568	9	
116 N WOOD	FWS	$516	1	
NEOSHO MO 64850				

STATE OF MISSOURI

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NORTH CENTRAL MISSOURI COLLEGE	FSEOG	$22,000	35	
1301 MAIN ST	FWS	$9,000	11	
TRENTON MO 64683				
NORTHEAST MISSOURI STATE UNIVERSITY	FEDERAL PERKINS LOAN	$76,241	523	$680,429
NORMAL STREET	FSEOG	$120,561	194	
KIRKSVILLE MO 63501	FWS	$260,394	318	
NORTHWEST MISSOURI COMMUNITY COLLEGE	FSEOG	$250,190	404	
4315 PICKETT RD	FWS	$42,742	52	
ST JOSEPH MO 64503				
NORTHWEST MISSOURI STATE UNIV	FEDERAL PERKINS LOAN	$34,178	430	$559,596
800 UNIVERSITY DRIVE	FSEOG	$90,000	145	
MARYVILLE MO 64468	FWS	$292,018	356	
OZARK CHRISTIAN COLLEGE	FSEOG	$36,013	58	
1111 NORTH MAIN STREET	FWS	$26,392	32	
JOPLIN MO 64801				
PARK COLLEGE	FEDERAL PERKINS LOAN	$51,988	261	$340,244
8700 RIVER PARK DR	FSEOG	$185,466	299	
PARKVILLE MO 64152	FWS	$235,946	288	
PENN VALLEY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		36	$47,430
3201 SOUTHWEST TRAFFICWAY	FSEOG	$111,988	181	
KANSAS CITY MO 64111	FWS	$72,996	89	
PHILLIPS JR COLLEGE	FEDERAL PERKINS LOAN		9	$12,823
1010 W SUNSHINE	FSEOG	$65,000	105	
SPRINGFIELD MO 65806	FWS	$27,129	33	
PLATTE COUNTY AREA VO TECH SCH	FSEOG	$6,209	10	
BOX 1700	FWS	$980	1	
PLATTE CITY MO 64079				
RANKEN TECH COLLEGE	FSEOG	$50,000	81	
4431 FINNEY AVE	FWS	$46,257	56	
ST LOUIS MO 63113				
RESEARCH COLLEGE OF NURSING	FEDERAL PERKINS LOAN	$19,148	50	$65,935
2316 E. MEYER BLVD.	FSEOG	$26,785	43	
KANSAS CITY MO 64132	FWS	$8,132	10	
ROCKHURST COLLEGE	FEDERAL PERKINS LOAN		176	$229,017
1100 ROCKHURST ROAD	FSEOG	$164,427	265	
KANSAS CITY MO 64110	FWS	$201,226	245	

STATE OF MISSOURI

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ROLLA AREA VOCATIONAL SCHOOL	FSEOG	$12,120	20	
1304 EAST 10TH ST	FWS	$5,414	7	
ROLLA MO 65401				
SAINT LOUIS COLLEGE OF PHARMACY	FEDERAL PERKINS LOAN	$50,386	128	$166,821
4588 PARKVIEW PLACE	FSEOG	$87,255	141	
SAINT LOUIS MO 63110	FWS	$57,768	70	
SAINT LOUIS UNIVERSITY	FEDERAL PERKINS LOAN	$173,405	2,096	$2,725,653
221 NORTH GRAND BLVD	FSEOG	$613,492	990	
SAINT LOUIS MO 63103	FWS	$813,110	992	
SAINT LUKE'S COLLEGE	FEDERAL PERKINS LOAN	$16,661	46	$60,534
4426 WORNALL ROAD	FSEOG	$10,000	16	
KANSAS CITY MO 64111	FWS	$6,851	8	
SANFORD-BROWN BUSINESS COLLEGE	FSEOG	$75,000	121	
12006 MANCHESTER RD				
DES PERES MO 63131				
SOUTHEAST MISSOURI STATE UNIV	FEDERAL PERKINS LOAN	$185,931	649	$844,921
ONE UNIVERSITY PLAZA	FSEOG	$145,335	234	
CAPE GIRARDEAU MO 63701	FWS	$322,866	394	
SOUTHWEST BAPTIST UNIVERSITY	FEDERAL PERKINS LOAN		795	$1,034,334
1600 UNIVERSITY AVENUE	FSEOG	$191,501	309	
BOLIVAR MO 65613	FWS	$232,141	283	
SOUTHWEST MISSOURI STATE UNIV	FEDERAL PERKINS LOAN	$28,682	921	$1,197,346
901 SOUTH NATIONAL	FSEOG	$466,231	752	
SPRINGFIELD MO 65804	FWS	$516,325	630	
ST CHARLES COUNTY COMMUNITY COLLEGE	FSEOG	$67,500	109	
4601 MID RIVERS MALL DR	FWS	$50,000	61	
ST PETERS MO 63376				
ST JOHN'S REGIONAL HEALTH CENTER	FEDERAL PERKINS LOAN	$14,689	55	$72,541
1235 E CHEROKEE	FSEOG	$26,929	43	
SPRINGFIELD MO 65804	FWS	$6,492	8	
ST LOUIS CHRISTIAN COLLEGE	FSEOG	$6,503	10	
1360 GRANDVIEW DRIVE	FWS	$6,017	7	
FLORISSANT MO 63033				
ST LOUIS CMTY COLLEGE	FSEOG	$431,047	695	
300 S BROADWAY	FWS	$819,704	1,000	
ST LOUIS MO 63102				

STATE OF MISSOURI

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ST LOUIS TECH	FSEOG	$4,303	7	
4144 CYPRESS				
ST ANN MO 63074				
STATE FAIR COMMUNITY COLLEGE	FSEOG	$32,396	52	
3201 W 16TH ST	FWS	$38,023	46	
SEDALIA MO 65301				
STEPHENS COLLEGE	FEDERAL PERKINS LOAN	$11,401	138	$180,227
1200 EAST BROADWAY	FSEOG	$51,781	84	
COLUMBIA MO 65215	FWS	$41,656	51	
THE UNIV OF HEALTH SCIENCES	FEDERAL PERKINS LOAN		9	$12,482
2105 INDEPENDENCE BLVD				
KANSAS CITY MO 64124				
THREE RIVERS COMMUNITY COLLEGE	FSEOG	$57,026	92	
2080 THREE RIVERS BOULEVARD	FWS	$80,528	98	
POPLAR BLUFF MO 63901				
TRI-COUNTY AREA VOCATIONAL SCHOOL	FWS	$4,416	5	
2ND AND PINE				
ELDON MO 65026				
UNIVERSITY OF MISSOURI-COLUMBIA	FEDERAL PERKINS LOAN		2,026	$2,634,526
11 JESSE HALL	FSEOG	$794,266	1,281	
COLUMBIA MO 65211	FWS	$944,954	1,152	
UNIVERSITY OF MISSOURI-KANSAS CITY	FEDERAL PERKINS LOAN	$78,713	1,195	$1,554,468
5100 ROCKHILL ROAD	FSEOG	$332,835	537	
KANSAS CITY MO 64110	FWS	$491,605	600	
UNIVERSITY OF MISSOURI-ROLLA	FEDERAL PERKINS LOAN	$55,584	542	$704,641
G-1 PARKER HALL	FSEOG	$168,763	272	
ROLLA MO 65401	FWS	$210,952	257	
UNIVERSITY OF MISSOURI-SAINT LOUIS	FEDERAL PERKINS LOAN		435	$566,716
8001 NATURAL BRIDGE ROAD	FSEOG	$209,566	338	
SAINT LOUIS MO 63121	FWS	$269,189	328	
VATTEROTT AND SULLIVAN EDUC CENTERS	FSEOG	$7,929	13	
3854 WASHINGTON				
ST LOUIS MO 63108				
VATTEROTT COLLEGE	FSEOG	$88,611	143	
3925 INDUSTRIAL DRIVE				
ST ANN MO 63074				

STATE OF MISSOURI

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WASHINGTON UNIVERSITY	FEDERAL PERKINS LOAN	$1,339,859	4,707	$6,120,042
ONE BROOKINGS DRIVE	FSEOG	$771,652	1,245	
SAINT LOUIS MO 63130	FWS	$1,484,942	1,811	
WATTERSON COLLEGE	FEDERAL PERKINS LOAN		11	$14,924
3323 SOUTH KINGSHIGHWAY	FSEOG	$19,773	32	
ST LOUIS MO 63139	FWS	$6,031	7	
WEBSTER UNIVERSITY	FEDERAL PERKINS LOAN		242	$315,756
470 E LOCKWOOD	FSEOG	$254,164	410	
ST LOUIS MO 63119	FWS	$281,351	343	
WENTWORTH MILITARY ACADEMY	FSEOG	$18,307	30	
18TH AND WASHINGTON	FWS	$8,208	10	
LEXINGTON MO 64067				
WESTMINSTER COLLEGE	FEDERAL PERKINS LOAN	$13,287	86	$112,093
501 WESTMINSTER AVE	FSEOG	$52,424	85	
FULTON MO 65251	FWS	$44,375	54	
WILLIAM JEWELL COLLEGE	FEDERAL PERKINS LOAN		463	$602,112
	FSEOG	$267,913	432	
LIBERTY MO 64068	FWS	$252,731	308	
WILLIAM WOODS UNIVERSITY	FEDERAL PERKINS LOAN	$3,021	238	$310,647
STUDENT FINANCIAL AID OFFICE	FSEOG	$92,621	149	
FULTON MO 65251	FWS	$105,705	129	

STATE OF MISSOURI	FEDERAL PERKINS LOAN	$3,382,887	16,842	NO. INSTITUTIONS 64
	FSEOG	$10,381,799	16,746	NO. INSTITUTIONS 94
	FWS	$11,997,423	14,629	NO. INSTITUTIONS 91

STATE OF MONTANA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BILLINGS SCHOOL OF BARBERING AND HAIR STYLING	FSEOG	$3,569	6	
206 N 13TH STREET				
BILLINGS MT 59101				
BILLINGS VOCATIONAL TECHNICAL CTR	FSEOG	$29,966	48	
3803 CENTRAL AVENUE	FWS	$14,149	17	
BILLINGS MT 59102				
BLACKFEET COMMUNITY COLLEGE	FSEOG	$15,110	24	
PO BOX 819	FWS	$10,516	13	
BROWNING MT 59417				
BUTTE VOCATIONAL-TECHNICAL CENTER	FSEOG	$14,000	23	
BASIN CREEK ROAD	FWS	$35,304	43	
BUTTE MT 59701				
CARROLL COLLEGE	FEDERAL PERKINS LOAN		352	$458,113
	FSEOG	$96,069	155	
HELENA MT 59625	FWS	$179,070	218	
COLLEGE OF GREAT FALLS	FEDERAL PERKINS LOAN		104	$135,675
1301 20TH ST SO	FSEOG	$90,000	145	
GREAT FALLS MT 59405	FWS	$67,002	82	
DAWSON COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$9,952	23	$31,100
BOX 421	FSEOG	$34,086	55	
GLENDIVE MT 59330	FWS	$18,033	22	
EASTERN MONTANA COLLEGE	FEDERAL PERKINS LOAN	$49,760	510	$664,242
1500 NO 30TH STREET	FSEOG	$154,439	249	
BILLINGS MT 59101	FWS	$268,622	328	
FLATHEAD VALLEY COMMUNITY COLLEGE	FSEOG	$34,531	56	
777 GRANDVIEW DRIVE	FWS	$36,687	45	
KALISPELL MT 59901				
FORT BELKNAP COLLEGE	FSEOG	$7,799	13	
PO BOX 159	FWS	$8,639	11	
HARLEM MT 59526				
FORT PECK COMMUNITY COLLEGE	FSEOG	$20,041	32	
PO BOX 398	FWS	$11,926	15	
POPLAR MT 59255				
GREAT FALLS VOC-TECH CENTER	FSEOG	$25,692	41	
2100 16TH SOUTH	FWS	$18,736	23	
GREAT FALLS MT 59405				

STATE OF MONTANA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
HELENA VOCATIONAL-TECHNICAL CENTER	FSEOG	$16,100	26	
1115 NORTH ROBERTS STREET	FWS	$56,232	69	
HELENA MT 59601				
LITTLE BIG HORN COLLEGE	FSEOG	$16,919	27	
PO BOX 370	FWS	$9,745	12	
CROW AGENCY MT 59022				
MAY TECHNICAL COLLEGE	FEDERAL PERKINS LOAN	$4,914	16	$21,637
1306 CENTRAL AVENUE	FSEOG	$28,876	47	
BILLINGS MT 59102				
MILES COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$9,952	24	$31,685
2715 DICKSINSON	FSEOG	$27,576	44	
MILES CITY MT 59301	FWS	$14,414	18	
MISSOULA VOCATIONAL TECH CENTER	FSEOG	$21,711	35	
909 SO AVE WEST	FWS	$36,712	45	
MISSOULA MT 59801				
MONTANA COL OF MINERAL SCI & TECH	FEDERAL PERKINS LOAN	$59,713	162	$211,459
WEST PARK STREET	FSEOG	$43,391	70	
BUTTE MT 59701	FWS	$101,349	124	
MONTANA STATE UNIVERSITY	FEDERAL PERKINS LOAN	$343,479	2,153	$2,799,830
135 STRAND UNION BLDG	FSEOG	$437,284	705	
BOZEMAN MT 59717	FWS	$687,721	839	
NORTHERN MONTANA COLLEGE	FEDERAL PERKINS LOAN	$93,387	260	$338,004
BOX 7751	FSEOG	$55,908	90	
HAVRE MT 59501	FWS	$79,425	97	
ROCKY MOUNTAIN COLLEGE	FEDERAL PERKINS LOAN		142	$185,445
1511 POLY DRIVE	FSEOG	$101,798	164	
BILLINGS MT 59102	FWS	$75,206	92	
SALISH KOOTENAI COMMUNITY COLLEGE	FSEOG	$29,387	47	
BOX 117	FWS	$22,606	28	
PABLO MT 59855				
STONE CHILD COLLEGE	FSEOG	$13,135	21	
BOX 1082 ROCKY BOY ROUTE	FWS	$10,157	12	
BOX ELDER MT 59521				
UNIVERSITY OF MONTANA	FEDERAL PERKINS LOAN	$265,425	1,446	$1,880,103
	FSEOG	$272,039	439	
MISSOULA MT 59812	FWS	$773,308	943	

STATE OF MONTANA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WESTERN MT COL OF THE UNIV OF MONTANA	FEDERAL PERKINS LOAN		113	$146,992
710 SO ATLANTIC ST	FSEOG	$31,525	51	
DILLON MT 59725	FWS	$198,065	242	

STATE OF MONTANA	FEDERAL PERKINS LOAN	$836,582	4,594	NO. INSTITUTIONS	12
	FSEOG	$1,620,951	2,613	NO. INSTITUTIONS	25
	FWS	$2,733,624	3,338	NO. INSTITUTIONS	23

STATE OF NEBRASKA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BAHNER COLLEGE OF HAIRSTYLING	FSEOG	$8,730	14	
1660 N GRANT				
FREMONT NE 68025				
BAHNER COLLEGE OF HAIRSTYLING	FSEOG	$5,568	9	
10801 Q STREET				
OMAHA NE 68137				
BAHNER COLLEGE OF HAIRSTYLING	FSEOG	$5,568	9	
210 W 4TH				
GRAND ISLAND NE 68801				
BELLVUE COLLEGE	FEDERAL PERKINS LOAN	$19,905	38	$50,567
1000 GALVIN ROAD SOUTH	FSEOG	$36,630	59	
BELLEVUE NE 68005	FWS	$35,436	43	
CENTRAL COMMUNITY COLLEGE	FSEOG	$83,499	135	
PO BOX C	FWS	$73,049	89	
GRAND ISLAND NE 68802				
CHADRON STATE COLLEGE	FEDERAL PERKINS LOAN		394	$512,826
1000 MAIN STREET	FSEOG	$57,942	93	
CHADRON NE 69337	FWS	$251,196	306	
CLARKSON COLLEGE	FSEOG	$31,692	51	
101 SOUTH 42ND STREET	FWS	$20,132	25	
OMAHA NE 88131				
COLLEGE OF HAIR DESIGN-COSMETOLOGY DIV AND BARBE	FEDERAL PERKINS LOAN		8	$11,694
304 SOUTH 11TH ST	FSEOG	$9,276	15	
LINCOLN NE 88508				
COLLEGE OF SAINT MARY	FEDERAL PERKINS LOAN	$5,265	186	$242,037
1901 SO 72ND STREET	FSEOG	$185,663	299	
OMAHA NE 68124	FWS	$71,384	87	
CONCORDIA TEACHERS COLLEGE	FEDERAL PERKINS LOAN	$29,856	232	$302,008
800 N COLUMBIA AVE	FSEOG	$180,563	291	
SEWARD NE 68434	FWS	$92,731	113	
CREIGHTON UNIVERSITY	FEDERAL PERKINS LOAN	$610,607	2,500	$3,251,036
2500 CALIFORNIA PLAZA	FSEOG	$446,305	720	
OMAHA NE 68178	FWS	$624,841	762	
DANA COLLEGE	FEDERAL PERKINS LOAN		272	$353,862
2848 COLLEGE DRIVE	FSEOG	$77,273	125	
BLAIR NE 68008	FWS	$61,125	75	

STATE OF NEBRASKA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
DOANE COLLEGE			FEDERAL PERKINS LOAN	$22,458	214	$279,448
1014 BOSWELL AVENUE			FSEOG	$103,408	167	
CRETE	NE	68333	FWS	$74,360	91	
HASTINGS COLLEGE			FEDERAL PERKINS LOAN	$14,928	180	$234,548
PO BOX 269			FSEOG	$97,553	157	
HASTINGS	NE	68901	FWS	$64,685	79	
INSTITUTE OF COMPUTER SCIENCE LTD			FEDERAL PERKINS LOAN		19	$25,521
808 SOUTH 74TH PLAZA SUITE 220			FSEOG	$36,597	59	
OMAHA	NE	68114	FWS	$2,245	3	
JOSEPH'S COLLEGE OF BEAUTY			FEDERAL PERKINS LOAN	$18,488	124	$161,603
2241 O STREET SUITE 2			FSEOG	$23,590	38	
LINCOLN	NE	68510				
LINCOLN SCHOOL OF COMMERCE			FEDERAL PERKINS LOAN		133	$173,931
1821 K PO BOX 82826			FSEOG	$91,658	148	
LINCOLN	NE	68501	FWS	$58,442	71	
MCCOOK CMTY COLLEGE			FWS	$17,445	21	
1205 EAST THIRD STREET						
MCCOOK	NE	69001				
METROPOLITAN COMMUNITY COLLEGE			FSEOG	$190,479	307	
P.O. BOX 3777			FWS	$179,911	219	
OMAHA	NE	68103				
MID-PLAINS CMTY COLLEGE			FSEOG	$22,348	36	
601 WEST STATE FARM ROAD			FWS	$20,644	25	
NORTH PLATTE	NE	69101				
MIDLAND LUTHERAN COLLEGE			FEDERAL PERKINS LOAN	$85,340	489	$635,722
900 NORTH CLARKSON			FSEOG	$162,807	263	
FREMONT	NE	68025	FWS	$98,806	120	
NEBRASKA CHRISTIAN COLLEGE			FSEOG	$13,925	22	
1800 SYRACUSE			FWS	$8,658	11	
NORFOLK	NE	68701				
NEBRASKA COLLEGE OF BUSINESS			FEDERAL PERKINS LOAN		183	$238,515
3636 CALIFORNIA STREET			FSEOG	$76,029	123	
OMAHA	NE	68131	FWS	$10,991	13	
NEBRASKA INDIAN COMMUNITY COLLEGE			FSEOG	$6,182	10	
BOX 752			FWS	$6,091	7	
WINNEBAGO	NE	68701				

STATE OF NEBRASKA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NEBRASKA METHODIST COLLEGE OF NURSING & ALLIED H	FEDERAL PERKINS LOAN		2	$3,855
8501 WEST DODGE ROAD	FSEOG	$19,308	31	
OMAHA NE 68114				
NEBRASKA WESLEYAN UNIVERSITY	FEDERAL PERKINS LOAN		391	$509,373
5000 ST PAUL AVENUE	FSEOG	$138,832	224	
LINCOLN NE 68504	FWS	$81,410	99	
NORTHEAST COMMUNITY COLLEGE	FSEOG	$34,695	56	
801 EAST BENJAMIN AVE BOX 469	FWS	$54,478	66	
NORFOLK NE 68702				
PERU STATE COLLEGE	FEDERAL PERKINS LOAN		130	$169,026
	FSEOG	$33,364	54	
PERU NE 68421	FWS	$85,589	104	
SOUTHEASTERN NEBRASKA TECHNICAL COMMUNITY COLLEG	FSEOG	$120,000	194	
8800 O STREET	FWS	$123,430	151	
LINCOLN NE 68520				
SPENCER SCHOOL OF BUSINESS	FEDERAL PERKINS LOAN		31	$40,310
410 WEST 2ND STREET BOX 399	FSEOG	$21,489	35	
GRAND ISLAND NE 68801	FWS	$4,044	5	
STEWART SCHOOL OF HAIRSTYLING	FSEOG	$6,663	11	
1849 NORTH 73RD				
OMAHA NE 68114				
UNION COLLEGE	FEDERAL PERKINS LOAN	$31,994	255	$332,453
3800 SOUTH 48TH ST	FSEOG	$135,050	218	
LINCOLN NE 68506	FWS	$132,272	161	
UNIVERSITY OF NEBRASKA AT KEARNEY	FEDERAL PERKINS LOAN	$164,188	840	$1,092,924
905 WEST 25TH	FSEOG	$142,479	230	
KEARNEY NE 68849	FWS	$302,164	368	
UNIVERSITY OF NEBRASKA MEDICAL CTR	FEDERAL PERKINS LOAN	$222,457	739	$961,262
600 S 42ND STREET	FSEOG	$50,101	81	
OMAHA NE 68198	FWS	$85,000	104	
UNIVERSITY OF NEBRASKA-LINCOLN	FEDERAL PERKINS LOAN	$182,320	2,517	$3,272,970
16 ADMINISTRATION BUILDING	FSEOG	$502,896	811	
LINCOLN NE 68588	FWS	$890,895	1,086	
UNIVERSITY OF NEBRASKA-OMAHA	FEDERAL PERKINS LOAN	$352,057	1,120	$1,456,508
60TH & DODGE	FSEOG	$312,482	504	
OMAHA NE 68182	FWS	$339,995	415	

STATE OF NEBRASKA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WAYNE STATE COLLEGE	FEDERAL PERKINS LOAN	$4,926	247	$322,092
200 E 10TH STREET	FSEOG	$58,867	95	
WAYNE NE 68787	FWS	$98,178	120	
WESTERN NEBRASKA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$2,473	18	$23,997
1601 E 27TH ST	FSEOG	$17,500	28	
SCOTTSBLUFF NE 69361	FWS	$47,495	58	
YORK COLLEGE	FEDERAL PERKINS LOAN		105	$137,015
9TH AND KIPLINGER	FSEOG	$74,928	121	
YORK NE 68467	FWS	$71,764	88	

STATE OF NEBRASKA	FEDERAL PERKINS LOAN	$1,767,262	9,699	NO. INSTITUTIONS 26
	FSEOG	$3,621,939	5,843	NO. INSTITUTIONS 38
	FWS	$4,088,886	4,985	NO. INSTITUTIONS 32

STATE OF NEVADA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ACADEMY OF HAIR DESIGN	FEDERAL PERKINS LOAN		3	$5,000
4445 W CHARLESTON BLVD	FSEOG	$9,063	15	
LAS VEGAS NV 89102				
AMERICAN ACADEMY FOR CAREER EDUCATION	FEDERAL PERKINS LOAN		10	$14,153
3120 E DESERT INN ROAD	FSEOG	$6,281	10	
LAS VEGAS NV 89121				
CANTERBURY CAREER SCHOOLS	FSEOG	$119,548	193	
2215-C RENAISSANCE DRIVE				
LAS VEGAS NV 89119				
CAREER COLLEGE OF NORTHERN NEVADA	FEDERAL PERKINS LOAN		1	$1,404
1195 A CORPORATE BLVD	FSEOG	$41,593	67	
RENO NV 89502				
COMMUNITY CLG OF SOUTHERN NEVADA	FEDERAL PERKINS LOAN		31	$40,633
3200 EAST CHEYENNE	FSEOG	$148,464	239	
NORTH LAS VEGAS NV 89030	FWS	$170,583	208	
EDUCATION DYNAMICS INST	FEDERAL PERKINS LOAN	$12,081	59	$77,077
2635 NORTH DECATUR BLVD	FSEOG	$71,677	116	
LAS VEGAS NV 89108	FWS	$13,000	16	
MARINELLO SCHOOL OF BEAUTY	FEDERAL PERKINS LOAN	$2,811	24	$32,285
953 EAST SAHARA SUITE D20	FSEOG	$4,770	8	
LAS VEGAS NV 89104				
NORTHERN NEVADA BEAUTY ACAD	FSEOG	$4,673	8	
816 HOLMAN WAY				
SPARKS NV 89431				
NORTHERN NEVADA CMTY COLLEGE	FSEOG	$17,486	28	
901 ELM STREET	FWS	$8,276	10	
ELKO NV 89801				
PHILLIPS JR COLLEGE OF LAS VEGAS	FEDERAL PERKINS LOAN	$1,683	4	$5,977
3320 E FLAMINGO RD SUITE 30	FSEOG	$56,610	91	
LAS VEGAS NV 89121	FWS	$18,180	22	
SIERRA NEVADA COLLEGE	FSEOG	$11,133	18	
BOX 4269	FWS	$34,368	42	
INCLINE VILLAGE NV 89450				
SILVER STATE BEAUTY COLLEGE	FSEOG	$5,523	9	
588 MCCARRAN RD				
SPARKS NV 89431				

STATE OF NEVADA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SOUTHERN NEVADA UNIV OF COSMETOLOGY 3430 EAST TROPICANA AVENUE LAS VEGAS NV 89121	FSEOG	$13,105	21	
TRUCKEE MEADOWS CMTY COLLEGE 7000 DANDINI BLVD RENO NV 89512	FEDERAL PERKINS LOAN FSEOG FWS	$26,871 $47,932 $46,514	40 77 57	$52,750
UNIVERSITY OF NEVADA-LAS VEGAS 4505 MARYLAND PARKWAY LAS VEGAS NV 89154	FEDERAL PERKINS LOAN FSEOG FWS	$152,569 $278,725 $315,379	514 450 385	$668,649
UNIVERSITY OF NEVADA-RENO STUDENT FINANCIAL SERVICES/076 RENO NV 89557	FEDERAL PERKINS LOAN FSEOG FWS	$52,769 $215,423 $396,037	432 347 483	$562,199
WESTERN NEVADA COMMUNITY COLLEGE 2201 WEST NYE LANE CARSON CITY NV 89703	FSEOG FWS	$54,780 $31,373	88 38	

STATE OF NEVADA				
	FEDERAL PERKINS LOAN	$248,784	1,073	NO. INSTITUTIONS 10
	FSEOG	$1,106,786	1,785	NO. INSTITUTIONS 17
	FWS	$1,033,710	1,261	NO. INSTITUTIONS 9

STATE OF NEW HAMPSHIRE

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CAPILO SCHOOL OF HAIR DESIGN			FSEOG	$4,558	7	
990 ELM ST						
MANCHESTER	NH	03101				
CASTLE COLLEGE			FEDERAL PERKINS LOAN		5	$7,327
21 SEARLES ROAD			FSEOG	$26,411	43	
WINDHAM	NH	03087	FWS	$6,733	8	
COLBY-SAWYER COLLEGE			FEDERAL PERKINS LOAN	$19,854	102	$133,450
			FSEOG	$74,900	121	
NEW LONDON	NH	03257	FWS	$54,092	68	
DANIEL WEBSTER COLLEGE			FEDERAL PERKINS LOAN	$9,387	98	$127,987
20 UNIVERSITY DRIVE			FSEOG	$56,514	91	
NASHUA	NH	03063	FWS	$70,438	86	
DARTMOUTH COLLEGE			FEDERAL PERKINS LOAN	$731,022	2,303	$2,994,592
			FSEOG	$780,545	1,259	
HANOVER	NH	03755	FWS	$899,370	1,097	
EMPIRE BEAUTY SCHOOL #1			FSEOG	$4,837	8	
588 STATE ROAD RT 3						
BELMONT	NH	03220				
EMPIRE BEAUTY SCHOOL #3			FSEOG	$5,568	9	
328 CENTRAL ST						
DOVER	NH	03820				
FRANKLIN PIERCE COLLEGE			FEDERAL PERKINS LOAN	$23,544	450	$585,700
COLLEGE ROAD P O BOX 60			FSEOG	$138,634	224	
RINDGE	NH	03461	FWS	$118,052	144	
FRANKLIN PIERCE LAW CENTER			FEDERAL PERKINS LOAN	$27,990	96	$125,725
2 WHITE STREET			FWS	$89,425	109	
CONCORD	NH	03301				
HESSER COLLEGE			FEDERAL PERKINS LOAN	$163,153	438	$570,015
3 SUNDIAL AVENUE			FSEOG	$150,000	242	
MANCHESTER	NH	03103	FWS	$88,171	108	
KEENE BEAUTY ACADEMY			FSEOG	$5,801	9	
27 MECHANIC STREET						
KEENE	NH	03431				
KEENE STATE COLLEGE			FEDERAL PERKINS LOAN	$89,510	468	$608,548
229 MAIN STREET			FSEOG	$348,813	563	
KEENE	NH	03431	FWS	$288,285	352	

STATE OF NEW HAMPSHIRE

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MCINTOSH COLLEGE		FSEOG	$60,453	98	
23 CATARACT AVE		FWS	$2,765	3	
DOVER	NH 03820				
MICHAEL'S SCHOOL OF HAIR DESIGN		FSEOG	$4,851	8	
533 ELM STREET					
MANCHESTER	NH 03101				
NEW ENGLAND COLLEGE		FEDERAL PERKINS LOAN		200	$260,919
MAIN STREET		FSEOG	$188,012	303	
HENNIKER	NH 03242	FWS	$198,132	242	
NEW ENGLAND SCHOOL OF HAIR DESIGN		FSEOG	$5,260	8	
10 INTERCHANGE DRIVE					
WEST LEBANON	NH 03784				
NEW HAMPSHIRE COLLEGE		FEDERAL PERKINS LOAN		472	$613,617
2500 NORTH RIVER ROAD		FSEOG	$229,796	371	
MANCHESTER	NH 03106	FWS	$270,337	330	
NEW HAMPSHIRE TECH INST-CONCORD		FEDERAL PERKINS LOAN	$24,123	116	$151,107
11 INSTITUTE DRIVE		FSEOG	$46,353	75	
CONCORD	NH 03301	FWS	$38,605	47	
NEW HAMPSHIRE TECHNICAL COLLEGE		FEDERAL PERKINS LOAN	$2,704	32	$42,790
ONE COLLEGE DRIVE		FSEOG	$24,794	40	
CLAREMONT	NH 03743	FWS	$18,185	22	
NEW HAMPSHIRE TECHNICAL COLLEGE		FEDERAL PERKINS LOAN	$9,773	41	$53,439
505 AMHERST STREET		FSEOG	$13,766	22	
NASHUA	NH 03061	FWS	$12,121	15	
NEW HAMPSHIRE TECHNICAL COLLEGE		FEDERAL PERKINS LOAN	$9,952	34	$44,211
277 PORTSMOUTH AVE		FSEOG	$19,692	32	
STRATHAM	NH 03885	FWS	$14,086	17	
NEW HAMPSHIRE VOC TECH COL		FEDERAL PERKINS LOAN	$11,942	59	$77,592
2020 RIVERSIDE DRIVE		FSEOG	$27,121	44	
BERLIN	NH 03570	FWS	$29,225	36	
NEW HAMPSHIRE VOC-TECH-LACONIA		FEDERAL PERKINS LOAN	$3,518	15	$19,961
PRESCOTT HILL		FSEOG	$16,101	26	
LACONIA	NH 03246	FWS	$9,865	12	
NEW HAMPSHIRE VOC-TECH-MANCHESTER		FEDERAL PERKINS LOAN	$25,876	77	$101,141
1066 FRONT STREET		FSEOG	$24,586	40	
MANCHESTER	NH 03102	FWS	$24,159	29	

STATE OF NEW HAMPSHIRE

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NOTRE DAME COLLEGE			FEDERAL PERKINS LOAN		41	$54,062
2321 ELM STREET			FSEOG	$80,000	129	
MANCHESTER	NH	03104	FWS	$46,411	57	
PLYMOUTH STATE COLLEGE			FEDERAL PERKINS LOAN		395	$514,472
			FSEOG	$356,516	575	
PLYMOUTH	NH	03264	FWS	$345,702	422	
SAINT ANSELM COLLEGE			FEDERAL PERKINS LOAN		480	$624,738
100 SAINT ANSELM DRIVE			FSEOG	$236,484	381	
MANCHESTER	NH	03102	FWS	$364,397	444	
UNIVERSITY OF NEW HAMPSHIRE			FEDERAL PERKINS LOAN	$205,313	2,473	$3,215,719
MAIN STREET			FSEOG	$1,375,322	2,218	
DURHAM	NH	03824	FWS	$1,994,273	2,432	
WHITE PINES COLLEGE			FEDERAL PERKINS LOAN	$1,104	11	$14,456
40 CHESTER STREET			FSEOG	$9,909	16	
CHESTER	NH	03036	FWS	$6,791	8	

STATE OF NEW HAMPSHIRE	FEDERAL PERKINS LOAN	$1,358,765	6,813	NO. INSTITUTIONS 22
	FSEOG	$4,315,597	6,962	NO. INSTITUTIONS 28
	FWS	$4,989,620	6,086	NO. INSTITUTIONS 23

STATE OF NEW JERSEY

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
AMERICAN BUSINESS ACADEMY 66 MOORE STREET HACKENSACK NJ 07601	FSEOG	$56,827	92	
ARTISTIC ACADEMY OF HAIR DESIGN INC. 21-21 BROADWAY FAIR LAWN NJ 07410	FSEOG	$4,248	7	
ATLANTIC COMMUNITY COLLEGE ROUTE 322 BLACK HORSE PIKE MAYS LANDING NJ 08330	FEDERAL PERKINS LOAN		72	$94,663
	FSEOG	$97,667	158	
	FWS	$82,236	100	
ATLANTIC COUNTY VOC SCHOOL 5080 ATLANTIC AVE MAYS LANDING NJ 08330	FSEOG	$5,000	8	
BERDAN INSTITUTE 265 ROUTE 46 WEST TOTOWA NJ 07512	FEDERAL PERKINS LOAN	$6,232	10	$13,121
	FSEOG	$35,824	58	
	FWS	$6,781	8	
BERGEN COMMUNITY COLLEGE 400 PARAMUS ROAD PARAMUS NJ 07652	FSEOG	$174,523	281	
	FWS	$183,938	224	
BERKELEY COLLEGE OF BUSINESS 44 RIFLE CAMP ROAD WEST PATERSON NJ 07424	FSEOG	$166,856	269	
	FWS	$31,565	38	
BETH MEDRASH GOVOHA OF AMERICA 617 SIXTH STREET LAKEWOOD NJ 08701	FEDERAL PERKINS LOAN	$21,791	98	$128,447
	FSEOG	$135,756	219	
	FWS	$451,056	550	
BILINGUAL INSTITUTE THE 685 BROAD STREET NEWARK NJ 07102	FEDERAL PERKINS LOAN		9	$12,504
	FSEOG	$38,065	61	
	FWS	$7,459	9	
BLOOMFIELD COLLEGE 467 FRANKLIN ST BLOOMFIELD NJ 07003	FEDERAL PERKINS LOAN	$74,640	101	$132,281
	FSEOG	$168,450	272	
	FWS	$176,630	215	
BOARDWALK & MARINA CASINO DEALERS SCH OF ATLANTI 1923 BACHARACH BLVD ATLANTIC CITY NJ 08401	FSEOG	$10,000	16	
BRICK COMPUTER SCIENCE INSTITUTE 515 HIGHWAY 70 BRICK NJ 08723	FEDERAL PERKINS LOAN		6	$9,091
	FSEOG	$37,585	61	
	FWS	$17,032	21	

STATE OF NEW JERSEY

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BROOKDALE COMMUNITY COLLEGE	FSEOG	$85,436	138	
765 NEWMAN SPRINGS RD	FWS	$60,496	74	
LINCROFT NJ 07738				
BURLINGTON COUNTY COLLEGE	FEDERAL PERKINS LOAN		1	$2,119
COUNTY ROUTE 530	FSEOG	$50,185	81	
PEMBERTON NJ 08068	FWS	$50,412	61	
CALDWELL COLLEGE	FEDERAL PERKINS LOAN		30	$39,002
9 RYERSON AVE	FSEOG	$40,740	66	
CALDWELL NJ 07006	FWS	$51,950	63	
CAMDEN COUNTY COLLEGE	FSEOG	$270,352	436	
PO BOX 200 COLLEGE DRIVE	FWS	$138,789	169	
BLACKWOOD NJ 08012				
CAPRI INSTITUTE OF HAIR DESIGN	FEDERAL PERKINS LOAN		13	$17,644
1595 MAIN AVENUE	FSEOG	$9,488	15	
CLIFTON NJ 07011				
CAPRI INSTITUTE OF HAIR DESIGN	FEDERAL PERKINS LOAN		3	$4,876
475 HIGH MOUNTAIN ROAD	FSEOG	$2,006	3	
NORTH HALEDON NJ 07508				
CAPRI INSTITUTE OF HAIR DESIGN	FEDERAL PERKINS LOAN	$6,261	10	$13,371
615 WINTERS AVENUE	FSEOG	$4,113	7	
PARAMUS NJ 07652				
CAPRI INSTITUTE OF HAIR DESIGN	FEDERAL PERKINS LOAN	$7,280	22	$29,232
660 NORTH MICHIGAN AVENUE	FSEOG	$4,152	7	
KENILWORTH NJ 07033				
CAPRI INSTITUTE OF HAIR DESIGN	FEDERAL PERKINS LOAN		1	$2,432
268 BRICK BOULEVARD	FSEOG	$12,022	19	
BRICKTOWN NJ 08723				
CAPRI INSTITUTE OF HAIR DESIGN	FEDERAL PERKINS LOAN		7	$9,669
527 ROUTE 202 NORTH	FSEOG	$1,949	3	
RARITAN NJ 08869				
CENTENARY COLLEGE	FEDERAL PERKINS LOAN	$22,205	106	$138,843
400 JEFFERSON STREET	FSEOG	$44,258	71	
HACKETTSTOWN NJ 07840	FWS	$55,056	67	
CITTONE INSTITUTE THE	FSEOG	$175,189	283	
1697 OAK TREE RD	FWS	$20,139	25	
EDISON NJ 08820				

STATE OF NEW JERSEY

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
COLLEGE OF SAINT ELIZABETH	FEDERAL PERKINS LOAN		113	$147,806
2 CONVENT ROAD	FSEOG	$26,489	43	
CONVENT STATION NJ 07960	FWS	$5,493	7	
COMPUTER LEARNING CENTER	FSEOG	$83,083	134	
160 EAST ROUTE 4				
PARAMUS NJ 07652				
CONCORDE SCHOOL OF HAIR DESIGN	FSEOG	$9,304	15	
HWY 35&SUNSET AVE OCEAN PLAZA				
OCEAN TOWNSHIP NJ 07712				
COUNTY COLLEGE OF MORRIS	FEDERAL PERKINS LOAN		90	$117,631
214 CENTER GROVE RD	FSEOG	$76,207	123	
RANDOLPH NJ 07869	FWS	$125,887	154	
CUMBERLAND COUNTY COLLEGE	FSEOG	$25,000	40	
P O BOX 517	FWS	$31,928	39	
VINELAND NJ 08360				
DEVRY TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN	$493,092	1,059	$1,377,988
479 GREEN STREET	FSEOG	$374,251	604	
WOODBRIDGE NJ 07095	FWS	$182,569	223	
DOVER BUSINESS COLLEGE	FSEOG	$85,437	138	
15 EAST BLACKWELL STREET				
DOVER NJ 07801				
DREW UNIVERSITY	FEDERAL PERKINS LOAN	$89,568	353	$459,414
36 MADISON AVENUE	FSEOG	$227,554	367	
MADISON NJ 07940	FWS	$217,521	265	
ELIZABETH GENERAL MED CTR SCH OF NURSING	FEDERAL PERKINS LOAN	$10,256	23	$31,086
925 E JERSEY STREET	FSEOG	$22,591	36	
ELIZABETH NJ 07201	FWS	$14,218	17	
EMPIRE TECHNICAL SCHOOLS OF NJ INC	FEDERAL PERKINS LOAN	$31,887	74	$96,457
576 CENTRAL AVENUE	FSEOG	$50,797	82	
EAST ORANGE NJ 07018				
ESSEX COUNTY COLLEGE	FSEOG	$208,610	336	
303UNIVERSITY AVE	FWS	$448,332	547	
NEWARK NJ 07102				
EUROPEAN ACADEMY OF COSMETOLOGY	FSEOG	$13,069	21	
1126 MORRIS AVENUE				
UNION NJ 07083				

STATE OF NEW JERSEY

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
FAIRLEIGH DICKINSON UNIVERSITY	FEDERAL PERKINS LOAN	$104,566	908	$1,180,851
217 MONTROSS AVE	FSEOG	$888,734	1,433	
RUTHERFORD NJ 07070	FWS	$561,737	685	
FELICIAN COLLEGE	FSEOG	$28,000	45	
262 SOUTH MAIN STREET	FWS	$13,584	17	
LODI NJ 07644				
FRANKLIN BEAUTY SCHOOL-ELIZABETH	FSEOG	$24,860	40	
1210-1212 E GRAND ST				
ELIZABETH NJ 07201				
GENERAL TECHNICAL INSTITUTE	FSEOG	$5,000	8	
1118 BALTIMORE AVE				
LINDEN NJ 07036				
GEORGIAN COJRT COLLEGE	FEDERAL PERKINS LOAN	$995	89	$116,817
900 LAKEWOOD AVENUE	FSEOG	$22,000	35	
LAKEWOOD NJ 08701	FWS	$18,000	22	
GLASSBORO STATE COLLEGE	FEDERAL PERKINS LOAN		597	$776,528
201 MULLICA HILL RD	FSEOG	$446,440	720	
GLASSBORO NJ 08028	FWS	$678,290	827	
GLOUCESTER COUNTY COLLEGE	FSEOG	$29,574	48	
DEPTFORD TOWNSHIP	FWS	$23,118	28	
SEWELL P O NJ 08080				
HUDSON COUNTY COMMUNITY COLLEGE	FSEOG	$85,000	137	
168 SIP AVE	FWS	$89,749	109	
JERSEY CITY NJ 07306				
JERSEY CITY STATE COLLEGE	FEDERAL PERKINS LOAN		209	$272,011
2039 KENNEDY BLVD	FSEOG	$162,573	262	
JERSEY CITY NJ 07305	FWS	$442,627	540	
KATHARINE GIBBS SCHOOL	FEDERAL PERKINS LOAN		8	$10,840
33 PLYMOUTH STREET	FSEOG	$58,775	95	
MONTCLAIR NJ 07042	FWS	$25,554	31	
KEAN COLLEGE OF NEW JERSEY	FEDERAL PERKINS LOAN	$44,784	390	$507,562
MORRIS AVENUE	FSEOG	$169,419	273	
UNION NJ 07083	FWS	$212,137	259	
KUBERT'S SCHOOL OF CARTOON & GRAPHIC ART INC	FSEOG	$17,046	27	
37 MYRTLE AVENUE	FWS	$931	1	
DOVER NJ 07801				

STATE OF NEW JERSEY

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LINCOLN TECH BUSINESS INSTITUTE		FEDERAL PERKINS LOAN		48	$62,926
RT 130 N AT HADDONFIELD RD		FSEOG	$47,298	76	
PENNSAUKEN	NJ 08110	FWS	$10,050	12	
LINCOLN TECHNICAL INSTITUTE		FEDERAL PERKINS LOAN		47	$61,966
2299 VAUX HALL ROAD		FSEOG	$110,127	178	
UNION	NJ 07083	FWS	$3,216	4	
MAISON DE PARIS BEAUTY COLLEGE		FSEOG	$20,592	33	
115 EAST KINGS HWY					
HADDONFIELD	NJ 08033				
MERCER COUNTY COMMUNITY COLLEGE		FEDERAL PERKINS LOAN		1	$1,502
1200 OLD TRENTON RD PO BOX B		FSEOG	$117,701	190	
TRENTON	NJ 08690	FWS	$140,297	171	
MIDDLESEX COUNTY COLLEGE		FSEOG	$113,556	183	
155 MILL RD PO BOX 3050		FWS	$132,948	162	
EDISON	NJ 08818				
MONMOUTH COLLEGE		FEDERAL PERKINS LOAN	$70,811	595	$773,870
CEDAR AVENUE		FSEOG	$213,061	344	
W LONG BRANCH	NJ 07764	FWS	$183,248	223	
MONTCLAIR STATE COLLEGE		FEDERAL PERKINS LOAN		461	$600,283
VALLEY ROAD		FSEOG	$234,424	378	
UPPER MONTCLAIR	NJ 07043	FWS	$365,861	446	
MUHLENBERG REGIONAL MEDICAL CENTER SCH OF NURSIN		FSEOG	$8,731	14	
RANDOLF ROAD & PARK AVENUE		FWS	$4,129	5	
PLAINFIELD	NJ 07061				
NATIONAL EDUCATION CENTER-RETS CAMPU NUTLEY		FEDERAL PERKINS LOAN		12	$16,469
103 PARK AVENUE		FSEOG	$33,665	54	
NUTLEY	NJ 07110				
NATURAL MOTION INSTITUTE OF HAIR DESIGN		FSEOG	$42,010	68	
2800 KENNEDY BOULEVARD					
JERSEY CITY	NJ 07306				
NEW HORIZONS INSTITUTE OF COSMETOLOGY INC		FSEOG	$26,769	43	
5518 BERGENLINE AVE					
WEST NEW YORK	NJ 07093				
NEW JERSEY INSTITUTE OF TECHNOLOGY		FEDERAL PERKINS LOAN	$80,611	191	$249,092
UNIVERSITY HEIGHTS		FSEOG	$218,836	353	
NEWARK	NJ 07102	FWS	$218,973	267	

STATE OF NEW JERSEY

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
OCEAN COUNTY COLLEGE	FEDERAL PERKINS LOAN	$4,584	20	$26,229
COLLEGE DRIVE PO BOX 2001	FSEOG	$80,000	129	
TOMS RIVER NJ 08754	FWS	$75,319	92	
OMEGA INSTITUTE	FEDERAL PERKINS LOAN	$7,464	7	$9,952
CINNAMINSON MALL ROUTE 130 SO	FSEOG	$36,147	58	
CINNAMINSON NJ 08077				
P B METHOD OF HAIR DESIGN	FSEOG	$8,649	14	
110 MONMOUTH STREET				
GLOUCESTER CITY NJ 08030				
PASSAIC COUNTY COMMUNITY COLLEGE	FSEOG	$125,000	202	
1 COLLEGE BLVD	FWS	$160,301	195	
PATERSON NJ 07505				
PATERNO COLLEGE OF BEAUTY CULTURE	FSEOG	$6,700	11	
21-23 E BLACKWELL STREET				
DOVER NJ 07801				
PENNCO TECH	FEDERAL PERKINS LOAN		8	$10,699
P O BOX 1427 99 ERIAL RD	FSEOG	$30,181	49	
BLACKWOOD NJ 08012	FWS	$19,987	24	
PLAZA SCHOOL OF TECHNOLOGY	FSEOG	$13,679	22	
BERGEN MALL				
PARAMUS NJ 07652				
PRINCETON THEOLOGICAL SEMINARY	FEDERAL PERKINS LOAN	$57,572	239	$310,957
PO BOX 821	FWS	$46,503	57	
PRINCETON NJ 08542				
PRINCETON UNIVERSITY	FEDERAL PERKINS LOAN	$443,100	1,531	$1,991,018
BOX 591	FSEOG	$985,456	1,589	
PRINCETON NJ 08544	FWS	$1,091,511	1,331	
RABBI JACOB JOSEPH SCHOOL	FSEOG	$5,568	9	
1 PLAINFIELD AVENUE	FWS	$5,113	6	
EDISON NJ 08817				
RABBINICAL COLLEGE OF AMERICA	FEDERAL PERKINS LOAN		15	$20,178
226 SUSSEX AVE	FSEOG	$50,267	81	
MORRISTOWN NJ 07960	FWS	$95,636	117	
RAMAPO COLLEGE OF NEW JERSEY	FEDERAL PERKINS LOAN		84	$109,248
505 RAMAPO VALLEY ROAD	FSEOG	$93,399	151	
MAHWAH NJ 07430	FWS	$223,218	272	

STATE OF NEW JERSEY

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
RARITAN VALLEY COMMUNITY COLLEGE	FSEOG	$33,222	54	
P O BOX 3300	FWS	$17,445	21	
SOMERVILLE NJ 08876				
REIGNBOW BEAUTY ACADEMY	FSEOG	$18,351	30	
312 STATE STREET				
PERTH AMBOY NJ 08861				
RICHARD STOCKTON CLG OF NJ	FEDERAL PERKINS LOAN	$93,151	287	$373,199
JIM LEEDS RD	FSEOG	$120,261	194	
POMONA NJ 08240	FWS	$163,624	200	
RIDER COLLEGE	FEDERAL PERKINS LOAN	$144,787	620	$807,017
2083 LAWRENCEVILLE ROAD	FSEOG	$340,736	550	
LAWRENCEVILLE NJ 08648	FWS	$405,661	495	
ROMAN ACADEMY OF BEAUTY CULTURE	FSEOG	$838	1	
431 LAFAYETTE AVENUE				
HAWTHORNE NJ 07506				
RUTGERS-STATE UNIVERSITY-NEW JERSEY	FEDERAL PERKINS LOAN	$166,454	5,332	$6,932,437
OLD QUEENS	FSEOG	$1,731,710	2,793	
NEW BRUNSWICK NJ 08903	FWS	$2,003,659	2,443	
SAINT PETER'S COLLEGE	FEDERAL PERKINS LOAN		121	$158,322
2641 KENNEDY BLVD	FSEOG	$234,465	378	
JERSEY CITY NJ 07306	FWS	$288,537	352	
SALEM COMMUNITY COLLEGE	FSEOG	$35,958	58	
460 HOLLYWOOD AVENUE	FWS	$45,042	55	
CARNEYS POINT NJ 08069				
SCS BUSINESS & TECHNICAL INSTITUTE	FSEOG	$108,535	175	
756 BROAD ST	FWS	$24,076	29	
NEWARK NJ 07102				
SETON HALL UNIVERSITY	FEDERAL PERKINS LOAN	$403,057	1,677	$2,181,015
400 SOUTH ORANGE AVENUE	FSEOG	$421,298	680	
SOUTH ORANGE NJ 07079	FWS	$539,131	657	
STEVENS INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$124,893	583	$758,432
CASTLE POINT STATION	FSEOG	$220,670	356	
HOBOKEN NJ 07030	FWS	$628,406	766	
SUSSEX COUNTY COMMUNITY COLLEGE	FSEOG	$18,150	29	
COLLEGE HILL	FWS	$29,847	36	
NEWTON NJ 07860				

STATE OF NEW JERSEY

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
TALMUDICAL INSTITUTE OF CENTRAL JERSEY	FSEOG	$9,876	16	
P O BOX 7	FWS	$17,385	21	
ADELPHIA NJ 07710				
TETERBORO SCHOOL OF AERONAUTICS INC	FEDERAL PERKINS LOAN	$2,060	40	$52,672
80 MOONACHIE AVENUE	FSEOG	$24,333	39	
TETERBORO NJ 07608				
TRENTON STATE COLLEGE	FEDERAL PERKINS LOAN		743	$966,816
CN 4700 HILLWOOD LAKES	FSEOG	$171,145	276	
TRENTON NJ 08650	FWS	$150,000	183	
UNION COUNTY COLLEGE	FSEOG	$104,514	169	
1033 SPRINGFIELD AVE	FWS	$101,014	123	
CRANFORD NJ 07016				
UNIVERSITY OF MEDICINE & DENTISTRY OF NEW JERSEY	FEDERAL PERKINS LOAN	$724,339	1,955	$2,541,817
30 BERGEN STREET RM 1208	FSEOG	$8,088	13	
NEWARK NJ 07107	FWS	$207,911	254	
WARREN COUNTY COMMUNITY COLLEGE	FSEOG	$17,802	29	
ROUTE 57 WEST	FWS	$20,201	25	
WASHINGTON NJ 07882				
WILLIAM PATERSON COLLEGE OF NEW JERSEY	FEDERAL PERKINS LOAN		126	$163,834
300 POMPTON ROAD	FSEOG	$172,574	278	
WAYNE NJ 07470	FWS	$259,563	317	

STATE OF NEW JERSEY	FEDERAL PERKINS LOAN	$3,236,440	16,320	NO. INSTITUTIONS	51
	FSEOG	$11,184,846	18,040	NO. INSTITUTIONS	90
	FWS	$12,103,026	14,756	NO. INSTITUTIONS	63

STATE OF NEW MEXICO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ALADDIN BEAUTY COLLEGE #22	FSEOG	$5,875	9	
108 SOUTH UNION				
ROSWELL NM 88201				
ALBUQUERQUE TECH-VOC INSTITUTE	FSEOG	$183,213	296	
525 BUENA VISTA SE	FWS	$84,332	103	
ALBUQUERQUE NM 87106				
CLOVIS COMMUNITY COLLEGE	FSEOG	$39,328	63	
417 SCHEPPS BLVD	FWS	$32,763	40	
CLOVIS NM 88101				
COLLEGE OF SANTA FE	FEDERAL PERKINS LOAN		288	$375,287
SAINT MICHAELS DRIVE	FSEOG	$223,140	360	
SANTA FE NM 87501	FWS	$202,899	247	
COLLEGE OF THE SOUTHWEST	FSEOG	$16,873	27	
6610 LOVINGTON HIGHWAY	FWS	$11,895	15	
HOBBS NM 88240				
EASTERN NEW MEXICO UNIV-PORTALES	FEDERAL PERKINS LOAN	$174,591	1,132	$1,472,801
WEST HIWAY 70	FSEOG	$466,135	752	
PORTALES NM 88130	FWS	$1,084,890	1,323	
HOLLYWOOD BEAUTY SCHOOL	FSEOG	$5,000	8	
7915 MENAUL BLVD NE				
ALBUQUERQUE NM 87110				
INSTITUTE OF AMERICAN INDIAN ARTS	FSEOG	$12,446	20	
PO BOX 20007	FWS	$9,758	12	
SANTA FE NM 87504				
INTERNATIONAL BUSINESS COLLEGE	FEDERAL PERKINS LOAN		5	$7,154
650 E MONTANA	FSEOG	$14,450	23	
LAS CRUCES NM 88001				
LUNA VOCATIONAL TECHNICAL INSTITUTE	FSEOG	$41,639	67	
PO DRAWER K	FWS	$32,424	40	
LAS VEGAS NM 87701				
MONTES ACADEMY OF COSMETOLOGY #1	FSEOG	$5,568	9	
1515 FLORIDA AVENUE				
ALAMOGORDO NM 88310				
MONTES ACADEMY OF COSMETOLOGY #2	FSEOG	$3,533	6	
1306 SCHOFIELD LANE				
FARMINGTON NM 87401				

STATE OF NEW MEXICO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MR JOHN'S ACADEMY OF BEAUTY CULTURE	FSEOG	$7,027	11	
626 E MAIN STREET				
FARMINGTON NM 87401				
NEW MEXICO HIGHLANDS UNIVERSITY	FEDERAL PERKINS LOAN	$66,339	291	$378,365
UNIVERSITY AVE	FSEOG	$182,122	294	
LAS VEGAS NM 87701	FWS	$323,130	394	
NEW MEXICO INSTITUTE-MINING-TECH	FEDERAL PERKINS LOAN	$72,168	232	$302,038
CAMPUS STATION BOX M	FSEOG	$126,063	203	
SOCORRO NM 87801	FWS	$266,428	325	
NEW MEXICO JR COLLEGE	FSEOG	$22,738	37	
5317 LOVINGTON HIGHWAY	FWS	$22,648	28	
HOBBS NM 88240				
NEW MEXICO MILITARY INSTITUTE	FEDERAL PERKINS LOAN		48	$63,041
101 WEST COLLEGE	FSEOG	$75,841	122	
ROSWELL NM 88201	FWS	$11,422	14	
NEW MEXICO STATE UNIVERSITY	FEDERAL PERKINS LOAN	$373,409	1,818	$2,363,854
BOX 30001 DEPT 5100	FSEOG	$646,664	1,043	
LAS CRUCES NM 88003	FWS	$859,152	1,048	
NORTHERN NEW MEXICO CMTY COLLEGE	FEDERAL PERKINS LOAN	$56,811	119	$154,885
1002 NORTH ONATE STREET	FSEOG	$114,152	184	
ESPANOLA NM 87532	FWS	$101,917	124	
PARKS COLLEGE	FEDERAL PERKINS LOAN		16	$21,768
1023 TIJERAS NW	FSEOG	$45,334	73	
ALBUQUERQUE NM 87102				
SAINT JOHN'S COLLEGE	FEDERAL PERKINS LOAN	$34,832	127	$165,367
1160 CAMINO DE LA CRUZ BLANCA	FSEOG	$115,166	186	
SANTA FE NM 87501	FWS	$109,700	134	
SAN JUAN COLLEGE	FEDERAL PERKINS LOAN	$3,800	28	$37,074
4601 COLLEGE BOULEVARD	FSEOG	$41,759	67	
FARMINGTON NM 87402	FWS	$36,371	44	
SANTA FE COMMUNITY COLLEGE	FSEOG	$49,217	79	
SOUTH RICHARDS AVE PO BOX 4187	FWS	$42,121	51	
SANTA FE NM 87502				
SOUTHWESTERN INDIAN POLYTECH INST	FSEOG	$13,915	22	
PO BOX 10146-9169 COORS RD NW	FWS	$8,796	11	
ALBUQUERQUE NM 87184				

STATE OF NEW MEXICO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
TECHNICAL TRAINING INSTITUTE	FSEOG	$5,568	9	
1320 SOUTH SOLANO	FWS	$5,113	6	
LAS CRUCES NM 88001				
UNIVERSITY OF NEW MEXICO	FEDERAL PERKINS LOAN		2,649	$3,444,366
UNIVERSITY HILL NE	FSEOG	$874,851	1,411	
ALBUQUERQUE NM 87131	FWS	$1,989,976	2,427	
VOGUE COLLEGE #16	FSEOG	$12,749	21	
704 N TURNER	FWS	$351		
HOBBS NM 88240				
VOGUE COLLEGE SCHOOL OF HAIR DESIGN #6	FSEOG	$43,463	70	
704 N TURNER				
HOBBS NM 88240				
WESTERN NEW MEXICO UNIVERSITY	FEDERAL PERKINS LOAN	$19,905	61	$80,199
COLLEGE AVENUE	FSEOG	$92,395	149	
SILVER CITY NM 88061	FWS	$185,486	226	

STATE OF NEW MEXICO	FEDERAL PERKINS LOAN	$801,855	3,808	NO. INSTITUTIONS	13
	FSEOG	$3,486,224	5,621	NO. INSTITUTIONS	29
	FWS	$5,421,572	6,612	NO. INSTITUTIONS	21

STATE OF NEW YORK

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
A BUSINESS CAREER INSTITUTE	FSEOG	$21,588	35	
91-31 QUEENS BLVD				
ELMHURST NY 11373				
ADELPHI UNIVERSITY	FEDERAL PERKINS LOAN	$99,174	609	$791,787
SOUTH AVENUE	FSEOG	$328,958	531	
GARDEN CITY NY 11530	FWS	$224,446	274	
ADIRONDACK COMMUNITY COLLEGE	FSEOG	$49,408	80	
BAY ROAD	FWS	$35,369	43	
QUEENSBURY NY 12804				
ADVANCED SOFTWARE ANALYSIS	FEDERAL PERKINS LOAN		20	$26,537
FIVE BEEKMAN STREET SUITE 501	FWS	$702	1	
NEW YORK NY 10038				
ALBANY LAW SCHOOL-UNION UNIVERSITY	FEDERAL PERKINS LOAN	$129,972	382	$497,261
80 NEW SCOTLAND AVE	FWS	$131,021	160	
ALBANY NY 12208				
ALBANY MEDICAL COL-UNION UNIVERSITY	FEDERAL PERKINS LOAN	$199,040	457	$594,914
47 NEW SCOTLAND AVE AOM214/A-1	FWS	$110,000	134	
ALBANY NY 12208				
ALFRED UNIVERSITY-FINANCIAL AID OFFICE	FEDERAL PERKINS LOAN	$88,949	489	$636,984
26 NORTH MAIN STREET	FSEOG	$264,811	427	
ALFRED NY 14802	FWS	$212,238	259	
ALVIN AILEY AMERICAN DANCE CENTER	FSEOG	$11,495	19	
211 W 61ST STREET	FWS	$15,579	19	
NEW YORK NY 10023				
AMERICAN ACADEMY OF DRAMATIC ARTS	FSEOG	$41,843	67	
120 MADISON AVE	FWS	$41,261	50	
NEW YORK CITY NY 10016				
AMERICAN BUS INST OF NY-NYC	FEDERAL PERKINS LOAN		63	$82,703
1657 BROADWAY	FSEOG	$110,555	178	
NEW YORK NY 10019	FWS	$1,494	2	
AMERICAN MUSICAL DRAMATIC ACADEMY	FSEOG	$29,236	47	
2109 BROADWAY	FWS	$13,995	17	
NEW YORK NY 10023				
APEX TECHNICAL SCHOOL	FSEOG	$180,902	292	
635 SIXTH AVENUE	FWS	$156,699	191	
NEW YORK CITY NY 10011				

STATE OF NEW YORK

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ARNOT-OGDEN MED CENTER SCH OF RAD TECH	FEDERAL PERKINS LOAN		4	$5,579
600 ROE AVENUE	FSEOG	$2,229	4	
ELMIRA NY 14905	FWS	$1,462	2	
ARNOT-OGDEN MED CTR SCHOOL OF NURSING	FEDERAL PERKINS LOAN		8	$10,444
600 ROE AVENUE	FSEOG	$10,365	17	
ELMIRA NY 14905	FWS	$10,624	13	
AUDREY COHEN COLLEGE	FSEOG	$140,736	227	
345 HUDSON STREET	FWS	$42,288	52	
NEW YORK CITY NY 10014				
AUSTIN BEAUTY SCHOOL INC	FSEOG	$8,983	14	
527 CENTRAL AVE				
ALBANY NY 12206				
BAIS MEDRASH ELYON	FSEOG	$5,568	9	
73 MAIN STREET	FWS	$5,113	6	
MONSEY NY 10952				
BANK STREET COLLEGE OF EDUCATION	FEDERAL PERKINS LOAN		137	$178,273
610 WEST 112TH STREET	FWS	$25,944	32	
NEW YORK CITY NY 10025				
BARD COLLEGE	FEDERAL PERKINS LOAN	$32,860	152	$197,958
ANNANDALE ROAD	FSEOG	$193,830	313	
ANNANDALE-ON-HUDSON NY 12504	FWS	$118,160	144	
BARNARD COLLEGE	FEDERAL PERKINS LOAN	$97,272	310	$403,415
3009 BROADWAY	FSEOG	$337,570	544	
NEW YORK CITY NY 10027	FWS	$210,904	257	
BEAUTY SCHOOL OF MIDDLETOWN	FSEOG	$7,181	12	
225 DOLSON AVE				
MIDDLETOWN NY 10940				
BERKELEY SCHOOL OF NEW YORK	FSEOG	$151,129	244	
3 EAST 43 STREET	FWS	$42,413	52	
NEW YORK NY 10017				
BERKELEY SCHOOL OF WESTCHESTER INC	FSEOG	$75,727	122	
WEST RED OAK LANE	FWS	$24,618	30	
WHITE PLAINS NY 10604				
BETH HATALMUD RABBINICAL COLLEGE	FSEOG	$12,169	20	
2127 82 ND STREET	FWS	$14,242	17	
BROOKLYN NY 11214				

STATE OF NEW YORK

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BETH HEMEDRASH SHAAREI YOSHER INSTITUTE	FEDERAL PERKINS LOAN	$5,266	37	$49,236
4102 16TH AVENUE	FSEOG	$26,204	42	
BROOKLYN NY 11204	FWS	$6,381	8	
BLAKE BUSINESS SCHOOL	FSEOG	$107,718	174	
20 COOPER SQUARE PO BOX 1052	FWS	$48,636	59	
NEW YORK NY 10276				
BORICUA COLLEGE	FSEOG	$169,728	274	
3755 BROADWAY	FWS	$193,653	236	
NEW YORK NY 10032				
BRAMSON ORT TECHNICAL INSTITUTE	FSEOG	$60,000	97	
69 30 AUSTIN STREET	FWS	$21,479	26	
FOREST HILLS NY 11375				
BRIARCLIFFE SCHOOL	FSEOG	$227,436	367	
250 CROSSWAYS PARK DRIVE	FWS	$52,393	64	
WOODBURY NY 11797				
BROOKLYN LAW SCHOOL	FEDERAL PERKINS LOAN	$45,846	328	$427,553
250 JORALEMON ST	FWS	$106,935	130	
BROOKLYN NY 11201				
BROOME COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$12,293	56	$74,055
BOX 1017	FSEOG	$151,855	245	
BINGHAMTON NY 13902	FWS	$107,985	132	
BRYANT & STRATTON BUSINESS INST	FSEOG	$195,618	316	
1028 MAIN STREET-P O BOX 1299	FWS	$56,110	68	
BUFFALO NY 14240				
BRYANT & STRATTON BUSINESS INSTITUTE	FSEOG	$68,538	107	
1259 CENTRAL AVENUE	FWS	$36,489	44	
ALBANY NY 12205				
BRYANT & STRATTON BUSINESS INSTITUTE	FSEOG	$149,831	242	
953 JAMES STREET	FWS	$22,275	27	
SYRACUSE NY 13203				
BRYANT AND STRATTON BUSINESS INSTITUTE	FSEOG	$139,867	226	
82 ST PAUL STREET	FWS	$34,644	42	
ROCHESTER NY 14604				
BUFFALO STATE COLLEGE - SUNY	FEDERAL PERKINS LOAN		1,242	$1,615,193
1300 ELMWOOD AVE	FSEOG	$437,890	706	
BUFFALO NY 14222	FWS	$462,116	564	

STATE OF NEW YORK

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CANISIUS COLLEGE			FEDERAL PERKINS LOAN	$27,228	683	$887,901
2001 MAIN STREET			FSEOG	$407,074	657	
BUFFALO	NY	14208	FWS	$345,248	421	
CAPRI SCHOOL OF HAIR DESIGN			FSEOG	$6,337	10	
28 SOUTH MAIN STREET						
SPRING VALLEY	NY	10977				
CAYUGA CO CMTY COLLEGE			FSEOG	$58,735	95	
197 FRANKLIN STREET			FWS	$61,034	74	
AUBURN	NY	13021				
CAZENOVIA COLLEGE			FSEOG	$156,486	252	
			FWS	$75,068	92	
CAZENOVIA	NY	13035				
CENTRAL CITY BUSINESS INST			FSEOG	$44,155	71	
224 HARRISON STREET			FWS	$18,258	22	
SYRACUSE	NY	13202				
CENTRAL YESHIVA TOMCHEI TMIMIM LU			FSEOG	$71,913	116	
841 OCEAN PKWY			FWS	$93,879	114	
BROOKLYN	NY	11230				
CIRCLE IN THE SQUARE THEATRE SCHOOL			FEDERAL PERKINS LOAN	$9,353	26	$34,296
1633 BROADWAY			FSEOG	$7,038	11	
NEW YORK	NY	10019	FWS	$5,777	7	
CLARKSON UNIVERSITY			FEDERAL PERKINS LOAN	$141,569	728	$947,366
P O BOX 5615			FSEOG	$469,294	757	
POT ,OAM	NY	13699	FWS	$252,043	307	
CLINTON COMMUNITY COLLEGE			FSEOG	$41,268	67	
136 CLINTON POINT DRIVE			FWS	$17,915	22	
PLATTSBURGH	NY	12901				
COLGATE UNIVERSITY			FEDERAL PERKINS LOAN		320	$416,944
			FSEOG	$380,174	613	
HAMILTON	NY	13346	FWS	$259,023	316	
COLLEGE OF AERONAUTICS			FEDERAL PERKINS LOAN		34	$44,763
LA GUARDIA AIRPORT			FSEOG	$100,000	161	
FLUSHING	NY	11371	FWS	$47,701	58	
COLLEGE OF INSURANCE			FEDERAL PERKINS LOAN	$4,976	20	$26,066
101 MURRAY STREET			FSEOG	$15,592	25	
NEW YORK	NY	10007	FWS	$6,965	8	

STATE OF NEW YORK

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
COLLEGE OF MOUNT SAINT VINCENT	FEDERAL PERKINS LOAN	$24,880	100	$130,177
6301 RIVERDALE AVE	FSEOG	$123,665	199	
RIVERDALE NY 10471	FWS	$80,936	99	
COLLEGE OF NEW ROCHELLE	FEDERAL PERKINS LOAN	$216,038	720	$936,494
29 CASTLE PLACE	FSEOG	$513,348	828	
NEW ROCHELLE NY 10805	FWS	$257,301	314	
COLUMBIA UNIVERSITY	FEDERAL PERKINS LOAN	$1,306,165	5,121	$6,657,517
116TH ST & BROADWAY 210 KENT	FSEOG	$1,148,651	1,853	
NEW YORK CITY NY 10027	FWS	$5,644,464	6,883	
COLUMBIA-GREENE COMMUNITY COLLEGE	FSEOG	$40,849	66	
P O BOX 1000	FWS	$27,467	33	
HUDSON NY 12534				
CONCORDIA COLLEGE	FSEOG	$49,732	80	
171 WHITE PLAINS ROAD	FWS	$36,311	44	
BRONXVILLE NY 10708				
CONTINENTAL DENTAL ASSISTANTS	FSEOG	$5,568	9	
633 JEFFERSON ROAD				
ROCHESTER NY 14623				
CONTINENTAL SCH OF BEAUTY CULTURE	FSEOG	$38,110	61	
633 JEFFERSON ROAD				
ROCHESTER NY 14623				
CONTINENTAL SCHOOL OF BEAUTY CULTURE	FSEOG	$14,207	23	
633 JEFFERSON ROAD				
ROCHESTER NY 14623				
COOPER UNION FOR ADVAN OF SCI & ART	FEDERAL PERKINS LOAN		46	$60,146
51 ASTOR PLACE	FSEOG	$35,509	57	
NEW YORK CITY NY 10003	FWS	$32,360	39	
COPE INSTITUTE	FSEOG	$30,000	48	
84 WILLIAM STREET SUITE 400	FWS	$15,000	18	
NEW YORK CITY NY 10038				
CORNELL UNIVERSITY	FEDERAL PERKINS LOAN	$1,130,447	4,233	$5,503,075
203 DAY HALL	FSEOG	$1,976,269	3,188	
ITHACA NY 14853	FWS	$3,712,496	4,527	
CORNING COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		132	$171,979
SPENCER HILL	FSEOG	$124,898	201	
CORNING NY 14830	FWS	$150,000	183	

STATE OF NEW YORK

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CROUSE-IRVING MEM HOSP SCH OF NSG	FWS	$19,530	24	
736 IRVING AVENUE				
SYRACUSE NY 13210				
CULINARY INSTITUTE OF AMERICA	FEDERAL PERKINS LOAN		366	$476,888
433 ALBANY POST ROAD	FSEOG	$361,682	583	
HYDE PARK NY 12538	FWS	$132,408	161	
CUNY-MOUNT SINAI SCHOOL OF MEDICINE	FEDERAL PERKINS LOAN	$183,889	669	$870,757
ONE GUSTAVE L LEVY PLACE	FWS	$100,000	122	
NEW YORK CITY NY 10029				
DAEMEN COLLEGE	FEDERAL PERKINS LOAN	$60,563	291	$379,393
4380 MAIN STREET	FSEOG	$131,008	211	
AMHERST NY 14226	FWS	$135,317	165	
DANCE THEATRE OF HARLEM, INC.	FSEOG	$9,277	15	
466 WEST 152ND STREET	FWS	$12,748	16	
NEW YORK NY 10031				
DARKEI NOAM RABBINICAL COLLEGE	FSEOG	$8,465	14	
2822 AVENUE J	FWS	$4,936	6	
BROOKLYN NY 11220				
DOMINICAN COLLEGE OF BLAUVELT	FEDERAL PERKINS LOAN		58	$75,809
470 WESTERN HIGHWAY	FSEOG	$67,760	109	
ORANGEBURG NY 10962	FWS	$28,611	35	
DOWLING COLLEGE	FEDERAL PERKINS LOAN		257	$334,411
IDLE HOUR BLVD	FSEOG	$244,677	395	
OAKDALE NY 11769	FWS	$155,078	189	
DRAKE BUSINESS SCHOOL	FEDERAL PERKINS LOAN	$49,760	84	$110,300
225 BROADWAY	FSEOG	$202,042	326	
NEW YORK NY 10007	FWS	$68,985	84	
DUTCHESS COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$24,880	86	$112,720
53 PENDELL ROAD	FSEOG	$67,031	108	
POUGHKEEPSIE NY 12601	FWS	$94,177	115	
DYOUVILLE COLLEGE	FEDERAL PERKINS LOAN	$22,392	160	$208,585
320 PORTER AVE	FSEOG	$147,151	237	
BUFFALO NY 14201	FWS	$86,377	105	
EASTMAN SCHOOL OF MUSIC	FEDERAL PERKINS LOAN	$20,725	198	$258,450
26 GIBBS STREET	FSEOG	$77,127	124	
ROCHESTER NY 14604	FWS	$78,830	96	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ELMIRA COLLEGE	FEDERAL PERKINS LOAN		392	$510,312
PARK PLACE	FSEOG	$122,149	197	
ELMIRA NY 14901	FWS	$105,491	129	
ERIE CMTY COLLEGE-NORTH CAMPUS	FSEOG	$75,000	121	
6205 MAIN STREET	FWS	$115,131	140	
BUFFALO NY 14221				
ERIE CMTY COLLEGE-SO CAMPUS	FSEOG	$70,290	113	
4041 SOUTHWESTERN BLVD	FWS	$58,014	71	
ORCHARD PARK NY 14127				
ERIE COMMUNITY COLLEGE-CTY CAMPUS	FSEOG	$138,865	224	
121 ELLICOTT STREET	FWS	$111,106	135	
BUFFALO NY 14203				
FASHION INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$126,723	391	$508,712
227 W 27TH ST	FSEOG	$241,840	390	
NEW YORK CITY NY 10001	FWS	$194,498	237	
FEGS TRADES & BUSINESS SCHOOL	FSEOG	$9,447	15	
17 BATTERY PLACE 2ND FL NORTH				
NEW YORK NY 10004				
FINGER LAKES COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$493	18	$23,423
4355 LAKESHORE DRIVE	FSEOG	$55,000	89	
CANANDAIGUA NY 14424	FWS	$108,035	132	
FIVE TOWNS COLLEGE	FSEOG	$53,928	87	
305 NORTH SERVICE ROAD	FWS	$17,468	21	
DIX HILLS NY 11746				
FULTON-MONTGOMERY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$4,180	33	$43,145
2805 STATE HIGHWAY 67	FSEOG	$35,000	56	
JOHNSTOWN NY 12905	FWS	$30,118	37	
GENESEE COMMUNITY COLLEGE	FSEOG	$80,000	129	
1 COLLEGE RD	FWS	$144,728	176	
BATAVIA NY 14020				
HAIR DESIGN INSTITUTE AT LIVINGTON STREET	FSEOG	$30,032	48	
169 LIVINGSTON STREET				
BROOKLYN NY 11201				
HAIR DESIGN INSTITUTE IN FLUSHING	FSEOG	$20,271	33	
5440 MYRTLE AVENUE				
RIDGEWOOD NY 11385				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
HAIR DESIGN INSTITUTE OF FIFTH AVE	FSEOG	$10,330	17	
6711 5TH AVE				
BROOKLYN NEW YORK NY 11220				
HAMILTON COLLEGE	FEDERAL PERKINS LOAN	$52,571	239	$311,470
198 COLLEGE HILL ROAD	FSEOG	$256,586	414	
CLINTON NY 13323	FWS	$207,131	253	
HARTWICK COLLEGE	FEDERAL PERKINS LOAN	$107,751	480	$624,375
	FSEOG	$235,938	381	
ONEONTA NY 13820	FWS	$214,481	262	
HELENE FULD SCHOOL OF NURSING	FSEOG	$18,371	30	
1879 MADISON AVE				
NEW YORK NY 10035				
HERKIMER COUNTY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$38,293	194	$252,285
RESERVOIR ROAD	FSEOG	$60,342	97	
HERKIMER NY 13350	FWS	$51,800	63	
HILBERT COLLEGE	FEDERAL PERKINS LOAN	$8,702	42	$54,624
5200 SO PARK AVE	FSEOG	$73,614	119	
HAMBURG NY 14075	FWS	$56,817	69	
HOBART & WILLIAM SMITH COLLEGES	FEDERAL PERKINS LOAN	$62,698	225	$293,109
	FSEOG	$300,000	484	
GENEVA NY 14456	FWS	$138,099	168	
HOFSTRA UNIVERSITY	FEDERAL PERKINS LOAN		758	$985,544
1000 FULTON AVE	FSEOG	$742,407	1,197	
HEMPSTEAD NY 11550	FWS	$615,883	751	
HOUGHTON COLLEGE	FEDERAL PERKINS LOAN		300	$390,108
1 WILLARD AVE	FSEOG	$123,729	200	
HOUGHTON NY 14744	FWS	$171,907	210	
HUDSON VALLEY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		81	$106,031
80 VANDENBURGH AVE	FSEOG	$103,994	168	
TROY NY 12180	FWS	$103,128	126	
HUNTER BUSINESS SCHOOL	FSEOG	$13,257	21	
3601 HEMPSTEAD TURNPIKE				
LEVITTOWN NY 11756				
IGNATIUS COLLEGE	FEDERAL PERKINS LOAN	$72,753	445	$579,362
E FORDHAM ROAD	FSEOG	$585,228	944	
BRONX NY 10458	FWS	$658,885	804	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
IONA COLLEGE	FEDERAL PERKINS LOAN	$63,148	447	$581,347
715 NO AVE	FSEOG	$724,575	1,169	
NEW ROCHELLE NY 10801	FWS	$493,038	601	
ISLAND DRAFTING & TECH INST	FEDERAL PERKINS LOAN	$10,103	47	$61,463
128 BROADWAY	FSEOG	$39,104	63	
AMITYVILLE NY 11701				
ITHACA COLLEGE	FEDERAL PERKINS LOAN	$110,499	946	$1,229,856
953 DANBY ROAD	FSEOG	$533,910	861	
ITHACA NY 14850	FWS	$309,667	378	
JAMESTOWN COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		18	$23,845
525 FALCONER ST	FSEOG	$30,000	48	
JAMESTOWN NY 14701	FWS	$64,198	78	
JEFFERSON COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$8,957	57	$74,693
OUTER COFFEEN STREET	FSEOG	$75,000	121	
WATERTOWN NY 13601	FWS	$53,881	66	
KATHARINE GIBBS SCHOOL	FEDERAL PERKINS LOAN		2	$3,562
200 PARK AVENUE PAN AM BLDG	FSEOG	$91,432	147	
NEW YORK NY 10166	FWS	$35,283	43	
KATHARINE GIBBS SCHOOL	FEDERAL PERKINS LOAN		2	$2,786
535 BROAD HOLLOW ROAD	FSEOG	$60,000	97	
MELVILLE NY 11747	FWS	$17,284	21	
KEHILATH YAKOV RABBINICAL SEMINARY	FSEOG	$21,658	35	
206 WILSON STREET	FWS	$17,474	21	
BROOKLYN NY 11211				
KEUKA COLLEGE	FEDERAL PERKINS LOAN	$9,442	88	$114,781
	FSEOG	$120,919	195	
KEUKA PARK NY 14478	FWS	$107,889	132	
KOL YAAKOV TORAH CENTER	FSEOG	$5,568	9	
29 WEST MAPLE AVENUE BOX 402	FWS	$5,113	6	
MONSEY NY 10952				
KRISSLER BUSINESS INSTITUTE	FSEOG	$11,767	19	
166 MANSION STREET	FWS	$5,973	7	
POUGHKEEPSIE NY 12601				
LABORATORY INST OF MERCHANDISING	FEDERAL PERKINS LOAN		12	$15,778
12 E 53 STREET	FSEOG	$30,416	49	
NEW YORK CITY NY 10022				

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INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LE MOYNE COLLEGE			FEDERAL PERKINS LOAN		265	$344,508
LE MOYNE HEIGHTS			FSEOG	$225,777	364	
SYRACUSE	NY	13214	FWS	$151,453	185	
LEARNING INSTITUTE FOR BEAUTY SCIENCES			FSEOG	$11,437	18	
38-15 BROADWAY						
ASTORIA	NY	11103				
LEARNING INSTITUTE FOR BEAUTY SCIENCES			FSEOG	$30,042	48	
173A FULTON AVENUE						
HEMPSTEAD	NY	11550				
LONG ISLAND BEAUTY SCHOOL OF ROCKLAND			FSEOG	$16,067	26	
22 WEST 34TH STREET						
NEW YORK	NY	10001				
LONG ISLAND COLLEGE HOSPITAL SCHOOL OF NURSING			FEDERAL PERKINS LOAN		5	$6,673
397 HICKS STREET			FSEOG	$15,625	25	
BROOKLYN	NY	11201	FWS	$5,368	7	
LONG ISLAND UNIVERSITY			FEDERAL PERKINS LOAN	$430,363	2,064	$2,683,355
UNIVERSITY CENTER			FSEOG	$2,202,992	3,553	
BROOKVILLE	NY	11548	FWS	$900,587	1,098	
MACHZIKEI HADATH RABBINICAL COLLEGE			FSEOG	$12,591	20	
5824 17TH AVENUE			FWS	$17,947	22	
BROOKLYN	NY	11219				
MANHATTAN COLLEGE			FEDERAL PERKINS LOAN		138	$180,296
MANHATTAN COLLEGE PARKWAY			FSEOG	$299,352	483	
RIVERDALE	NY	10471	FWS	$173,841	212	
MANHATTAN SCHOOL OF MUSIC			FEDERAL PERKINS LOAN		78	$102,542
120 CLAREMONT AVE			FSEOG	$55,027	89	
NEW YORK CITY	NY	10027	FWS	$53,482	65	
MANHATTANVILLE COLLEGE			FEDERAL PERKINS LOAN		201	$262,330
PURCHASE STREET			FSEOG	$129,729	209	
PURCHASE	NY	10577	FWS	$89,984	110	
MANNES COLLEGE OF MUSIC			FEDERAL PERKINS LOAN		22	$29,557
150 WEST 85TH STREET			FSEOG	$18,940	31	
NEW YORK CITY	NY	10024	FWS	$15,733	19	
MARIA COLLEGE			FEDERAL PERKINS LOAN	$19,905	86	$112,589
700 NEW SCOTLAND AVENUE			FSEOG	$25,000	40	
ALBANY	NY	12208	FWS	$1,475	2	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MARIST COLLEGE	FEDERAL PERKINS LOAN	$97,046	723	$940,074
290 NORTH ROAD	FSEOG	$225,480	364	
POUGHKEEPSIE NY 12601	FWS	$232,179	283	
MARTHA GRAHAM SCH OF CONTEMPORARY DANCE	FEDERAL PERKINS LOAN	$4,316	9	$11,913
316 EAST 63RD STREET	FSEOG	$5,566	9	
NEW YORK NY 10021	FWS	$5,113	6	
MARYMOUNT COLLEGE	FEDERAL PERKINS LOAN		281	$366,032
100 MARYMOUNT AVENUE	FSEOG	$217,066	350	
TARRYTOWN NY 10591	FWS	$215,000	262	
MARYMOUNT MANHATTAN COLLEGE	FSEOG	$221,807	358	
221 EAST 71 STREET	FWS	$89,228	109	
NEW YORK CITY NY 10021				
MATER DEI COLLEGE	FSEOG	$40,000	65	
RIVERSIDE DRIVE	FWS	$22,725	28	
OGDENSBURG NY 13669				
MEDAILLE COLLEGE	FSEOG	$72,052	116	
18 AGASSIZ CIRCLE	FWS	$46,281	56	
BUFFALO NY 14214				
MERCE CUNNINGHAM STUDIO	FSEOG	$17,994	29	
463 WEST STREET	FWS	$26,231	32	
NEW YORK NY 10014				
MERCY COLLEGE	FEDERAL PERKINS LOAN		148	$193,695
555 BROADWAY	FSEOG	$662,916	1,069	
DOBBS FERRY NY 10522	FWS	$247,113	301	
MESIVTA EASTERN PARKWAY RAB SEM	FEDERAL PERKINS LOAN	$2,221	7	$10,366
510 DAHILL ROAD	FSEOG	$15,976	26	
BROOKLYN NY 11218	FWS	$36,881	45	
MESIVTA TORAH VODAATH RAB SEMINARY	FEDERAL PERKINS LOAN		20	$26,243
425 EAST NINTH ST	FSEOG	$58,489	94	
BROOKLYN NY 11218	FWS	$75,785	92	
MESIVTHA TIFERETH JERUSALEM OF AMER	FEDERAL PERKINS LOAN		24	$31,491
141-7 E BROADWAY	FSEOG	$23,101	37	
NEW YORK CITY NY 10002	FWS	$52,755	64	
MIDWAY PARIS BEAUTY SCHOOL	FSEOG	$7,775	13	
108-22 QUEENS BLVD				
FOREST HILLS NY 11375				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MIDWAY PARIS BEAUTY SCHOOL 226 E FORDHAM ROAD BRONX NY 10458	FSEOG	$31,937	52	
MILDRED ELLEY BUSINESS SCHOOL 2 COMPUTER DRIVE S ALBANY NY 12205	FSEOG FWS	$78,738 $25,047	127 31	
MIRRER YESHIVA CENTRAL INSTITUTE 1795 OCEAN PARKWAY BROOKLYN NY 11223	FEDERAL PERKINS LOAN FSEOG FWS	$15,092 $63,854 $95,690	34 103 117	$44,254
MOHAWK VALLEY COMMUNITY COLLEGE 1101 SHERMAN DR UTICA NY 13501	FEDERAL PERKINS LOAN FSEOG FWS	$149,486 $157,417 $137,049	346 254 167	$449,884
MOLLOY COLLEGE 1000 HEMPSTEAD AVE ROCKVILLE CENTRE NY 11570	FEDERAL PERKINS LOAN FSEOG FWS	$44,784 $125,000 $75,000	211 202 91	$274,617
MONROE COLLEGE 29 EAST FORDHAM ROAD BRONX NY 10468	FEDERAL PERKINS LOAN FSEOG FWS	 $421,236 $126,755	20 679 155	$27,057
MONROE COMMUNITY COLLEGE P O BOX 9720 ROCHESTER NY 14623	FSEOG FWS	$69,710 $172,981	112 211	
N Y COLLEGE OF OSTEO MED AT NY PO BOX 170 WHEATLEY ROAD OLD WESTBURY NY 11568	FEDERAL PERKINS LOAN	$125,373	263	$342,465
NASSAU COMMUNITY COLLEGE STEWART AVE GARDEN CITY NY 11530	FEDERAL PERKINS LOAN FSEOG FWS	 $274,281 $90,387	123 442 110	$161,115
NATIONAL SHAKESPEARE COMPANY CONSERVATORY 591 BROADWAY NEW YORK NY 10012	FEDERAL PERKINS LOAN FSEOG FWS	$4,475 $6,784 $6,471	17 11 8	$23,213
NAZARETH COLLEGE OF ROCHESTER 4245 EAST AVE ROCHESTER NY 14618	FEDERAL PERKINS LOAN FSEOG FWS	$56,823 $140,100 $97,212	245 226 119	$319,222
NEW SCHOOL FOR SOCIAL RESEARCH 66 WEST 12TH STREET NEW YORK CITY NY 10011	FEDERAL PERKINS LOAN FSEOG FWS	$146,748 $238,904 $480,324	553 385 586	$719,313

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NEW YORK CHIROPRACTIC COLLEGE	FEDERAL PERKINS LOAN	$49,760	307	$399,754
P O BOX 800, 2360 ROUTE 89	FWS	$94,262	115	
SENECA FALLS NY 13148				
NEW YORK COL OF PODIATRIC MEDICINE	FEDERAL PERKINS LOAN	$94,869	308	$401,350
53 EAST 124TH STREET	FWS	$93,464	114	
NEW YORK CITY NY 10035				
NEW YORK FOOD AND HOTEL MANAGEMENT SCHOOL	FSEOG	$28,524	46	
154 WEST 14TH STREET				
NEW YORK NY 10011				
NEW YORK INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$218,945	552	$717,873
WHEATLEY ROAD	FSEOG	$570,321	920	
OLD WESTBURY NY 11568	FWS	$185,994	227	
NEW YORK LAW SCHOOL	FEDERAL PERKINS LOAN	$155,390	365	$474,657
57 WORTH STREET	FWS	$300,000	366	
NEW YORK CITY NY 10013				
NEW YORK MEDICAL COLLEGE	FEDERAL PERKINS LOAN	$93,906	454	$591,466
SUNSHINE COTTAGE	FWS	$75,000	91	
VALHALLA NY 10595				
NEW YORK RESTAURANT SCHOOL	FEDERAL PERKINS LOAN		26	$34,277
27 WEST 34TH STREET	FSEOG	$129,889	209	
NEW YORK NY 10001	FWS	$5,377	7	
NEW YORK UNIVERSITY	FEDERAL PERKINS LOAN	$931,593	6,299	$8,189,129
25 W 4TH ST 1ST FLR	FSEOG	$2,730,807	4,405	
NEW YORK NY 10012	FWS	$2,579,435	3,146	
NEW YORK UNIVERSITY SCH OF MEDICINE	FEDERAL PERKINS LOAN	$299,901	1,020	$1,326,840
550 FIRST AVENUE	FWS	$212,888	260	
NEW YORK NY 10016				
NIAGARA COUNTY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		21	$27,777
3111 SAUNDERS SETTLEMENT RD	FSEOG	$110,620	178	
SANBORN NY 14132	FWS	$99,295	121	
NIAGARA UNIVERSITY	FEDERAL PERKINS LOAN		660	$858,058
	FSEOG	$320,778	517	
NIAGARA UNIVERSITY NY 14109	FWS	$648,559	791	
NORTH COUNTRY COMMUNITY COLLEGE	FSEOG	$72,542	117	
20 WINONA AVE	FWS	$88,240	108	
SARANAC LAKE NY 12983				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NORTHEAST INSTITUTE	FEDERAL PERKINS LOAN		65	$85,198
2643 MAIN STREET	FSEOG	$40,604	65	
BUFFALO NY 14214	FWS	$16,523	20	
NYACK COLLEGE	FEDERAL PERKINS LOAN		98	$127,776
1 SOUTH BLVD	FSEOG	$111,313	180	
NYACK NY 10960	FWS	$59,931	73	
OHR HAMEIR THEOLOGICAL SEMINARY	FSEOG	$8,052	13	
P O BOX 2130	FWS	$9,169	11	
PEEKSKILL NY 10566				
OLEAN BUSINESS INSTITUTE INC	FEDERAL PERKINS LOAN		7	$9,394
301 NORTH UNION STREET	FSEOG	$10,000	16	
OLEAN NY 14760				
ONONDAGA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$64,688	229	$297,890
ROUTE 173	FSEOG	$125,145	202	
SYRACUSE NY 13215	FWS	$129,551	158	
ORANGE COUNTY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$49,110	168	$219,342
115 SOUTH STREET	FSEOG	$93,643	151	
MIDDLETOWN NY 10940	FWS	$69,675	85	
PACE UNIVERSITY	FEDERAL PERKINS LOAN	$561,560	1,664	$2,163,689
ONE PACE PLAZA	FSEOG	$716,288	1,155	
NEW YORK NY 10038	FWS	$368;618	450	
PAUL SMITH'S COLLEGE OF ARTS AND SCIENCES	FEDERAL PERKINS LOAN	$62,698	179	$233,352
	FSEOG	$80,047	129	
PAUL SMITHS NY 12970	FWS	$71,941	88	
PLAZA BUSINESS INSTITUTE	FSEOG	$115,935	187	
74-09 37TH AVE				
JACKSON HEIGHTS NY 11372				
POLYTECHNIC UNIVERSITY	FEDERAL PERKINS LOAN	$181,492	615	$799,848
6 METROTECH CENTER	FSEOG	$390,482	630	
BROOKLYN NY 11201	FWS	$222,143	271	
PRATT INSTITUTE	FEDERAL PERKINS LOAN		762	$991,457
200 WILLOUGHBY AVE	FSEOG	$378,815	611	
BROOKLYN NY 11205	FWS	$335,445	409	
PRINTING TRADES SCHOOL	FSEOG	$25,029	40	
233 PARK AVENUE SOUTH				
NEW YORK NY 10003				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
RABB'L ACAD-M R CHAIM BERLIN	FEDERAL PERKINS LOAN		7	$9,730
1593 CONEY ISLAND AVE	FSEOG	$37,974	61	
BROOKLYN NY 11230	FWS	$69,908	85	
RABB'L COL-BOBOVER YESH BNEI ZION	FEDERAL PERKINS LOAN	$11,445	37	$49,235
1577 48TH ST	FSEOG	$25,688	41	
BROOKLYN NY 11219	FWS	$39,994	49	
RABB'L COL-LONG ISLAND	FSEOG	$21,776	35	
201 MAGNOLIA BLVD	FWS	$26,327	32	
LONG BEACH NY 11561				
RABB'L SEMINARY M'KOR CHAIM	FEDERAL PERKINS LOAN	$2,986	6	$8,252
1571 55TH ST	FSEOG	$15,763	25	
BROOKLYN NY 11219	FWS	$32,854	40	
RABB'L SEMINARY OF AMERICA	FEDERAL PERKINS LOAN		12	$16,815
92-15 69TH AVE	FSEOG	$15,594	25	
FOREST HILLS NY 11375	FWS	$37,547	46	
RABBINICAL COLLEGE BETH SHRAGA	FSEOG	$13,935	22	
SADDLE RIVER RD BOX 412	FWS	$21,473	26	
MONSEY NY 10952				
RABBINICAL COLLEGE CHASAN SOFER	FSEOG	$28,516	46	
1876 50TH ST	FWS	$38,909	47	
BROOKLYN NY 11204				
RABBINICAL SEMINARY ADAS YEREIM	FSEOG	$15,056	24	
185 WILSON STREET	FWS	$12,834	16	
BROOKLYN NY 11211				
RENSSELAER POLY INSTITUTE	FEDERAL PERKINS LOAN	$329,298	3,586	$4,662,857
	FSEOG	$1,073,509	1,731	
TROY NY 12181	FWS	$551,216	672	
RIDLEY-LOWELL SCHOOL OF BUSINESS	FSEOG	$14,325	23	
116 FRONT STREET				
BINGHAMTON NY 13905				
ROBERTS WESLEYAN COLLEGE	FEDERAL PERKINS LOAN		274	$356,876
2301 WESTSIDE DR	FSEOG	$116,971	189	
ROCHESTER NY 14624	FWS	$98,576	120	
ROCHESTER BUSINESS INSTITUTE	FEDERAL PERKINS LOAN		0	$1,000
1850 RIDGE ROAD E	FSEOG	$67,967	110	
ROCHESTER NY 14604	FWS	$18,113	22	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ROCHESTER INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$272,150	1,683	$2,188,292
1 LOMB MEMORIAL DRIVE	FSEOG	$850,677	1,372	
ROCHESTER NY 14623	FWS	$656,461	801	
ROCKLAND COMMUNITY COLLEGE	FSEOG	$150,000	242	
145 COLLEGE ROAD	FWS	$179,100	218	
SUFFERN NY 10901				
RUSSELL SAGE COLLEGE	FEDERAL PERKINS LOAN	$116,138	458	$596,533
45 FERRY STREET	FSEOG	$277,840	448	
TROY NY 12180	FWS	$120,161	147	
S.C.S. BUSINESS & TECHNICAL INSTITUTE	FSEOG	$200,157	323	
25 W 17TH STREET	FWS	$23,887	29	
NEW YORK NY 10011				
SAINT BONAVENTURE UNIVERSITY	FEDERAL PERKINS LOAN	$18,326	317	$412,587
	FSEOG	$166,403	268	
SAINT BONAVENTURE NY 14778	FWS	$137,260	167	
SAINT FRANCIS COLLEGE	FEDERAL PERKINS LOAN	$59,713	218	$284,228
180 REMSEN STREET	FSEOG	$150,000	242	
BROOKLYN NY 11201	FWS	$106,004	129	
SAINT JAMES MERCY HOSP SCH OF NURSG	FSEOG	$6,107	10	
440 MONROE AVE	FWS	$3,716	5	
HORNELL NY 14843				
SAINT JOHN FISHER COLLEGE	FEDERAL PERKINS LOAN	$55,393	698	$908,283
3690 EAST AVE	FSEOG	$179,938	290	
ROCHESTER NY 14618	FWS	$172,981	211	
SAINT JOSEPH'S COLLEGE	FEDERAL PERKINS LOAN	$29,856	123	$159,991
245 CLINTON AVE	FSEOG	$91,102	147	
BROOKLYN NY 11205	FWS	$39,730	48	
SAINT LAWRENCE UNIVERSITY	FEDERAL PERKINS LOAN	$44,888	278	$361,545
	FSEOG	$298,446	481	
CANTON NY 13617	FWS	$155,981	190	
SAINT THOMAS AQUINAS COLLEGE	FEDERAL PERKINS LOAN	$13,969	78	$101,729
125 ROUTE 340	FSEOG	$33,928	55	
SPARKILL NY 10976	FWS	$32,330	39	
SARAH LAWRENCE COLLEGE	FEDERAL PERKINS LOAN	$6,721	188	$244,499
1 MEADWAY	FSEOG	$142,732	230	
BRONXVILLE NY 10708	FWS	$84,948	104	

STATE OF NEW YORK

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SCHENECTADY COUNTY COMMUNITY COL	FEDERAL PERKINS LOAN		49	$64,791
78 WASHINGTON AVE	FSEOG	$71,706	116	
SCHENECTADY NY 12305	FWS	$44,779	55	
SCHOOL OF VISUAL ARTS	FEDERAL PERKINS LOAN	$99,521	411	$534,553
209 EAST 23RD STREET	FSEOG	$285,118	460	
NEW YORK CITY NY 10010	FWS	$102,046	124	
SCS BUSINESS & TECHNICAL INSTITUTE	FSEOG	$71,200	115	
884 FLATBUSH AVENUE	FWS	$11,350	14	
BROOKLYN NY 11226				
SCS BUSINESS & TECHNICAL INSTITUTE	FSEOG	$125,055	202	
394 BRIDGE STREET	FWS	$21,168	26	
BROOKLYN NY 11201				
SCS BUSINESS & TECHNICAL INSTITUTE	FSEOG	$91,192	147	
163-02 JAMAICA AVENUE	FWS	$10,475	13	
JAMAICA NY 11432				
SCS BUSINESS & TECHNICAL INSTITUTE	FSEOG	$89,929	145	
2467 JERMOE AVENUE	FWS	$14,413	18	
BRONX NY 10468				
SHOR YOSHUV RABBINICAL COLLEGE	FSEOG	$10,011	16	
1526 CENTRAL AVENUE	FWS	$25,106	31	
FAR ROCKAWAY NY 11691				
SIENA COLLEGE	FEDERAL PERKINS LOAN	$95,288	410	$534,088
515 LOUDON ROAD	FSEOG	$228,158	368	
LOUDONVILLE NY 12211	FWS	$161,650	197	
SKIDMORE COLLEGE	FEDERAL PERKINS LOAN	$53,120	200	$261,078
	FSEOG	$313,280	505	
SARATOGA SPRINGS NY 12866	FWS	$207,712	253	
SPENCER BUSINESS & TECHNICAL INSTITUTE	FSEOG	$15,000	24	
200 STATE STREET	FWS	$8,592	10	
SCHENECTADY NY 12305				
ST. JOHN'S UNIVERSITY	FEDERAL PERKINS LOAN	$384,015	1,517	$1,972,632
8000 UTOPIA PARKWAY	FSEOG	$1,100,000	1,774	
JAMAICA NY 11439	FWS	$674,372	822	
STATE COLLEGE OF OPTOMETRY	FEDERAL PERKINS LOAN	$62,698	209	$272,795
100 EAST 24TH STREET	FWS	$62,944	77	
NEW YORK CITY NY 10010				

STATE OF NEW YORK

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
STATE UNIVERSITY COLLEGE AT ONEONTA			FEDERAL PERKINS LOAN		1,289	$1,675,800
RAVINE PARKWAY			FSEOG	$299,921	484	
ONEONTA	NY	13820	FWS	$223,836	273	
STATE UNIVERSITY COLLEGE OF ARTS & SCIENCE			FEDERAL PERKINS LOAN		928	$1,207,239
			FSEOG	$117,909	190	
GENESEO	NY	14454	FWS	$467,132	570	
STATE UNIVERSITY OF NEW YORK AGRI & TECH COLLEGE			FEDERAL PERKINS LOAN		465	$605,566
			FSEOG	$200,290	323	
ALFRED	NY	14802	FWS	$207,573	253	
STATE UNIVERSITY OF NEW YORK AGRI & TECH COLLEGE			FEDERAL PERKINS LOAN		248	$322,644
			FSEOG	$107,293	173	
COBLESKILL	NY	12043	FWS	$86,306	105	
STATE UNIVERSITY OF NEW YORK AT PLATTSBURGH			FEDERAL PERKINS LOAN		447	$581,344
KEHOE ADMINISTRATION BUILDING			FSEOG	$142,220	229	
PLATTSBURGH	NY	12901	FWS	$344,778	420	
STENOTOPIA, THE WORLD OF COURT REPORTING INC			FSEOG	$25,052	40	
45 SOUTH SERVICE ROAD						
PLAINVIEW	NY	11803				
SUBURBAN TECHNICAL SCHOOL INC			FSEOG	$101,037	163	
175 FULTON AVENUE			FWS	$23,587	29	
HEMPSTEAD	NY	11550				
SUFFOLK COUNTY COMMUNITY COLLEGE			FSEOG	$753,098	1,215	
533 COLLEGE ROAD			FWS	$377,834	461	
SELDEN	NY	11784				
SULLIVAN COUNTY COMMUNITY COLLEGE			FEDERAL PERKINS LOAN	$26,240	97	$127,293
BOX 4002			FSEOG	$82,789	134	
LOCH SHELDRAKE	NY	12759	FWS	$50,000	61	
SUNY AGRI & TECH-MORRISVILLE			FEDERAL PERKINS LOAN	$30,677	314	$409,133
			FSEOG	$106,845	172	
MORRISVILLE	NY	13408	FWS	$107,659	131	
SUNY AT ALBANY			FEDERAL PERKINS LOAN		2,014	$2,618,483
1400 WASHINGTON AVE			FSEOG	$469,620	757	
ALBANY	NY	12222	FWS	$614,213	749	
SUNY AT BINGHAMTON			FEDERAL PERKINS LOAN	$2,273	959	$1,247,167
P O BOX 6011			FSEOG	$225,799	364	
BINGHAMTON	NY	13902	FWS	$371,650	453	

STATE OF NEW YORK

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SUNY AT BUFFALO			FEDERAL PERKINS LOAN		3,203	$4,164,641
3435 MAIN STREET			FSEOG	$491,979	794	
BUFFALO	NY	14214	FWS	$918,073	1,120	
SUNY AT STONY BROOK			FEDERAL PERKINS LOAN	$75,533	1,237	$1,608,734
NICHOLLS ROAD			FSEOG	$373,268	602	
STONY BROOK	NY	11794	FWS	$1,000,360	1,220	
SUNY COLLEGE AT POTSDAM			FEDERAL PERKINS LOAN		606	$788,858
PIERREPONT AVENUE			FSEOG	$142,488	230	
POTSDAM	NY	13676	FWS	$157,432	192	
SUNY COLLEGE OF ENVIR SCI & FOR			FEDERAL PERKINS LOAN		188	$245,527
115 BRAY HALL			FSEOG	$90,186	145	
SYRACUSE	NY	13210	FWS	$260,397	318	
SUNY COLLEGE OF TECHNOLOGY AT CANTON			FEDERAL PERKINS LOAN		288	$375,126
CORNELL DRIVE			FSEOG	$191,026	308	
CANTON	NY	13617	FWS	$156,486	191	
SUNY COLLEGE OF TECHNOLOGY AT DELHI			FEDERAL PERKINS LOAN		300	$390,709
			FSEOG	$89,127	144	
DELHI	NY	13753	FWS	$80,250	98	
SUNY COLLEGE OF TECHNOLOGY AT FARMINGDALE			FEDERAL PERKINS LOAN		658	$856,469
MELVILLE ROAD			FSEOG	$657,908	1,061	
FARMINGDALE	NY	11735	FWS	$245,342	299	
SUNY COLLEGE-BROCKPORT			FEDERAL PERKINS LOAN		1,034	$1,344,379
KENYON STREET			FSEOG	$220,640	356	
BROCKPORT	NY	14420	FWS	$632,006	771	
SUNY COLLEGE-CORTLAND			FEDERAL PERKINS LOAN		462	$600,692
MILLER ADMINISTRATION BLDG			FSEOG	$152,223	246	
CORTLAND	NY	13045	FWS	$261,475	319	
SUNY COLLEGE-FREDONIA			FEDERAL PERKINS LOAN		924	$1,201,363
			FSEOG	$106,349	172	
FREDONIA	NY	14063	FWS	$225,695	275	
SUNY COLLEGE-NEW PALTZ			FEDERAL PERKINS LOAN		582	$757,811
			FSEOG	$225,458	364	
NEW PALTZ	NY	12561	FWS	$378,416	461	
SUNY COLLEGE-OLD WESTBURY			FEDERAL PERKINS LOAN		115	$150,423
P O BOX 210			FSEOG	$162,021	261	
OLD WESTBURY	NY	11568	FWS	$167,636	204	

STATE OF NEW YORK

INSTITUTION	PROGRAM	FEOERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZEO FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SUNY COLLEGE-OSWEGO	FEDERAL PERKINS LOAN		798	$1,037,671
ROUTE 104	FSEOG	$143,000	231	
OSWEGO NY 13126	FWS	$277,529	338	
SUNY COLLEGE-PURCHASE	FEOERAL PERKINS LOAN	$10,595	189	$246,872
735 ANOERSON HILL ROAD	FSEOG	$98,922	160	
PURCHASE NY 10577	FWS	$192,085	234	
SUNY EMPIRE STATE COLLEGE	FEOERAL PERKINS LOAN		128	$166,917
2 UNION AVE	FSEOG	$207,797	335	
SARATOGA SPRINGS NY 12866	FWS	$86,606	106	
SUNY HEALTH SCIENCE CENTER	FEDERAL PERKINS LOAN	$60,111	293	$381,445
155 ELIZ. BLACKWELL ST	FSEOG	$28,806	46	
SYRACUSE NY 13210	FWS	$110,531	135	
SUNY HEALTH SCIENCE CENTER AT BROOKLYN	FEDERAL PERKINS LOAN	$315,368	861	$1,119,511
450 CLARKSON AVE BOX 110	FSEOG	$85,295	138	
BROOKLYN NY 11203	FWS	$228,009	278	
SUNY INSTITUTE OF TECHNOLOGY	FEOERAL PERKINS LOAN		91	$119,454
P O BOX 3050	FSEOG	$56,385	91	
UTICA NY 13504	FWS	$136,363	166	
SUNY MARITIME COLLEGE	FEOERAL PERKINS LOAN		261	$339,669
FORT SCHUYLER	FSEOG	$16,000	26	
BRONX NY 10465	FWS	$14,000	17	
SYRACUSE UNIVERSITY	FEOERAL PERKINS LOAN		3,757	$4,884,420
201 TOLLEY AOMINISTRATION BLDG	FSEOG	$2,014,972	3,250	
SYRACUSE NY 13244	FWS	$1,905,609	2,324	
SYRIT COMPUTER SCHOOL SYSTEMS	FSEOG	$62,388	101	
1760 53RO STREET	FWS	$25,731	31	
BROOKLYN NY 11204				
TALMUOICAL INSTITUTE OF UPSTATE NEW YORK	FSEOG	$7,416	12	
769 PARK AVENUE	FWS	$5,113	6	
ROCHESTER NY 14607				
TALMUOICAL SEMINARY OHOLEI TORAH	FSEOG	$31,754	51	
667 EASTERN PARKWAY	FWS	$51,642	63	
BROOKLYN NY 11213				
TAYLOR BUSINESS INSTITUTE	FSEOG	$82,283	133	
ONE PENN PLAZA CONVERSE LEVEL	FWS	$20,000	24	
NEW YORK NY 10119				

STATE OF NEW YORK

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
TEACHERS COLLEGE-COLUMBIA UNIV	FEDERAL PERKINS LOAN		883	$1,148,337
525 WEST 120TH STREET	FWS	$221,444	270	
NEW YORK CITY NY 10027				
TECHNICAL CAREER INSTITUTE	FSEOG	$752,117	1,213	
320 W 31ST STREET				
NEW YORK NY 10001				
TECHNO-DENT TRAINING CENTER	FSEOG	$17,393	28	
101 WEST 31ST STREET				
NEW YORK NY 10003				
THE CITY UNIVERSITY OF NEW YORK	FEDERAL PERKINS LOAN	$2,102,106	9,106	$11,838,919
101 W 31ST STREET 7TH FLOOR	FSEOG	$7,151,862	11,535	
NEW YORK NY 10001	FWS	$7,713,744	9,407	
THE COLLEGE OF SAINT ROSE	FEDERAL PERKINS LOAN	$1,340	192	$250,854
432 WESTERN AVENUE	FSEOG	$116,444	188	
ALBANY NY 12203	FWS	$86,209	105	
THE JUILLIARD SCHOOL	FEDERAL PERKINS LOAN	$79,344	145	$189,424
LINCOLN CENTER	FSEOG	$106,878	172	
NEW YORK CITY NY 10023	FWS	$142,543	174	
THE KING'S COLLEGE	FEDERAL PERKINS LOAN		143	$186,942
150 LODGE ROAD	FSEOG	$58,962	95	
BRIARCLIFF MANOR NY 10510	FWS	$92,198	112	
THE NEW YORK SCH FOR MED & DENTAL ASST	FEDERAL PERKINS LOAN		4	$5,592
116 16 QUEENS BLVD	FSEOG	$19,024	31	
FOREST HILLS NY 11375	FWS	$17,634	22	
TOMPKINS-CORTLAND COMMUNITY COLLEGE	FSEOG	$78,237	126	
170 NORTH STREET PO BOX 139	FWS	$123,046	150	
DRYDEN NY 13053				
TORAH TEMIMAH TALMUDICAL SEMINARY	FSEOG	$7,860	13	
555 OCEAN PARKWAY	FWS	$6,269	8	
BROOKLYN NY 11218				
TOURO COLLEGE	FEDERAL PERKINS LOAN	$49,760	143	$186,648
27-33 W 23RD ST	FSEOG	$1,068,910	1,724	
NEW YORK NY 10010	FWS	$388,562	474	
TROCAIRE COLLEGE	FEDERAL PERKINS LOAN		17	$22,414
110 RED JACKET PARKWAY	FSEOG	$75,000	121	
BUFFALO NY 14220	FWS	$38,400	47	

STATE OF NEW YORK

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ULSTER COUNTY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		29	$38,009
	FSEOG	$85,293	138	
STONE RIDGE NY 12484	FWS	$56,282	69	
UNION COLLEGE	FEDERAL PERKINS LOAN	$75,661	419	$545,013
	FSEOG	$234,704	379	
SCHENECTADY NY 12308	FWS	$120,776	147	
UNION THEOLOGICAL SEMINARY	FEDERAL PERKINS LOAN	$7,931	114	$148,344
3041 BROADWAY	FWS	$82,791	101	
NEW YORK CITY NY 10027				
UNITED TALMUDICAL ACADEMY	FSEOG	$87,688	141	
82 LEE AVENUE	FWS	$57,890	71	
BROOKLYN NY 11211				
UNIVERSAL BUSINESS & MEDIA	FSEOG	$47,642	77	
220 EAST 106TH STREET	FWS	$15,922	19	
NEW YORK NY 10029				
UNIVERSITY OF ROCHESTER	FEDERAL PERKINS LOAN	$31,903	1,116	$1,450,868
RIVER STATION	FSEOG	$914,566	1,475	
ROCHESTER NY 14627	FWS	$876,389	1,069	
UNIVERSITY OF ROCHESTER SCH OF MED & DENISTRY	FEDERAL PERKINS LOAN	$166,571	477	$620,550
601 ELMWOOD AVE	FWS	$95,833	117	
ROCHESTER NY 14642				
UTICA COLLEGE OF SYRACUSE UNIV	FEDERAL PERKINS LOAN	$14,455	259	$337,396
1600 BURRSTONE ROAD	FSEOG	$246,025	397	
UTICA NY 13502	FWS	$179,294	219	
VASSAR COLLEGE	FEDERAL PERKINS LOAN	$141,329	395	$514,076
RAYMOND AVENUE	FSEOG	$330,525	533	
POUGHKEEPSIE NY 12601	FWS	$321,226	392	
VEEB NASSAU COUNTY SCH OF PRACTICAL NURSING	FSEOG	$30,374	49	
889-A JERUSALEM AVE				
UNIONDALE NY 11553				
VILLA MARIA COLLEGE OF BUFFALO	FEDERAL PERKINS LOAN	$1,990	26	$34,859
240 PINE RIDGE RD	FSEOG	$30,334	49	
BUFFALO NY 14225	FWS	$32,190	39	
WADHAMS HALL SEMINARY	FSEOG	$29	0	
RR 4 BOX 80	FWS	$3,515	4	
OGDENSBURG NY 13669				

STATE OF NEW YORK

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WAGNER COLLEGE	FEDERAL PERKINS LOAN	$17,194	319	$415,108
631 HOWARD AVENUE	FSEOG	$131,581	212	
STATEN ISLAND NY 10301	FWS	$91,124	111	
WASHINGTON HEIGHTS BEAUTY SCHOOL	FSEOG	$32,535	52	
1148 ST NICHOLAS AVE				
NEW YORK NY 10032				
WASHINGTON-SARATOGA-WARREN-HAMILTON-ESSEX COUNTR	FSEOG	$12,065	19	
DIX AVENUE				
HUDSON FALLS NY 12839				
WELLS COLLEGE	FEDERAL PERKINS LOAN	$20,601	117	$152,608
	FSEOG	$97,518	157	
AURORA NY 13026	FWS	$74,373	91	
WESTCHESTER COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		68	$89,575
75 GRASSLANDS ROAD	FSEOG	$138,755	224	
VALHALLA NY 10595	FWS	$65,000	79	
WESTCHESTER SCH OF BEAUTY CULTURE	FEDERAL PERKINS LOAN	$2,803	7	$9,426
49 E PROSPECT AVENUE	FSEOG	$19,648	32	
MT VERNON NY 10550				
WILFRED ACADEMY	FEDERAL PERKINS LOAN		11	$14,911
544 ROUTE 111	FSEOG	$21,770	35	
HAUPPAUGE NY 11787				
WILFRED ACADEMY - NYC	FEDERAL PERKINS LOAN		278	$362,439
1657 BROADWAY	FSEOG	$140,690	227	
NEW YORK NY 10019				
WOOD/TOBE-COBURN SCHOOL	FEDERAL PERKINS LOAN		46	$60,041
8 EAST 40TH STREET	FSEOG	$49,829	80	
NEW YORK NY 10016				
YESHIVA & KOLLEL HARBOTZAS TORAH	FSEOG	$5,568	9	
1049 E 15TH STREET	FWS	$5,113	6	
BROOKLYN NY 11230				
YESHIVA AND MESIVTA KOL TORAH	FSEOG	$5,568	9	
4823 BEACH 48 STREET	FWS	$5,113	6	
BROOKLYN NY 11224				
YESHIVA DERECH CHAIM	FSEOG	$5,671	9	
1573 39TH STREET	FWS	$5,192	6	
BROOKLYN NY 11218				

STATE OF NEW YORK

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
YESHIVA GEDOLAH IMREI YOSEF D'SPINKA	FSEOG	$5,568	9	
1460 56TH STREET	FWS	$5,113	6	
BROOKLYN NY 11219				
YESHIVA KAPLIN STOLIN BETH ARON V'ISRAEL RABBINI	FSEOG	$13,425	22	
1818 54TH STREET	FWS	$13,708	17	
BROOKLYN NY 11204				
YESHIVA OF NITRA RABBINICAL COLLEGE	FSEOG	$10,232	17	
194 DIVISION AVENUE	FWS	$18,000	22	
BROOKLYN NY 11211				
YESHIVA UNIVERSITY	FEDERAL PERKINS LOAN		532	$691,938
500 W 185TH ST	FSEOG	$47,710	77	
NEW YORK CITY NY 10033	FWS	$197,281	241	
YESHIVA ZICHRON MOSHE	FEDERAL PERKINS LOAN	$5,479	11	$14,713
LAUREL PARK ROAD	FSEOG	$13,686	22	
SOUTH FALLSBURG NY 12779	FWS	$12,186	15	
YESHIVAT MIKDASH MELCH	FSEOG	$5,568	9	
1326 OCEAN PARKWAY	FWS	$5,113	6	
BROOKLYN NY 11230				
YESHIVATH VIZNITZ	FSEOG	$12,368	20	
25 PHYLLIS TERRACE P O BOX 446	FWS	$9,852	12	
MONSEY NY 10952				

STATE OF NEW YORK	FEDERAL PERKINS LOAN	$13,365,183	63,522	NO. INSTITUTIONS 177
	FSEOG	$55,363,844	89,293	NO. INSTITUTIONS 266
	FWS	$53,883,594	65,707	NO. INSTITUTIONS 247

STATE OF NORTH CAROLINA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ALAMANCE COMMUNITY COLLEGE	FSEOG	$15,000	24	
1247 JIMMIE KERR RD PO BX 8000	FWS	$20,243	25	
GRAHAM NC 27253				
ANSON CMTY COLLEGE	FSEOG	$11,136	18	
PO BOX 126	FWS	$8,934	11	
POLKTON NC 28135				
APPALACHIAN STATE UNIVERSITY	FEDERAL PERKINS LOAN	$39,131	716	$931,680
	FSEOG	$195,138	315	
BOONE NC 28608	FWS	$336,157	410	
ARNOLD'S BEAUTY COLLEGE	FSEOG	$10,631	17	
3117 SHANNON ROAD	FWS	$3,404	4	
DURHAM NC 27707				
ASHEVILLE-BUNCOMBE TECHNICAL COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$7,463	51	$67,049
340 VICTORIA ROAD	FSEOG	$33,876	55	
ASHEVILLE NC 28801	FWS	$28,076	34	
BARBER-SCOTIA COLLEGE	FSEOG	$160,199	258	
145 CABARRUS AVENUE WEST	FWS	$141,499	173	
CONCORD NC 28025				
BARTON COLLEGE	FEDERAL PERKINS LOAN	$220,872	607	$789,226
COLLEGE STATION	FSEOG	$143,140	231	
WILSON NC 27893	FWS	$190,766	233	
BEAUFORT COUNTY COMMUNITY COLLEGE	FSEOG	$18,422	30	
P O BOX 1069	FWS	$19,168	23	
WASHINGTON NC 27889				
BELMONT ABBEY COLLEGE	FEDERAL PERKINS LOAN	$9,952	56	$72,982
	FSEOG	$72,361	117	
BELMONT NC 28012	FWS	$84,276	103	
BENNETT COLLEGE	FEDERAL PERKINS LOAN		51	$67,032
900 EAST WASHINGTON ST	FSEOG	$109,578	177	
GREENSBORO NC 27401	FWS	$128,373	157	
BLACKWORLD COLLEGE OF HAIR DES	FSEOG	$2,577	4	
1550 WEST BLVD PO BOX 669403				
CHARLOTTE NC 26266				
BLADEN CMTY COLLEGE	FWS	$22,647	28	
P O BOX 266				
DUBLIN NC 28332				

STATE OF NORTH CAROLINA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BLUE RIDGE CMTY COLLEGE	FSEOG	$10,000	16	
COLLEGE DRIVE	FWS	$20,926	26	
FLAT ROCK NC 28731				
BREVARD COLLEGE	FEDERAL PERKINS LOAN	$3,604	94	$123,191
	FSEOG	$39,283	63	
BREVARD NC 28712	FWS	$31,853	39	
BROOKSTONE COLLEGE OF BUSINESS	FSEOG	$34,228	55	
8307 UNIVERSITY EXE PARK DR	FWS	$9,400	11	
CHARLOTTE NC 28262				
BRUNSWICK CMTY COLLEGE	FSEOG	$8,000	13	
P O BOX 30	FWS	$7,317	9	
SUPPLY NC 28462				
CALDWELL COMMUNITY COL & TECH INST	FSEOG	$32,155	52	
1000 HICKORY BLVD	FWS	$39,896	49	
HUDSON NC 28638				
CAMPBELL UNIVERSITY INC	FEDERAL PERKINS LOAN	$26,934	668	$869,434
P O BOX 97	FSEOG	$152,711	246	
BUIES CREEK NC 27506	FWS	$190,977	233	
CAPE FEAR CMTY COLLEGE	FSEOG	$35,000	56	
411 NORTH FRONT ST	FWS	$25,464	31	
WILMINGTON NC 28401				
CAROLINA BEAUTY COLLEGE	FSEOG	$75,000	121	
801 ENGLISH ROAD	FWS	$24,806	30	
HIGH POINT NC 27262				
CARTERET COMMUNITY COLLEGE	FSEOG	$20,000	32	
3505 ARENDELL STREET	FWS	$13,740	17	
MOREHEAD CITY NC 28557				
CATAWBA COLLEGE	FEDERAL PERKINS LOAN	$99,521	370	$482,095
2300 WEST INNES ST	FSEOG	$70,302	113	
SALISBURY NC 28144	FWS	$68,747	84	
CATAWBA VALLEY COMMUNITY COLLEGE	FSEOG	$60,000	97	
2550 HWY 70 SE	FWS	$16,692	20	
HICKORY NC 28602				
CECILS JR COLLEGE OF BUSINESS	FEDERAL PERKINS LOAN		39	$51,117
1567 PATTON AVE PO BOX 6407	FSEOG	$20,154	33	
ASHEVILLE NC 28806	FWS	$23,053	28	

STATE OF NORTH CAROLINA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CENTRAL CAROLINA CMTY COLLEGE	FSEOG	$26,000	42	
1105 KELLY DRIVE	FWS	$30,275	37	
SANFORD NC 27330				
CENTRAL PIEDMONT COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		6	$8,431
P O BOX 35009	FSEOG	$116,204	187	
CHARLOTTE NC 28235	FWS	$261,253	319	
CHOWAN COLLEGE	FEDERAL PERKINS LOAN	$2,933	142	$185,110
PO BOX 1848	FSEOG	$152,011	245	
MURFREESBORO NC 27855	FWS	$155,745	190	
CLEVELAND COMMUNITY COLLEGE	FSEOG	$15,021	24	
137 SOUTH POST ROAD	FWS	$10,812	13	
SHELBY NC 28150				
COASTAL CAROLINA COMMUNITY COLLEGE	FSEOG	$15,000	24	
444 WESTERN BLVD	FWS	$54,408	66	
JACKSONVILLE NC 28546				
COLLEGE OF THE ALBEMARLE	FEDERAL PERKINS LOAN		7	$9,217
PO BOX 2327	FSEOG	$56,138	91	
ELIZABETH CITY NC 27906	FWS	$49,414	60	
CRAVEN COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		20	$26,584
P O BOX 885	FSEOG	$94,149	152	
NEW BERN NC 28560	FWS	$39,093	48	
DAVIDSON COLLEGE	FEDERAL PERKINS LOAN	$80,468	440	$572,134
PO BOX 1539	FSEOG	$125,140	202	
DAVIDSON NC 28036	FWS	$120,591	147	
DAVIDSON COUNTY COMMUNITY COLLEGE	FSEOG	$50,000	81	
P O BOX 1287	FWS	$30,629	37	
LEXINGTON NC 27293				
DUKE UNIVERSITY	FEDERAL PERKINS LOAN	$526,310	3,939	$5,121,287
2106 CAMPUS DRIVE	FSEOG	$830,663	1,340	
DURHAM NC 27706	FWS	$1,507,367	1,838	
DURHAM TECHNICAL CMTY COLLEGE	FSEOG	$20,000	32	
1637 LAWSON ST	FWS	$28,533	35	
DURHAM NC 27703				
EAST CAROLINA UNIVERSITY	FEDERAL PERKINS LOAN	$321,495	1,841	$2,393,624
EAST FIFTH ST	FSEOG	$352,096	568	
GREENVILLE NC 27834	FWS	$576,808	703	

STATE OF NORTH CAROLINA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
EAST COAST BIBLE COLLEGE	FEDERAL PERKINS LOAN		22	$29,834
6900 WILKINSON BLVD	FSEOG	$19,890	32	
CHARLOTTE NC 28214	FWS	$15,729	19	
EDGECOMBE COMMUNITY COLLEGE	FWS	$19,701	24	
2009 WEST WILSON STREET				
TARBORO NC 27886				
ELIZABETH CITY STATE UNIVERSITY	FEDERAL PERKINS LOAN		65	$84,720
1704 WEEKSVILLE ROAD	FSEOG	$350,928	566	
ELIZABETH CITY NC 27909	FWS	$330,611	403	
ELON COLLEGE	FEDERAL PERKINS LOAN	$139,383	458	$595,603
2700 CAMPUS BOX	FSEOG	$150,949	243	
ELON COLLEGE NC 27244	FWS	$206,220	251	
FAYETTEVILLE STATE UNIVERSITY	FEDERAL PERKINS LOAN	$87,218	352	$458,877
1200 MURCHISON ROAD	FSEOG	$679,622	1,096	
FAYETTEVILLE NC 28301	FWS	$445,112	543	
FAYETTEVILLE TECHNICAL COMMUNITY	FEDERAL PERKINS LOAN		0	$1,000
P O BOX 35236	FSEOG	$15,000	24	
FAYETTEVILLE NC 28303	FWS	$49,243	60	
FORSYTH TECH CMTY COLLEGE	FSEOG	$44,657	72	
2100 SILAS CREEK PARKWAY	FWS	$41,012	50	
WINSTON-SALEM NC 27103				
GARDNER-WEBB UNIVERSITY	FEDERAL PERKINS LOAN	$155,382	430	$559,373
PO BOX 955	FSEOG	$125,950	203	
BOILING SPRINGS NC 28017	FWS	$141,088	172	
GASTON COLLEGE	FSEOG	$57,848	93	
201 HIGHWAY 321 SOUTH	FWS	$29,414	36	
DALLAS NC 28034				
GREENSBORO COLLEGE	FEDERAL PERKINS LOAN	$15,773	214	$278,692
815 WEST MARKET STREET	FSEOG	$92,378	149	
GREENSBORO NC 27401	FWS	$120,161	147	
GUILFORD COLLEGE	FEDERAL PERKINS LOAN	$28,423	279	$363,406
5800 WEST FRIENDLY AVE	FSEOG	$119,815	193	
GREENSBORO NC 27410	FWS	$90,395	110	
GUILFORD TECHNICAL COMMUNITY COLLEGE	FSEOG	$23,595	38	
P O BOX 309	FWS	$51,889	63	
JAMESTOWN NC 27282				

STATE OF NORTH CAROLINA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
HALIFAX COMMUNITY COLLEGE	FSEOG	$46,262	75	
PO DRAWER 809	FWS	$35,817	44	
WELDON NC 27890				
HAYWOOD CMTY COLLEGE	FSEOG	$20,051	32	
FREEDLANDER DRIVE	FWS	$18,081	22	
CLYDE NC 28721				
HIGH POINT UNIVERSITY	FEDERAL PERKINS LOAN	$36,031	167	$217,171
933 MONTLIEU AVE	FSEOG	$69,842	113	
HIGH POINT NC 27262	FWS	$62,253	76	
ISOTHERMAL COMMUNITY COLLEGE	FSEOG	$15,000	24	
P O BOX 804	FWS	$19,238	23	
SPINDALE NC 28160				
JAMES SPRUNT COMMUNITY COLLEGE	FSEOG	$15,216	25	
BOX 398	FWS	$27,573	34	
KENANSVILLE NC 28349				
JOHN WESLEY COLLEGE	FSEOG	$5,713	9	
2314 N CENTENNIAL STREET	FWS	$5,113	6	
HIGH POINT NC 27265				
JOHNSON C SMITH UNIVERSITY	FEDERAL PERKINS LOAN		168	$218,681
100 BEATTIES FORD ROAD	FSEOG	$333,255	538	
CHARLOTTE NC 28216	FWS	$507,078	618	
JOHNSTON COMMUNITY COLLEGE	FSEOG	$22,476	36	
PO BOX 2350	FWS	$24,058	29	
SMITHFIELD NC 27577				
KING'S COLLEGE-CHARLOTTE	FEDERAL PERKINS LOAN	$7,955	212	$276,666
322 LAMMAR AVE	FSEOG	$61,714	100	
CHARLOTTE NC 28204				
LEES MCRAE COLLEGE	FEDERAL PERKINS LOAN	$19,905	46	$60,325
P O BOX 128	FSEOG	$48,447	78	
BANNER ELK NC 28604	FWS	$48,002	59	
LENOIR COMMUNITY COLLEGE	FWS	$27,962	34	
P O BOX 188				
KINSTON NC 28501				
LENOIR-RHYNE COLLEGE	FEDERAL PERKINS LOAN	$114,448	379	$492,831
7TH AVE & 8TH ST NE	FSEOG	$98,683	159	
HICKORY NC 28603	FWS	$82,925	101	

STATE OF NORTH CAROLINA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LEON'S BEAUTY SCHOOL			FSEOG	$266	0	
1410 WEST LEE ST						
GREENSBORO	NC	27403				
LIVINGSTONE COLLEGE			FSEOG	$113,063	182	
701 WEST MONROE STREET			FWS	$243,426	297	
SALISBURY	NC	28144				
LOUISBURG COLLEGE			FEDERAL PERKINS LOAN	$52,036	137	$178,438
501 N MAIN STREET			FSEOG	$42,860	69	
LOUISBURG	NC	27549	FWS	$73,950	90	
MARS HILL COLLEGE			FEDERAL PERKINS LOAN	$19,905	250	$325,864
COLLEGE STREET			FSEOG	$145,527	235	
MARS HILL	NC	28754	FWS	$180,172	220	
MARTIN CMTY COLLEGE			FSEOG	$5,000	8	
KEHUKEE PARK ROAD			FWS	$20,317	25	
WILLIAMSTON	NC	27892				
MAYLAND CMTY COLLEGE			FSEOG	$27,503	44	
P O BOX 547			FWS	$21,373	26	
SPRUCE PINE	NC	28777				
MCDOWELL TECH CMTY COLLEGE			FSEOG	$18,699	30	
ROUTE 1 BOX 170			FWS	$7,320	9	
MARION	NC	28752				
MEREDITH COLLEGE			FEDERAL PERKINS LOAN		56	$73,551
3800 HILLSBOROUGH ST			FSEOG	$59,709	96	
RALEIGH	NC	27607	FWS	$110,618	135	
METHODIST COLLEGE			FEDERAL PERKINS LOAN	$6,778	108	$141,649
5400 RAMSEY ST			FSEOG	$148,897	240	
FAYETTEVILLE	NC	28311	FWS	$150,508	184	
MITCHELL CMTY COLLEGE			FSEOG	$16,126	26	
WEST BROAD ST			FWS	$17,194	21	
STATESVILLE	NC	28677				
MONTGOMERY COMMUNITY COLLEGE			FSEOG	$9,747	16	
BOX 787			FWS	$9,342	11	
TROY	NC	27371				
MONTREAT-ANDERSON COLLEGE			FEDERAL PERKINS LOAN	$4,216	139	$180,769
PO BOX 1267 GAITHER CIRCLE			FSEOG	$47,943	77	
MONTREAT	NC	28757	FWS	$78,255	95	

STATE OF NORTH CAROLINA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MOUNT OLIVE COLLEGE INC	FEDERAL PERKINS LOAN	$17,065	96	$125,217
634 HENDERSON STREET	FSEOG	$34,358	55	
MOUNT OLIVE NC 28365	FWS	$46,901	57	
NASH COMMUNITY COLLEGE	FWS	$19,093	23	
OLD CARRIAGE ROAD PO BOX 7488				
ROCKY MOUNT NC 27804				
NORTH CAROLINA A&T STATE UNIV	FEDERAL PERKINS LOAN		479	$623,886
1601 EAST MARKET STREET	FSEOG	$327,308	528	
GREENSBORO NC 27411	FWS	$463,367	565	
NORTH CAROLINA CENTRAL UNIVERSITY	FEDERAL PERKINS LOAN		660	$858,759
PO BOX 19496 SHEPARD STATION	FSEOG	$702,658	1,133	
DURHAM NC 27707	FWS	$445,703	544	
NORTH CAROLINA SCHOOL OF THE ARTS	FEDERAL PERKINS LOAN	$4,879	68	$88,513
200 WAUGHTOWN ST	FSEOG	$37,692	61	
WINSTON SALEM NC 27117	FWS	$42,029	51	
NORTH CAROLINA STATE UNIV-RALEIGH	FEDERAL PERKINS LOAN	$226,469	1,639	$2,130,912
BOX 7302-2005 HARRIS HALL	FSEOG	$322,396	520	
RALEIGH NC 27695	FWS	$506,205	617	
NORTH CAROLINA WESLEYAN COLLEGE	FEDERAL PERKINS LOAN	$6,997	118	$154,408
3400 WESLEYAN BLVD	FSEOG	$63,155	102	
ROCKY MOUNT NC 27804	FWS	$50,877	62	
PAMLICO CMTY COLLEGE	FSEOG	$6,896	11	
HWY 306 SOUTH PO BOX 185	FWS	$4,833	6	
GRANTSBORO NC 28529				
PEACE COLLEGE	FSEOG	$20,423	33	
15 E PEACE STREET	FWS	$26,280	32	
RALEIGH NC 27604				
PEMBROKE STATE UNIVERSITY	FEDERAL PERKINS LOAN	$74,640	224	$291,883
COLLEGE ROAD	FSEOG	$46,305	75	
PEMBROKE NC 28372	FWS	$102,849	125	
PFEIFFER COLLEGE	FEDERAL PERKINS LOAN	$12,816	363	$472,305
P O BOX 960	FSEOG	$87,318	141	
MISENHEIMER NC 28109	FWS	$106,985	130	
PIEDMONT BIBLE COLLEGE	FSEOG	$15,408	25	
716 FRANKLIN STREET	FWS	$11,241	14	
WINSTON-SALEM NC 27101				

STATE OF NORTH CAROLINA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PIEDMONT CMTY COL	FSEOG	$18,062	26	
1715 COLLEGE DRIVE	FWS	$20,005	24	
ROXBORO NC 27573				
PITT COMMUNITY COLLEGE	FSEOG	$19,823	32	
PO DRAWER 7007	FWS	$47,701	58	
GREENVILLE NC 27834				
QUEENS COLLEGE	FEDERAL PERKINS LOAN		68	$88,843
1900 SELWYN AVE	FSEOG	$54,386	88	
CHARLOTTE NC 28274	FWS	$43,283	53	
RANDOLPH CMTY COL	FSEOG	$31,035	50	
PO BOX 1009	FWS	$15,263	19	
ASHEBORO NC 27204				
RICHMOND COMMUNITY COLLEGE	FSEOG	$15,000	24	
P O BOX 1189	FWS	$23,993	29	
HAMLET NC 28345				
ROANOKE BIBLE COLLEGE	FSEOG	$8,226	13	
714 FIRST STREET				
ELIZABETH CITY NC 27909				
ROANOKE-CHOWAN CMTY COLLEGE	FSEOG	$44,100	71	
ROUTE 2 BOX 46A	FWS	$35,789	44	
AHOSKIE NC 27910				
ROBESON COMMUNITY COLLEGE	FSEOG	$22,334	36	
PO BOX 1420	FWS	$12,709	15	
LUMBERTON NC 28359				
ROCKINGHAM COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		16	$21,309
P O BOX 38	FSEOG	$12,500	20	
WENTWORTH NC 27375	FWS	$23,199	28	
ROWAN-CABARRUS CMTY COLLEGE	FSEOG	$8,200	13	
P O BOX 1595	FWS	$12,055	15	
SALISBURY NC 28145				
SAINT ANDREWS PRESBYTERIAN COLLEGE	FEDERAL PERKINS LOAN	$49,760	279	$362,971
1700 DOGWOOD MILE	FSEOG	$77,967	126	
LAURINBURG NC 28352	FWS	$96,566	118	
SAINT AUGUSTINE'S COLLEGE	FEDERAL PERKINS LOAN		386	$502,393
1315 OAKWOOD AVE	FSEOG	$802,548	1,294	
RALEIGH NC 27610	FWS	$794,155	988	

STATE OF NORTH CAROLINA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SAINT MARY'S COLLEGE	FSEOG	$9,998	16	
900 HILLSBOROUGH STREET	FWS	$2,821	3	
RALEIGH NC 27611				
SALEM COLLEGE	FEDERAL PERKINS LOAN	$28,322	142	$185,378
SALEM STATION	FSEOG	$37,939	61	
WINSTON-SALEM NC 27108	FWS	$26,511	32	
SAMPSON CMTY COLLEGE	FWS	$21,043	26	
P O DRAWER 318				
CLINTON NC 28328				
SANDHILLS COMMUNITY COLLEGE	FSEOG	$25,000	40	
2200 AIRPORT RD	FWS	$32,010	39	
PINEHURST NC 28374				
SHAW UNIVERSITY	FEDERAL PERKINS LOAN		158	$205,727
118 E SOUTH ST	FSEOG	$807,831	1,303	
RALEIGH NC 27611	FWS	$446,026	544	
SOUTHEASTERN COMMUNITY COLLEGE	FSEOG	$40,600	65	
P O BOX 151	FWS	$48,726	59	
WHITEVILLE NC 28472				
SOUTHWESTERN CMTY COLLEGE	FSEOG	$35,393	57	
275 WEBSTER RD	FWS	$50,292	61	
SYLVA NC 28779				
STANLEY COMMUNITY COLLEGE	FSEOG	$17,389	28	
141 COLLEGE DR	FWS	$33,107	40	
ALBERMARLE NC 28001				
SURRY COMMUNITY COLLEGE	FSEOG	$30,000	48	
P O BOX 304	FWS	$45,810	56	
DOBSON NC 27017				
TRI-COUNTY COMMUNITY COLLEGE	FSEOG	$23,873	39	
2300 HWY 64 EAST	FWS	$22,782	28	
MURPHY NC 28906				
UNIVERSITY OF N C-ASHEVILLE	FEDERAL PERKINS LOAN	$49,760	156	$203,443
ONE UNIVERSITY HEIGHTS	FSEOG	$39,130	63	
ASHEVILLE NC 28804	FWS	$63,646	78	
UNIVERSITY OF N C-CHAPEL HILL	FEDERAL PERKINS LOAN	$124,022	3,829	$4,977,841
PO BOX 1080	FSEOG	$598,374	965	
CHAPEL HILL NC 27514	FWS	$909,905	1,110	

STATE OF NORTH CAROLINA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF N C-CHARLOTTE	FEDERAL PERKINS LOAN	$227,662	649	$844,832
UNCC STATION	FSEOG	$181,225	292	
CHARLOTTE NC 28223	FWS	$305,150	372	
UNIVERSITY OF N C-GREENSBORO	FEDERAL PERKINS LOAN	$99,767	787	$1,023,254
1000 SPRING GARDEN STREET	FSEOG	$173,072	279	
GREENSBORO NC 27412	FWS	$343,185	419	
UNIVERSITY OF N C-WILMINGTON	FEDERAL PERKINS LOAN	$239,120	615	$799,868
601 S COLLEGE RD	FSEOG	$126,125	203	
WILMINGTON NC 28403	FWS	$150,709	184	
VANCE-GRANVILLE CMTY COLLEGE	FSEOG	$39,987	84	
PO BOX 917	FWS	$33,687	41	
HENDERSON NC 27536				
WAKE FOREST UNIVERSITY	FEDERAL PERKINS LOAN	$597,123	1,692	$2,200,469
PO BOX 7305	FSEOG	$201,225	325	
WINSTON-SALEM NC 27109	FWS	$368,317	449	
WAKE TECHNICAL COMMUNITY COLLEGE	FSEOG	$20,000	32	
9101 FAYETTEVILLE ROAD	FWS	$17,229	21	
RALEIGH NC 27603				
WARREN WILSON COLLEGE INC	FEDERAL PERKINS LOAN	$46,819	145	$189,750
PO BOX 9000	FSEOG	$47,836	77	
SWANNANOA NC 28778	FWS	$128,538	157	
WAYNE COMMUNITY COLLEGE	FSEOG	$35,000	56	
CALLER BOX 8002	FWS	$87,082	106	
GOLDSBORO NC 27530				
WESTERN CAROLINA UNIVERSITY	FEDERAL PERKINS LOAN	$170,332	1,063	$1,382,056
	FSEOG	$136,483	220	
CULLOWHEE NC 28723	FWS	$368,226	449	
WESTERN PIEDMONT COMMUNITY COLLEGE	FSEOG	$29,680	48	
1001 BURKEMONT AVENUE	FWS	$33,673	41	
MORGANTON NC 28655				
WILKES COMMUNITY COLLEGE	FSEOG	$15,000	24	
PO BOX 120	FWS	$22,129	27	
WILKESBORO NC 28697				
WILSON TECH CMTY COLLEGE	FSEOG	$25,037	40	
902 HERRING AVE PO BOX 4305	FWS	$18,959	23	
WILSON NC 27893				

STATE OF NORTH CAROLINA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WINGATE COLLEGE	FSEOG	$99,753	161	
	FWS	$95,180	116	
WINGATE NC 28174				
WINSTON SALEM STATE UNIVERSITY	FEDERAL PERKINS LOAN		305	$397,364
	FSEOG	$456,331	736	
WINSTON SALEM NC 27110	FWS	$491,131	599	

STATE OF NORTH CAROLINA	FEDERAL PERKINS LOAN	$4,001,689	23,960	NO. INSTITUTIONS 57
	FSEOG	$12,262,323	19,771	NO. INSTITUTIONS 117
	FWS	$14,749,447	17,985	NO. INSTITUTIONS 118

STATE OF NORTH DAKOTA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
AAKER'S BUSINESS COLLEGE	FSEOG	$6,332	10	
201 NORTH 3RD STREET				
GRAND FORKS ND 58203				
BISMARCK STATE COLLEGE	FEDERAL PERKINS LOAN	$14,928	108	$140,865
1500 EDWARDS AVE	FSEOG	$101,283	163	
BISMARCK ND 58501	FWS	$101,257	123	
DICKINSON STATE UNIVERSITY	FEDERAL PERKINS LOAN		142	$184,883
BOX 290	FSEOG	$91,829	148	
DICKINSON ND 58601	FWS	$165,184	201	
FORT BERTHOLD COMMUNITY COLLEGE	FSEOG	$10,707	17	
BOX #490	FWS	$6,002	7	
NEW TOWN ND 58763				
INTERSTATE BUSINESS COLLEGE	FEDERAL PERKINS LOAN	$46,575	134	$174,357
2720 32ND AVE SW	FSEOG	$52,949	85	
FARGO ND 58103	FWS	$38,362	47	
JAMESTOWN COLLEGE	FEDERAL PERKINS LOAN	$69,171	418	$544,489
6085 JC	FSEOG	$184,366	297	
JAMESTOWN ND 58405	FWS	$182,853	223	
LITTLE HOOP COMMUNITY COLLEGE	FSEOG	$5,640	9	
BOX 269	FWS	$5,398	7	
FORT TOTTEN ND 58335				
MAYVILLE STATE UNIV	FEDERAL PERKINS LOAN	$4,379	81	$105,826
330 3RD ST N E	FSEOG	$53,594	86	
MAYVILLE ND 58257	FWS	$73,234	89	
MEDCENTER ONE COL OF NURSING	FEDERAL PERKINS LOAN		43	$56,220
512 NORTH SEVENTH STREET	FSEOG	$15,332	25	
BISMARCK ND 58501	FWS	$5,537	7	
MINOT STATE UNIVERSITY	FEDERAL PERKINS LOAN	$56,240	613	$797,639
500 UNIVERSITY AVE WEST	FSEOG	$134,070	216	
MINOT ND 58701	FWS	$122,727	150	
NORTH DAKOTA STATE COLLEGE OF SCIENCE	FEDERAL PERKINS LOAN	$44,784	353	$459,083
800 N 6TH ST	FSEOG	$143,640	232	
WAHPETON ND 58076	FWS	$135,442	165	
NORTH DAKOTA STATE UNIV OF AGRI AND APPLIED SCIE	FEDERAL PERKINS LOAN	$15,420	1,015	$1,320,170
UNIVERSITY STA PO BOX 5315	FSEOG	$626,841	1,011	
FARGO ND 58102	FWS	$513,562	626	

STATE OF NORTH DAKOTA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NORTH DAKOTA STATE UNIV-BOTTINEAU	FEDERAL PERKINS LOAN	$694	64	$84,401
1ST & SIMRALL BLVD	FSEOG	$31,465	51	
BOTTINEAU ND 58318	FWS	$29,589	36	
R D HAIRSTYLIST COLLEGE INC	FEDERAL PERKINS LOAN		24	$32,296
124 NORTH 4TH ST	FSEOG	$11,731	19	
BISMARCK ND 58501				
STANDING ROCK COLLEGE	FSEOG	$19,497	31	
RURAL ROUTE 1	FWS	$16,203	20	
FORT YATES ND 58538				
TRINITY BIBLE COLLEGE	FEDERAL PERKINS LOAN	$25,236	129	$168,959
50 SOUTH 6TH AVE	FSEOG	$57,688	93	
ELLENDALE ND 58436	FWS	$68,048	83	
TURTLE MT CMTY COLLEGE	FSEOG	$11,951	19	
PO BOX 340	FWS	$18,511	23	
BELCOURT ND 58316				
UNITED TRIBES TECHNICAL COLLEGE	FSEOG	$62,631	101	
3315 UNIVERSITY DRIVE	FWS	$36,858	45	
BISMARCK ND 58501				
UNIVERSITY OF MARY	FEDERAL PERKINS LOAN	$2,908	310	$403,045
7500 UNIVERSITY DR	FSEOG	$200,956	324	
BISMARCK ND 58504	FWS	$169,934	207	
UNIVERSITY OF ND DAKOTA-GRAND FORKS	FEDERAL PERKINS LOAN	$430,313	2,653	$3,449,054
BOX 7025 UNIVERSITY STATION	FSEOG	$773,188	1,247	
GRAND FORKS ND 58202	FWS	$870,994	1,062	
UNIVERSITY OF ND DAKOTA-WILLISTON	FEDERAL PERKINS LOAN	$774	76	$99,992
BOX 1326	FSEOG	$24,546	40	
WILLISTON ND 58801	FWS	$25,537	31	
UNIVERSITY OF NORTH DAKOTA -LAKE REGION	FEDERAL PERKINS LOAN	$14,928	144	$187,276
NORTH COLLEGE DRIVE	FSEOG	$18,425	30	
DEVILS LAKE ND 58301	FWS	$43,460	53	
VALLEY CITY STATE UNIV	FEDERAL PERKINS LOAN	$1,977	158	$206,371
101 SW COLLEGE ST	FSEOG	$69,655	112	
VALLEY CITY ND 58072	FWS	$67,626	82	

STATE OF NORTH DAKOTA	FEDERAL PERKINS LOAN	$728,327	6,256	NO. INSTITUTIONS	17
	FSEOG	$2,708,316	4,366	NO. INSTITUTIONS	23
	FWS	$2,696,318	3,287	NO. INSTITUTIONS	21

STATE OF OHIO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ACADEMY OF COMMUNICATIVE ARTS	FSEOG	$2,904	5	
2528 KEMPER LANE				
CINCINNATI OH 45206				
ACADEMY OF COURT REPORTING	FEDERAL PERKINS LOAN		19	$25,772
614 SUPERIOR NW	FSEOG	$96,800	156	
CLEVELAND OH 44113	FWS	$31,390	38	
AKRON ADULT SKILLS TRAINING CENTER	FSEOG	$10,792	17	
147 PARK ST	FWS	$9,914	12	
AKRON OH 44308				
AKRON MACHINING INSTITUTE INC	FEDERAL PERKINS LOAN		6	$7,990
2959 BARBER ROAD	FSEOG	$17,396	28	
BARBERTON OH 44203	FWS	$3,116	4	
AKRON MEDICAL-DENTAL INSTITUTE	FSEOG	$30,763	50	
733 WEST MARKET STREET	FWS	$3,783	5	
AKRON OH 44303				
AMERICAN SCH OF BROADCASTING	FEDERAL PERKINS LOAN		0	$1,000
1788 MORSE RD	FSEOG	$10,790	17	
COLUMBUS OH 43229				
AMERICAN SCHOOL OF TECHNOLOGY	FEDERAL PERKINS LOAN		0	$1,000
2100 MORSE CENTER	FSEOG	$16,754	27	
COLUMBUS OH 43229				
ANTIOCH UNIVERSITY	FEDERAL PERKINS LOAN		808	$1,050,608
	FSEOG	$689,953	1,113	
YELLOW SPRINGS OH 45387	FWS	$1,387,486	1,668	
ANTONELLI INSTITUTE OF ART AND PHOTOGRAPHY	FEDERAL PERKINS LOAN		18	$24,001
124 EAST 7TH STREET	FSEOG	$20,584	33	
CINNCINNATI OH 45202	FWS	$3,802	5	
ART ACADEMY OF CINCINNATI	FSEOG	$15,055	24	
1125 ST GREGORY STREET	FWS	$7,743	9	
CINCINNATT OH 45202				
ASHLAND UNIVERSITY	FEDERAL PERKINS LOAN	$5,757	434	$565,189
401 COLLEGE AVENUE	FSEOG	$441,422	712	
ASHLAND OH 44805	FWS	$211,252	258	
BALDWIN-WALLACE COLLEGE	FEDERAL PERKINS LOAN		810	$1,053,227
275 EASTLAND RD	FSEOG	$433,165	699	
BEREA OH 44017	FWS	$393,990	480	

STATE OF OHIO

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BELMONT TECHNICAL COLLEGE			FWS	$25,246	31	
120 FOX-SHANNON PL						
SAINT CLAIRSVIL	OH	43950				
BLUFFTON COLLEGE			FEDERAL PERKINS LOAN		237	$309,303
280 W COLLEGE AVE			FSEOG	$99,640	161	
BLUFFTON	OH	45817	FWS	$89,287	109	
BOWLING GREEN STATE UNIVERSITY			FEDERAL PERKINS LOAN		1,301	$1,691,771
450 STUDENT SERVICE BLDG			FSEOG	$592,376	955	
BOWLING GREEN	OH	43403	FWS	$582,805	711	
BRADFORD SCHOOL			FEDERAL PERKINS LOAN		173	$225,200
6170 BUSCH BLVD			FSEOG	$89,382	144	
COLUMBUS	OH	43229				
BRYANT & STRATTON BUSINESS INSTITUTE - CLEVELAND			FSEOG	$73,387	118	
12955 SNOW ROAD			FWS	$30,277	37	
PARMA	OH	44130				
CAPITAL UNIVERSITY			FEDERAL PERKINS LOAN	$64,789	682	$886,815
2199 EAST MAIN STREET			FSEOG	$299,639	483	
COLUMBUS	OH	43209	FWS	$283,620	346	
CAREER TRAINING INSTITUTE			FEDERAL PERKINS LOAN		2	$3,453
329 SUPERIOR ST			FSEOG	$36,179	58	
TOLEDO	OH	43614				
CASE WESTERN RESERVE UNIVERSITY			FEDERAL PERKINS LOAN	$585	2,364	$3,073,816
10900 EUCLID AVE			FSEOG	$1,037,855	1,674	
CLEVELAND	OH	44106	FWS	$896,801	1,094	
CEDARVILLE COLLEGE			FEDERAL PERKINS LOAN	$11,774	277	$360,567
P O BOX 601			FSEOG	$116,490	188	
CEDARVILLE	OH	45314	FWS	$84,598	103	
CENTRAL OHIO TECHNICAL COLLEGE			FSEOG	$56,579	91	
UNIVERSITY DRIVE			FWS	$29,753	36	
NEWARK	OH	43055				
CENTRAL STATE UNIVERSITY			FEDERAL PERKINS LOAN		353	$459,888
			FSEOG	$549,434	886	
WILBERFORCE	OH	45384	FWS	$621,839	758	
CHARMAYNE BEAUTY ACADEMY			FSEOG	$15,265	25	
20880 SOUTHGATE PARK BLVD						
MAPLE HEIGHTS	OH	44137				

STATE OF OHIO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CHATFIELD COLLEGE	FSEOG	$8,366	13	
20918 SR 251	FWS	$3,894	5	
ST MARTIN OH 45118				
CINCINNATI BIBLE COLLEGE & SEMINARY	FSEOG	$30,750	50	
2700 GLENWAY AVE	FWS	$30,371	37	
CINCINNATI OH 45204				
CINCINNATI SCHOOL OF COURT REPORTING & BUSINESS	FSEOG	$26,060	42	
35 E 7TH ST 600 EX BLDG	FWS	$1,590	2	
CINCINNATI OH 45202				
CINCINNATI TECHNICAL COLLEGE	FEDERAL PERKINS LOAN	$89,200	143	$186,947
3520 CENTRAL PARKWAY	FSEOG	$224,194	362	
CINCINNATI OH 45223	FWS	$150,098	183	
CIRCLEVILLE BIBLE COLLEGE	FEDERAL PERKINS LOAN		36	$47,385
1476 LANCASTER PIKE	FSEOG	$13,560	22	
CIRCLEVILLE OH 43113	FWS	$12,100	15	
CLARK STATE COMMUNITY COLLEGE	FSEOG	$67,454	109	
570 EAST LEFFELS LANE BOX 570	FWS	$59,821	73	
SPRINGFIELD OH 45505				
CLEVELAND INSTITUTE OF ART	FEDERAL PERKINS LOAN		98	$128,197
11141 E BLVD	FSEOG	$81,841	132	
CLEVELAND OH 44106	FWS	$147,135	179	
CLEVELAND INSTITUTE OF DENTAL-MEDICAL ASSISTANTS	FEDERAL PERKINS LOAN		8	$11,171
1836 EUCLID AVENUE	FSEOG	$27,436	44	
CLEVELAND OH 44115				
CLEVELAND STATE UNIVERSITY	FEDERAL PERKINS LOAN	$447,841	1,426	$1,854,095
1983 EAST 24 ST	FSEOG	$382,207	616	
CLEVELAND OH 44115	FWS	$604,356	737	
COLLEGE OF MOUNT SAINT JOSEPH-OHIO	FEDERAL PERKINS LOAN		144	$187,811
	FSEOG	$106,281	171	
MOUNT SAINT JOSEPH OH 45051	FWS	$56,105	68	
COLUMBUS COLLEGE OF ART & DESIGN	FEDERAL PERKINS LOAN	$55,652	217	$282,144
107 N 9TH ST	FSEOG	$92,356	149	
COLUMBUS OH 43215	FWS	$127,456	155	
COLUMBUS STATE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$17,250	88	$115,460
550 E SPRING ST PO BOX 1609	FSEOG	$145,000	234	
COLUMBUS OH 43216	FWS	$24,303	30	

STATE OF OHIO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
COMMUNITY HOSP OF SPRINGFIELD & CLARK COUNTY SCH	FSEOG	$6,923	11	
2615 EAST HIGH STREET BOX 1228	FWS	$9,982	12	
SPRINGFIELD OH 45501				
CUYAHOGA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$68,376	164	$213,408
700 CARNEGIE AVE	FSEOG	$225,000	363	
CLEVELAND OH 44115	FWS	$725,414	885	
DAVIS JR COLLEGE OF BUSINESS	FEDERAL PERKINS LOAN		24	$32,363
4747 MONROE STREET	FSEOG	$30,725	50	
TOLEDO OH 43623	FWS	$10,676	13	
DEFIANCE COLLEGE	FEDERAL PERKINS LOAN		209	$272,974
701 N CLINTON	FSEOG	$124,540	201	
DEFIANCE OH 43512	FWS	$64,070	78	
DENISON UNIVERSITY	FEDERAL PERKINS LOAN	$46,013	439	$571,426
	FSEOG	$193,781	313	
GRANVILLE OH 43023	FWS	$129,698	158	
DEVRY INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$579,443	1,544	$2,007,997
1350 ALUM CREEK DRIVE	FSEOG	$417,064	673	
COLUMBUS OH 43209	FWS	$218,234	266	
DYKE COLLEGE	FEDERAL PERKINS LOAN		37	$48,630
112 PROSPECT AVENUE	FSEOG	$65,854	106	
CLEVELAND OH 44114	FWS	$42,532	52	
EDISON STATE COMMUNITY COLLEGE	FSEOG	$25,000	40	
1973 EDISON DRIVE	FWS	$31,927	39	
PIQUA OH 45356				
ETI TECHNICAL COLLEGE	FEDERAL PERKINS LOAN		9	$12,183
2076 YO-WARREN RD	FSEOG	$20,168	33	
NILES OH 44446	FWS	$13,388	16	
ETI TECHNICAL COLLEGE	FEDERAL PERKINS LOAN		51	$67,352
4300 EUCLID AVE	FSEOG	$29,051	47	
CLEVELAND OH 44103	FWS	$9,282	11	
ETI TECHNICAL COLLEGE OF CANTON	FEDERAL PERKINS LOAN	$9,535	9	$12,713
1320 WEST MAPLE STREET NW	FSEOG	$12,659	20	
NORTH CANTON OH 44720	FWS	$6,155	8	
FRANCISCAN UNIVERSITY OF STEUBENVILLE	FEDERAL PERKINS LOAN	$7,519	140	$183,041
FRANCISCAN WAY	FSEOG	$134,376	217	
STEUBENVILLE OH 43952	FWS	$119,844	146	

STATE OF OHIO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
FRANKLIN UNIV	FEDERAL PERKINS LOAN		34	$44,561
201 SOUTH GRANT AVENUE	FSEOG	$89,053	144	
COLUMBUS OH 43215	FWS	$43,985	54	
FREDERICK'S BEAUTY COLLEGE	FEDERAL PERKINS LOAN		5	$6,667
226 N MAIN STREET	FSEOG	$5,500	9	
LIMA OH 45801				
HAMMEL COLLEGE	FSEOG	$23,814	38	
885 EAST BUCHTEL				
AKRON OH 44305				
HEIDELBERG COLLEGE	FEDERAL PERKINS LOAN		246	$320,350
310 E MARKET STREET	FSEOG	$154,243	249	
TIFFIN OH 44883	FWS	$80,670	98	
HIRAM COLLEGE	FEDERAL PERKINS LOAN		390	$507,119
P O BOX 1808	FSEOG	$201,883	326	
HIRAM OH 44234	FWS	$441,617	539	
HOCKING TECHNICAL COLLEGE	FSEOG	$55,913	90	
3301 HOCKING PARKWAY	FWS	$134,384	164	
NELSONVILLE OH 45764				
INTERNATIONAL COLLEGE OF BROADCASTING	FEDERAL PERKINS LOAN		13	$17,281
6 S SMITHVILLE ROAD	FSEOG	$18,100	29	
DAYTON OH 45431				
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		66	$86,951
3325 STOP EIGHT ROAD	FSEOG	$108,151	174	
DAYTON OH 45414	FWS	$68,228	83	
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		125	$163,423
655 WICK AVENUE P O BOX 779	FSEOG	$82,838	134	
YOUNGSTOWN OH 44501	FWS	$26,658	33	
JEFFERSON TECHNICAL COLLEGE	FSEOG	$37,487	60	
4000 SUNSET BOULEVARD	FWS	$26,941	33	
STEUBENVILLE OH 43952				
JOHN CARROLL UNIVERSITY	FEDERAL PERKINS LOAN	$20,683	516	$671,816
20700 NO PARK BLVD	FSEOG	$234,282	378	
CLEVELAND OH 44118	FWS	$131,826	161	
KENT STATE UNIVERSITY	FEDERAL PERKINS LOAN	$527,394	2,405	$3,127,444
	FSEOG	$763,823	1,232	
KENT OH 44242	FWS	$1,379,616	1,682	

STATE OF OHIO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
KENYON COLLEGE	FEDERAL PERKINS LOAN	$38,788	322	$418,628
	FSEOG	$129,440	209	
GAMBIER OH 43022	FWS	$71,819	88	
KETTERING COLLEGE OF MEDICAL ART	FEDERAL PERKINS LOAN	$16,930	68	$89,328
3737 SOUTHERN BOULEVARD	FWS	$23,348	28	
DAYTON OH 45429				
LAKE ERIE COLLEGE	FEDERAL PERKINS LOAN		142	$185,695
391 W WASHINGTON STREET	FSEOG	$40,965	66	
PAINESVILLE OH 44077	FWS	$24,850	30	
LAKELAND COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$14,052	36	$47,626
ROUTE 306 & I-90	FSEOG	$125,000	202	
MENTOR OH 44060	FWS	$128,951	157	
LEWIS, WEINBERGER & HILL BEAUTY SCHOOL	FSEOG	$4,770	8	
128 EAST FOURTH STREET				
EAST LIVERPOOL OH 43920				
LIMA TECHNICAL COLLEGE	FSEOG	$48,789	79	
4240 CAMPUS DRIVE	FWS	$45,587	56	
LIMA OH 45804				
LORAIN BUSINESS COLLEGE	FEDERAL PERKINS LOAN		14	$19,101
1907 N RIDGE ROAD	FSEOG	$21,655	35	
LORAIN OH 44055	FWS	$11,888	14	
LORAIN COUNTY COMMUNITY COLLEGE	FWS	$85,772	105	
1005 NO ABBE ROAD				
ELYRIA OH 44035				
LOURDES COLLEGE	FEDERAL PERKINS LOAN		30	$39,411
6832 CONVENT BLVD	FSEOG	$41,240	67	
SYLVANIA OH 43560	FWS	$14,567	18	
MALONE COLLEGE	FEDERAL PERKINS LOAN		188	$245,595
515 25TH ST N W	FSEOG	$132,595	214	
CANTON OH 44709	FWS	$103,267	126	
MARIETTA COLLEGE	FEDERAL PERKINS LOAN	$17,362	375	$488,441
215 FIFTH STREET	FSEOG	$203,818	328	
MARIETTA OH 45750	FWS	$328,380	400	
MARION TECHNICAL COLLEGE	FWS	$22,908	28	
1467 MT VERNON AVE				
MARION OH 43302				

STATE OF OHIO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MEDICAL COLLEGE OF OHIO	FEDERAL PERKINS LOAN	$153,443	354	$460,330
P O BOX 10008	FWS	$70,000	85	
TOLEDO OH 43699				
METHODIST THEOLOGICAL SCH IN OHIO	FWS	$36,015	44	
3081 COLUMBUS PIKE BOX 1204				
DELAWARE OH 43015				
METROHEALTH MEDICAL CENTER SCHOOL OF NURSING	FSEOG	$6,400	10	
2500 METROHEALTH DRIVE				
CLEVELAND OH 44109				
MIAMI UNIVERSITY	FEDERAL PERKINS LOAN		1,020	$1,326,226
	FSEOG	$569,372	918	
OXFORD OH 45056	FWS	$467,171	570	
MIAMI-JACOBS JR COLLEGE OF BUSINESS	FEDERAL PERKINS LOAN		26	$34,406
400 E 2ND ST P O BOX 1433	FSEOG	$35,105	57	
DAYTON OH 45401	FWS	$14,669	18	
MOLER-HOLLYWOOD BEAUTY COLLEGE	FSEOG	$5,000	8	
26 E 6TH STREET				
CINCINNATI OH 45202				
MOLER-HOLLYWOOD BEAUTY COLLEGE	FSEOG	$2,980	5	
985 LILA AVENUE				
MILFORD OH 45150				
MOUNT UNION COLLEGE	FEDERAL PERKINS LOAN	$40,431	621	$807,450
1972 CLARK AVENUE	FSEOG	$229,271	370	
ALLIANCE OH 44601	FWS	$155,462	190	
MOUNT VERNON NAZARENE COLLEGE	FEDERAL PERKINS LOAN	$42,418	227	$295,490
800 MARTINSBURG ROAD	FSEOG	$120,141	194	
MOUNT VERNON OH 43050	FWS	$114,817	140	
MTI BUSINESS SCHOOL	FEDERAL PERKINS LOAN		6	$8,954
1901 E 13TH ST SUITE 310	FSEOG	$24,558	40	
CLEVELAND OH 44114	FWS	$13,491	16	
MUSKINGUM AREA TECHNICAL SCHOOL	FWS	$94,115	115	
1555 NEWARK ROAD				
ZANESVILLE OH 43701				
MUSKINGUM COLLEGE	FEDERAL PERKINS LOAN		303	$394,037
	FSEOG	$162,876	263	
NEW CONCORD OH 43762	FWS	$123,037	150	

STATE OF OHIO

INSTITUTION	PROGRAM	FEDERAL FUNDS	EST.MATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NATIONAL EDUCATION CTR-NATIONAL INST OF TECH CAM	FEDERAL PERKINS LOAN		46	$60,048
1225 ORLEN AVE	FSEOG	$35,948	58	
CUYAHOGA FALLS OH 44221	FWS	$28,801	35	
NATIONWIDE BEAUTY ACADEMY	FSEOG	$6,795	11	
898 S HAMILTON ROAD				
WHITEHALL OH 43213				
NATIONWIDE BEAUTY ACADEMY	FSEOG	$5,568	9	
88 WILSON ROAD				
COLUMBUS OH 43204				
NATIONWIDE BEAUTY ACADEMY	FSEOG	$5,017	8	
3120 OLENTANGY RIVER ROAD				
COLUMBUS OH 43202				
NATIONWIDE BEAUTY ACADEMY INC	FSEOG	$6,442	10	
5050 NORTH HIGH ST				
COLUMBUS OH 43214				
NORTH CENTRAL TECHNICAL COLLEGE	FSEOG	$99,468	160	
2441 KENWOOD CIRCLE PO BOX 698	FWS	$62,728	76	
MANSFIELD OH 44901				
NORTHEASTERN OHIO UNIV-COL OF MED	FEDERAL PERKINS LOAN	$66,025	143	$186,509
P O BOX 95-4209 STREET RT 44	FWS	$30,000	37	
ROOTSTOWN OH 44272				
NORTHERN INSTITUTE OF COSMETOLOGY	FSEOG	$5,568	9	
669 BROADWAY				
LORAIN OH 44052				
NORTHWEST TECHNICAL COLLEGE	FSEOG	$53,790	87	
RT 1 BOX 246-A	FWS	$25,581	31	
ARCHBOLD OH 43502				
NORTHWESTERN COLLEGE	FSEOG	$66,562	107	
1441 N CABLE RD	FWS	$25,236	31	
LIMA OH 45805				
NOTRE DAME COLLEGE	FEDERAL PERKINS LOAN		171	$223,320
4545 COLLEGE ROAD	FSEOG	$29,886	48	
CLEVELAND OH 44121	FWS	$19,507	24	
OBERLIN COLLEGE	FEDERAL PERKINS LOAN	$49,760	641	$833,991
	FSEOG	$527,643	851	
OBERLIN OH 44074	FWS	$384,991	470	

STATE OF OHIO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
OHIO AUTO DIESEL TECH INST	FEDERAL PERKINS LOAN		284	$370,351
1421 E 49TH ST	FSEOG	$74,304	120	
CLEVELAND OH 44103	FWS	$37,301	45	
OHIO COLLEGE OF PODIATRIC MEDICINE	FEDERAL PERKINS LOAN	$204,785	884	$1,150,326
10515 CARNEGIE AVENUE	FWS	$151,805	185	
CLEVELAND OH 44106				
OHIO DOMINICAN COLLEGE	FEDERAL PERKINS LOAN	$71,007	317	$412,443
1216 SUNBURY ROAD	FSEOG	$98,120	158	
COLUMBUS OH 43219	FWS	$90,575	110	
OHIO INST OF PHOTOGRAPHY & TECH	FSEOG	$17,471	28	
2029 EDGEFIELD ROAD	FWS	$2,197	3	
DAYTON OH 45439				
OHIO NORTHERN UNIVERSITY	FEDERAL PERKINS LOAN	$70,741	804	$1,046,443
525 SOUTH MAIN STREET	FSEOG	$398,911	643	
ADA OH 45810	FWS	$276,490	337	
OHIO STATE COLLEGE OF BARBER STYLING	FEDERAL PERKINS LOAN		23	$30,146
4376 KARL ROAD				
COLUMBUS OH 43224				
OHIO STATE UNIVERSITY	FEDERAL PERKINS LOAN	$1,521	4,904	$6,376,018
1800 CANNON DRIVE	FSEOG	$1,271,694	2,051	
COLUMBUS OH 43210	FWS	$2,271,139	2,770	
OHIO UNIVERSITY	FEDERAL PERKINS LOAN	$206,148	1,213	$1,578,081
020 CHUBB HALL	FSEOG	$575,178	928	
ATHENS OH 45701	FWS	$990,115	1,207	
OHIO WESLEYAN UNIVERSITY	FEDERAL PERKINS LOAN	$37,158	520	$676,041
61 SOUTH SANDUSKY STREET	FSEOG	$271,012	437	
DELAWARE OH 43015	FWS	$277,092	338	
OTTERBEIN COLLEGE	FEDERAL PERKINS LOAN		341	$444,289
COLLEGE AND GROVE STREETS	FSEOG	$278,760	450	
WESTERVILLE OH 43081	FWS	$225,422	275	
OWENS TECHNICAL COLLEGE	FEDERAL PERKINS LOAN		152	$198,195
P O BOX 10,000	FSEOG	$214,028	345	
TOLEDO OH 43699	FWS	$81,210	99	
PENN-OHIO COLLEGE	FSEOG	$9,906	16	
3517 MARKET STREET				
YOUNGSTOWN OH 44507				

STATE OF OHIO

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PONTIFICAL COLLEGE JOSEPHINUM		FEDERAL PERKINS LOAN	$3,319	40	$52,097
7625 NORTH HIGH STREET		FSEOG	$7,407	12	
COLUMBUS	OH 43085	FWS	$13,955	17	
PROVIDENCE HOSPITAL SCH OF NURSING		FEDERAL PERKINS LOAN	$8,083	26	$33,838
1912 HAYES AVE		FSEOG	$9,926	16	
SANDUSKY	OH 44870	FWS	$7,540	9	
RABBINICAL COLLEGE OF TELSHE		FSEOG	$41,195	66	
28400 EUCLID AVE		FWS	$122,175	149	
WICKLIFFE	OH 44092				
RETS TECH CENTER INC		FEDERAL PERKINS LOAN	$19,468	31	$40,448
116 WESTPARK ROAD		FSEOG	$43,427	70	
CENTERVILLE	OH 45459				
SCOTT COLLEGE OF COSMETOLOGY		FSEOG	$7,500	12	
434 MARKET STREET					
STEUBENVILLE	OH 43952				
SHAWNEE STATE UNIVERSITY		FSEOG	$188,247	304	
940 SECOND ST		FWS	$82,438	101	
PORTSMOUTH	OH 45662				
SINCLAIR COMMUNITY COLLEGE		FSEOG	$150,000	242	
444 WEST THIRD ST		FWS	$150,000	183	
DAYTON	OH 45402				
SKELLY BEAUTY ACADEMY INC		FSEOG	$6,725	11	
5585 PEARL RD					
PARMA	OH 44129				
SOUTHEASTERN BUSINESS COLLEGE		FEDERAL PERKINS LOAN		12	$16,164
1855 WESTERN AVENUE		FSEOG	$57,713	93	
CHILLICOTHE	OH 45601	FWS	$26,190	32	
SOUTHERN OHIO COLLEGE		FEDERAL PERKINS LOAN		184	$239,469
1055 LAIDLAW AVENUE		FSEOG	$112,110	181	
CINCINNATI	OH 45237	FWS	$20,308	25	
SOUTHERN STATE COMMUNITY COLLEGE		FSEOG	$100,000	161	
200 HOBART DR		FWS	$10,523	13	
HILLSBORO	OH 45133				
SOUTHWESTERN COLLEGE OF BUSINESS		FSEOG	$77,008	124	
225 W FIRST STREET					
DAYTON	OH 45402				

STATE OF OHIO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
STARK TECHNICAL COLLEGE	FSEOG	$99,854	161	
6200 FRANK AVE NW	FWS	$59,296	72	
CANTON OH 44720				
STAUTZENBERGER COLLEGE	FEDERAL PERKINS LOAN		72	$94,231
5355 SOUTHWICK BLVD	FSEOG	$63,132	102	
TOLEDO OH 43614	FWS	$25,126	31	
STAUTZENBERGER COLLEGE	FEDERAL PERKINS LOAN		0	$1,039
1637 TIFFIN AVE	FSEOG	$46,151	74	
FINDLAY OH 45840	FWS	$11,700	14	
STAUTZENBERGER COLLEGE	FEDERAL PERKINS LOAN		1	$2,004
1946 N 13TH ST STE 292	FSEOG	$16,005	26	
TOLEDO OH 43624	FWS	$611	1	
TECHNOLOGY EDUC CENTER	FEDERAL PERKINS LOAN		19	$25,783
288 S HAMILTON RD	FSEOG	$25,485	41	
COLUMBUS OH 43213				
THE CLEVELAND INSTITUTE OF MUSIC	FEDERAL PERKINS LOAN	$51,906	183	$237,958
11021 E BLVD	FSEOG	$22,886	37	
CLEVELAND OH 44106	FWS	$59,892	73	
THE COLLEGE OF WOOSTER	FEDERAL PERKINS LOAN	$116,448	606	$788,848
	FSEOG	$276,801	446	
WOOSTER OH 44691	FWS	$208,400	254	
THE UNION INSTITUTE	FEDERAL PERKINS LOAN		127	$165,557
440 EAST MCMILLAN ST	FSEOG	$135,979	219	
CINCINNATI OH 45206	FWS	$93,308	114	
TIFFIN UNIVERSITY	FEDERAL PERKINS LOAN	$8,957	39	$51,668
155 MIAMI STREET	FSEOG	$59,119	95	
TIFFIN OH 44883	FWS	$25,715	31	
TOTAL TECHNICAL INSTITUTE	FSEOG	$24,992	40	
6500 PEARL ROAD				
PARMA HEIGHTS OH 44130				
TRINITY LUTHERAN SEMINARY	FWS	$121,481	148	
2199 E MAIN STREET				
COLUMBUS OH 43209				
TRUMBULL BUSINESS COLLEGE	FEDERAL PERKINS LOAN		36	$48,057
3200 RIDGE ROAD	FSEOG	$24,557	40	
WARREN OH 44484	FWS	$5,417	7	

STATE OF OHIO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNITED THEOLOGICAL SEMINARY	FWS	$81,432	99	
1810 HARVARD BLVD				
DAYTON OH 45406				
UNIVERSITY OF AKRON	FEDERAL PERKINS LOAN	$385,050	1,416	$1,841,176
302 E BUCHTEL AVE	FSEOG	$759,590	1,225	
AKRON OH 44325	FWS	$809,329	987	
UNIVERSITY OF CINCINNATI	FEDERAL PERKINS LOAN	$661,698	3,271	$4,252,746
52 BEECHER HALL	FSEOG	$1,532,428	2,472	
CINCINNATI OH 45221	FWS	$785,076	957	
UNIVERSITY OF DAYTON	FEDERAL PERKINS LOAN		1,778	$2,311,492
300 COLLEGE PARK DRIVE	FSEOG	$574,871	927	
DAYTON OH 45469	FWS	$812,598	991	
UNIVERSITY OF FINDLAY	FEDERAL PERKINS LOAN		342	$445,399
1000 NORTH MAIN ST	FSEOG	$271,207	437	
FINDLAY OH 45840	FWS	$103,571	126	
UNIVERSITY OF RIO GRANDE	FEDERAL PERKINS LOAN	$34,832	176	$229,097
	FSEOG	$115,796	187	
RIO GRANDE OH 45674	FWS	$56,468	69	
UNIVERSITY OF TOLEDO	FEDERAL PERKINS LOAN	$796,163	1,937	$2,518,518
2801 W BANCROFT	FSEOG	$674,903	1,089	
TOLEDO OH 43606	FWS	$590,321	720	
URBANA UNIVERSITY	FEDERAL PERKINS LOAN	$52,248	272	$354,145
COLLEGE WAY	FSEOG	$157,058	253	
URBANA OH 43078	FWS	$102,126	125	
URSULINE COLLEGE	FEDERAL PERKINS LOAN		73	$95,726
2550 LANDER ROAD	FSEOG	$88,744	143	
PEPPER PIKE OH 44124	FWS	$51,869	63	
VIRGINIA MARTI COLLEGE OF FASHION & ART	FEDERAL PERKINS LOAN	$4,976	15	$20,136
11724 DETROIT AVENUE	FSEOG	$18,837	30	
LAKEWOOD OH 44107	FWS	$8,654	11	
VOGUE BEAUTY ACADEMY	FSEOG	$19,903	32	
13238 CEDAR ROAD				
CLEVELAND HEIGHTS OH 44118				
WALSH COLLEGE	FEDERAL PERKINS LOAN	$40,672	180	$234,723
2020 EASTON STREET	FSEOG	$64,667	104	
NORTH CANTON OH 44720	FWS	$70,139	86	

STATE OF OHIO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WASHINGTON STATE COMMUNITY COLLEGE	FWS	$26,177	32	
710 COLEGATE DRIVE				
MARIETTA OH 45750				
WEST SIDE INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$3,779	28	$36,590
9801 WALFORD AVENUE	FSEOG	$60,000	97	
CLEVELAND OH 44102	FWS	$13,882	17	
WILBERFORCE UNIVERSITY	FEDERAL PERKINS LOAN		225	$293,486
	FSEOG	$1,019,821	1,645	
WILBERFORCE OH 45384	FWS	$1,298,291	1,583	
WILMINGTON COLLEGE	FEDERAL PERKINS LOAN	$227,698	646	$839,825
	FSEOG	$326,977	527	
WILMINGTON OH 45177	FWS	$148,998	182	
WITTENBERG UNIVERSITY	FEDERAL PERKINS LOAN	$45,958	541	$703,913
P O BOX 720	FSEOG	$236,567	382	
SPRINGFIELD OH 45501	FWS	$159,392	194	
WRIGHT STATE UNIVERSITY	FEDERAL PERKINS LOAN	$364,685	1,140	$1,482,057
3640 COLONEL GLENN HIGHWAY	FSEOG	$361,602	583	
DAYTON OH 45435	FWS	$857,141	1,045	
XAVIER UNIVERSITY	FEDERAL PERKINS LOAN	$74,074	625	$813,022
3800 VICTORY PARKWAY	FSEOG	$251,602	406	
CINCINNATI OH 45207	FWS	$230,713	281	
YOUNGSTOWN STATE UNIVERSITY	FEDERAL PERKINS LOAN	$169,794	546	$710,054
410 WICK AVE	FSEOG	$250,000	403	
YOUNGSTOWN OH 44555	FWS	$221,736	270	
3-B SCHOOL OF BEAUTY	FSEOG	$5,322	9	
11 SOUTH 3RD STREET				
NEWARK OH 43055				

STATE OF OHIO	FEDERAL PERKINS LOAN	$6,052,188	33,995	NO. INSTITUTIONS 103
	FSEOG	$23,360,297	37,676	NO. INSTITUTIONS 140
	FWS	$24,011,350	29,282	NO. INSTITUTIONS 124

STATE OF OKLAHOMA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ALADDIN BEAUTY COLLEGE #9	FEDERAL PERKINS LOAN		0	$1,000
212 WEST COMMERCE	FSEOG	$16,373	26	
ALTUS OK 73521				
BACONE COLLEGE	FSEOG	$75,040	121	
2299 OLD BACONE ROAD	FWS	$75,918	93	
MUSKOGEE OK 74403				
BARTLESVILLE WESLEYAN COLLEGE	FEDERAL PERKINS LOAN	$8,337	105	$137,359
2201 SILVER LAKE RD	FSEOG	$86,859	140	
BARTLESVILLE OK 74006	FWS	$143,035	174	
BRYAN INSTITUTE	FEDERAL PERKINS LOAN		31	$40,979
2843 EAST 51 STREET	FSEOG	$30,972	50	
TULSA OK 74105	FWS	$6,056	7	
CADDO-KIOWA VOCATIONAL TECH CTR	FSEOG	$20,000	32	
BOX 190	FWS	$23,255	28	
FORT COBB OK 73038				
CAMERON UNIVERSITY	FEDERAL PERKINS LOAN		28	$37,230
2800 WEST GORE BLVD	FSEOG	$104,898	169	
LAWTON OK 73505	FWS	$169,454	207	
CARL ALBERT STATE COLLEGE	FEDERAL PERKINS LOAN	$72,289	140	$182,063
1507 SOUTH MCKENNA	FSEOG	$67,526	109	
POTEAU OK 74953	FWS	$113,357	138	
CENTRAL OKLAHOMA AREA VOC TECH SCH	FSEOG	$9,511	15	
3 C T CIRCLE	FWS	$4,742	6	
DRUMRIGHT OK 74030				
CLIMATE CONTROL INST	FSEOG	$16,732	27	
708 SO SHERIDAN	FWS	$7,463	9	
TULSA OK 74112				
CONNORS STATE COLLEGE	FEDERAL PERKINS LOAN	$29,486	84	$110,422
	FSEOG	$135,856	219	
WARNER OK 74469	FWS	$94,127	115	
EAST CENTRAL UNIVERSITY	FEDERAL PERKINS LOAN		251	$327,118
1000 EAST 14TH STREET	FSEOG	$130,173	210	
ADA OK 74820	FWS	$296,403	381	
EASTERN OKLAHOMA STATE COLLEGE	FEDERAL PERKINS LOAN		114	$148,782
1301 WEST MAIN	FSEOG	$46,512	75	
WILBURTON OK 74578	FWS	$87,896	107	

STATE OF OKLAHOMA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
EVE'S COLLEGE OF HAIRSTYLING	FSEOG	$9,445	15	
912 C AVENUE				
LAWTON OK 73501				
FRANCIS TUTTLE VOCATIONAL TECH CENTER	FSEOG	$5,742	9	
12777 NORTH ROCKWELL AVENUE	FWS	$6,348	8	
OKLAHOMA CITY OK 73142				
GORDON COOPER AREA VOC TECH SCHOOL	FWS	$12,332	15	
4801 N HARPISON				
SHAWNEE OK 74801				
GREAT PLAINS AREA VO-TECH SCHOOL	FSEOG	$3,990	6	
4500 WEST LEE BLVD	FWS	$202		
LAWTON OK 73505				
HIGH PLAINS AREA VO TECH SCHOOL	FSEOG	$5,934	10	
3921 34TH STREET	FWS	$5,831	7	
WOODWARD OK 73801				
HOLLYWOOD COSMETOLOGY CENTER	FSEOG	$6,998	11	
PO BOX 890488	FWS	$5,113	6	
OKLAHOMA CITY OK 73189				
KIAMICHI AREA VOCATIONAL TECH SD-7	FSEOG	$39,386	64	
1004 HIGHWAY 2 NORTH	FWS	$51,925	63	
WILBURTON OK 74578				
LANGSTON UNIVERSITY	FEDERAL PERKINS LOAN		121	$158,598
P O BOX 668	FSEOG	$140,482	227	
LANGSTON OK 73050	FWS	$290,205	354	
MID AMERICA BIBLE COLLEGE	FEDERAL PERKINS LOAN	$6,920	35	$46,114
3500 SW 119TH STREET	FSEOG	$4,911	8	
OKLAHOMA CITY OK 73170	FWS	$34,786	42	
MID DEL COLLEGE	FEDERAL PERKINS LOAN	$4,283	4	$5,711
3420 S SUNNY LANE	FSEOG	$6,669	11	
DEL CITY OK 73155	FWS	$1,412	2	
MOORE-NORMAN VOC-TECH SCHOOL #17	FSEOG	$12,272	20	
4701 12TH AVE NW	FWS	$6,136	7	
NORMAN OK 73069				
MURRAY STATE COLLEGE	FEDERAL PERKINS LOAN	$24,880	81	$106,357
1100 S BYRD	FSEOG	$52,326	84	
TISHOMINGO OK 73460	FWS	$74,505	91	

STATE OF OKLAHOMA

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NAT'L EDUCATION CNTR-SPARTAN SCH OF AERONAUTIC C		FEDERAL PERKINS LOAN	$125,046	437	$568,880
8820 E PINE ST		FSEOG	$195,929	316	
TULSA	OK 74151	FWS	$64,841	79	
NORTHEASTERN OKLAHOMA A & M COLLEGE		FEDERAL PERKINS LOAN		225	$292,664
200 I ST NE		FSEOG	$98,063	158	
MIAMI	OK 74354	FWS	$120,989	148	
NORTHEASTERN OKLAHOMA STATE UNIV		FEDERAL PERKINS LOAN	$942	1,439	$1,870,747
		FSEOG	$326,434	527	
TAHLEQUAH	OK 74464	FWS	$498,687	608	
NORTHERN OKLAHOMA COLLEGE		FEDERAL PERKINS LOAN	$995	10	$13,982
P O BOX 310		FSEOG	$20,000	32	
TONKAWA	OK 74653	FWS	$27,529	34	
NORTHWESTERN OKLA. STATE UNIV.		FEDERAL PERKINS LOAN		70	$91,661
709 OKLAHOMA BLVD		FSEOG	$75,500	122	
ALVA	OK 73717	FWS	$93,549	114	
OKLAHOMA BAPTIST UNIVERSITY		FEDERAL PERKINS LOAN		136	$177,266
500 WEST UNIVERSITY		FSEOG	$120,278	194	
SHAWNEE	OK 74801	FWS	$134,144	164	
OKLAHOMA CHRISTIAN UNIVERSITY OF SCIENCE & ARTS		FEDERAL PERKINS LOAN	$19,563	394	$513,392
BOX 11000		FSEOG	$297,878	480	
OKLAHOMA CITY	OK 73136	FWS	$207,677	253	
OKLAHOMA CITY COMMUNITY COLLEGE		FEDERAL PERKINS LOAN	$26,253	94	$122,233
7777 SO MAY AVE		FSEOG	$129,400	209	
OKLAHOMA CITY	OK 73159	FWS	$62,163	76	
OKLAHOMA CITY UNIVERSITY		FEDERAL PERKINS LOAN		546	$710,123
2501 NO BLACKWELDER		FSEOG	$120,786	195	
OKLAHOMA CITY	OK 73106	FWS	$196,901	240	
OKLAHOMA JUNIOR COLLEGE OF BUSINESS AND TECHNOLO		FEDERAL PERKINS LOAN		0	$1,014
3232 NORTHWEST 65TH		FSEOG	$43,094	70	
OKLAHOMA CITY	OK 73116	FWS	$26,318	32	
OKLAHOMA PANHANDLE STATE UNIVERSITY		FEDERAL PERKINS LOAN		70	$91,104
P O BOX 430		FSEOG	$24,183	39	
GOODWELL	OK 73939	FWS	$23,155	28	
OKLAHOMA STATE UNIV-AGRIC & APP SCI		FEDERAL PERKINS LOAN	$245,440	1,765	$2,294,836
109 HANNER HALL		FSEOG	$466,483	752	
STILLWATER	OK 74078	FWS	$721,763	880	

STATE OF OKLAHOMA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
OKLAHOMA STATE UNIVERSITY TECHNICAL BRANCH	FEDERAL PERKINS LOAN	$71,308	473	$615,498
1801 EAST 4TH	FSEOG	$280,569	453	
OKMULGEE OK 74447	FWS	$397,578	485	
OKLAHOMA STATE UNIVERSITY, TECH BRANCH	FSEOG	$155,966	252	
900 NO PORTLAND	FWS	$41,203	50	
OKLAHOMA CITY OK 73107				
ORAL ROBERTS UNIVERSITY	FEDERAL PERKINS LOAN	$870,699	2,486	$3,232,600
7777 S LEWIS AVE	FSEOG	$340,512	549	
TULSA OK 74171	FWS	$455,628	556	
OSU-COLLEGE OF OSTEOPATHIC MEDICINE	FEDERAL PERKINS LOAN	$59,713	198	$257,698
1111 W 17TH STREET	FWS	$21,282	26	
TULSA OK 74107				
PHILLIPS UNIVERSITY	FEDERAL PERKINS LOAN	$7,342	168	$218,790
UNIVERSITY STATION	FSEOG	$111,333	180	
ENID OK 73702	FWS	$98,345	120	
PIONEER AREA VOC-TECH SCH DIST 13	FSEOG	$4,252	7	
2101 NORTH ASH	FWS	$4,637	6	
PONCA CITY OK 74601				
PLATT COLLEGE	FEDERAL PERKINS LOAN		13	$16,978
4821 S 72ND E AVENUE	FSEOG	$64,404	104	
2 TULSA OK 74145				
REDLANDS COMMUNITY COLLEGE	FSEOG	$30,467	49	
1300 COUNTRY CLUB ROAD	FWS	$23,843	29	
EL RENO OK 73036				
ROGERS STATE COLLEGE	FEDERAL PERKINS LOAN		23	$30,641
COLLEGE HILL	FSEOG	$163,238	263	
CLAREMORE OK 74017	FWS	$109,207	133	
ROSE STATE COLLEGE	FEDERAL PERKINS LOAN		46	$60,313
6420 SOUTHEAST 15TH	FSEOG	$188,494	304	
MIDWEST CITY OK 73110	FWS	$157,191	192	
SAINT GREGORY'S COLLEGE	FEDERAL PERKINS LOAN	$20,413	102	$133,544
1900 W MCARTHUR DRIVE	FSEOG	$22,038	36	
SHAWNEE OK 74801	FWS	$35,177	43	
SEMINOLE JR COLLEGE	FEDERAL PERKINS LOAN		4	$5,593
P O BOX 351	FSEOG	$37,758	61	
SEMINOLE OK 74868	FWS	$44,120	54	

STATE OF OKLAHOMA

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SHAWNEE SCHOOL OF COSMETOLOGY		FSEOG	$8,000	13	
400 E HIGHLAND		FWS	$5,410	7	
SHAWNEE	OK 74801				
SOUTHEASTERN OKLA. STATE UNIV.		FEDERAL PERKINS LOAN		359	$466,743
BOX 4113		FSEOG	$198,311	320	
DURANT	OK 74701	FWS	$233,692	285	
SOUTHERN NAZARENE COLLEGE		FEDERAL PERKINS LOAN	$25,521	484	$629,329
6729 NW 39TH EXPRESSWAY		FSEOG	$134,531	217	
BETHANY	OK 73008	FWS	$83,210	101	
SOUTHWESTERN COLLEGE OF CHRISTIAN MINISTRIES		FEDERAL PERKINS LOAN		6	$8,666
P O BOX 340		FSEOG	$11,174	18	
BETHANY	OK 73008	FWS	$41,524	51	
SOUTHWESTERN OKLA. STATE UNIV.		FSEOG	$95,454	154	
100 CAMPUS DRIVE		FWS	$125,230	153	
WEATHERFORD	OK 73096				
TRI COUNTY AREA VOCATIONAL CENTER SCHOOL		FWS	$19,044	23	
6101 HOWATA RD					
BARTLESVILLE	OK 74006				
TULSA COUNTY AREA VOC-TECH SCHOOL MEMOR CAMPUS		FSEOG	$25,000	40	
3420 S MEMORIAL DR					
TULSA	OK 74145				
TULSA JR COLLEGE		FEDERAL PERKINS LOAN		11	$15,133
909 SOUTH BOSTON		FSEOG	$180,212	291	
TULSA	OK 74119	FWS	$134,779	164	
TULSA WELDING SCHOOL		FSEOG	$65,017	105	
3038 SOUTHWEST BOULEVARD					
TULSA	OK 74107				
UNIVERSITY OF CENTRAL OKLAHOMA		FEDERAL PERKINS LOAN	$4,814	950	$1,235,524
100 N UNIVERSITY DRIVE		FSEOG	$253,273	409	
EDMOND	OK 73034	FWS	$294,063	359	
UNIVERSITY OF OKLAHOMA		FEDERAL PERKINS LOAN	$259,171	2,075	$2,698,553
731 ELM ROBERTSON HALL		FSEOG	$521,835	842	
NORMAN	OK 73019	FWS	$761,379	929	
UNIVERSITY OF SCI & ARTS OF OKLAHOM		FEDERAL PERKINS LOAN		37	$48,998
PO BOX 82345		FSEOG	$57,640	93	
CHICKASHA	OK 73018	FWS	$251,892	307	

STATE OF OKLAHOMA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF TULSA	FEDERAL PERKINS LOAN	$377,583	1,380	$1,795,091
600 SO COLLEGE	FSEOG	$370,234	597	
TULSA OK 74104	FWS	$339,953	415	
WESTERN OKLA AREA VOC-TECH CENTER	FWS	$402	0	
BOX 1469				
BURNS FLAT OK 73624				
WESTERN OKLA. STATE COL.	FSEOG	$27,779	45	
2801 NORTH MAIN	FWS	$42,604	52	
ALTUS OK 73521				
WRIGHT BUSINESS SCHOOL	FSEOG	$68,382	110	
2219 SW 74TH SUITE 122-125	FWS	$3,838	5	
OKLAHOMA CITY OK 73159				

STATE OF OKLAHOMA	FEDERAL PERKINS LOAN	$2,260,998	12,904	NO. INSTITUTIONS 41
	FSEOG	$6,362,508	10,264	NO. INSTITUTIONS 60
	FWS	$7,413,448	9,041	NO. INSTITUTIONS 59

STATE OF OREGON

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
APOLLO COLLEGE OF MEDICAL	FEDERAL PERKINS LOAN		18	$23,544
2600 SE 98TH	FSEOG	$33,062	53	
PORTLAND OR 97266				
BASSIST COLLEGE	FEDERAL PERKINS LOAN		38	$50,055
2000 SW FIFTH AVE	FSEOG	$24,294	39	
PORTLAND OR 97201	FWS	$1,477	2	
BLUE MOUNTAIN COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		54	$70,209
PO BX 100 2411 NW CARDEN	FSEOG	$47,835	77	
PENDLETON OR 97801	FWS	$58,051	71	
CENTRAL OREGON COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$27,702	97	$127,159
2600 NW COLLEGE WAY	FSEOG	$104,408	168	
BEND OR 97701	FWS	$116,043	142	
CHEMEKETA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$202,324	504	$655,835
PO BOX 14007	FSEOG	$299,810	484	
SALEM OR 97309	FWS	$498,132	607	
CLACKAMAS COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$87,845	239	$311,525
19600 SO MOLALLA AVE	FSEOG	$146,279	236	
OREGON CITY OR 97045	FWS	$171,189	209	
CLATSOP COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$11,703	28	$36,714
1653 JEROME ST	FSEOG	$93,887	151	
ASTORIA OR 97103	FWS	$93,339	114	
COLLEGE AMERICA	FEDERAL PERKINS LOAN		36	$47,486
921 SW WASHINGTON #200	FSEOG	$22,723	37	
PORTLAND OR 97205	FWS	$17,708	22	
CONCORDE CAREER INSTITUTE	FEDERAL PERKINS LOAN		60	$78,293
1827 NE 44TH ST	FSEOG	$41,862	68	
PORTLAND OR 97201				
CONCORDIA COLLEGE	FEDERAL PERKINS LOAN	$24,383	77	$100,717
2811 N E HOLMAN	FSEOG	$83,521	135	
PORTLAND OR 97211	FWS	$63,142	77	
DELTA COLLEGE OF BUSINESS & TECHNOLOGY	FSEOG	$60,000	97	
95 CENTENNIAL LOOP	FWS	$16,000	20	
EUGENE OR 97401				
EASTERN OREGON STATE COLLEGE	FEDERAL PERKINS LOAN		290	$377,028
1410 L AVE	FSEOG	$119,234	192	
LA GRANDE OR 97850	FWS	$151,908	185	

STATE OF OREGON

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
EUGENE BIBLE COLLEGE	FSEOG	$21,959	35	
2155 BAILEY HILL ROAD	FWS	$10,081	12	
EUGENE OR 97405				
GEORGE FOX COLLEGE	FEDERAL PERKINS LOAN	$53,889	269	$350,976
414 N MERIDIAN STREET	FSEOG	$186,735	301	
NEWBERG OR 97132	FWS	$255,037	311	
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		108	$141,670
6035 NE 78TH COURT	FSEOG	$119,944	193	
PORTLAND OR 97218	FWS	$45,451	55	
LANE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$291,816	837	$1,088,328
4000 EAST 30TH AVENUE	FSEOG	$484,457	781	
EUGENE OR 97405	FWS	$598,915	730	
LEWIS & CLARK COLLEGE	FEDERAL PERKINS LOAN	$195,484	1,078	$1,402,471
0615 S W PALATINE HILL RD	FSEOG	$329,342	531	
PORTLAND OR 97219	FWS	$393,197	480	
LINFIELD COLLEGE	FEDERAL PERKINS LOAN	$122,791	506	$658,151
	FSEOG	$288,118	465	
MCMINNVILLE OR 97128	FWS	$246,432	301	
LINN BENTON COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$146,295	328	$427,345
6500 SW PACIFIC BLVD	FSEOG	$192,705	311	
ALBANY OR 97321	FWS	$240,364	293	
MARYLHURST COLLEGE FOR LIFELONG LEARNING	FEDERAL PERKINS LOAN	$28,778	71	$93,447
P O BOX 261	FSEOG	$60,931	98	
MARYHURST OR 97036	FWS	$36,331	44	
MOUNT HOOD COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$121,258	452	$588,396
26000 S E STARK STREET	FSEOG	$220,472	356	
GRESHAM OR 97030	FWS	$400,761	489	
MULTNOMAH BIBLICAL SEMINARY	FSEOG	$47,811	77	
8435 NE GLISAN	FWS	$41,485	51	
PORTLAND OR 97220				
NAT COL OF NATUROPATHIC MEDICINE	FWS	$18,722	23	
11231 SE MARKET ST				
PORTLAND OR 97216				
NORTHWEST CHRISTIAN COLLEGE	FEDERAL PERKINS LOAN	$22,890	50	$65,432
828 E 11TH AVENUE	FSEOG	$19,409	31	
EUGENE OR 97401	FWS	$23,776	29	

STATE OF OREGON

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
OREGON COL OF ORIENTAL MEDICINE			FWS	$9,596	12	
10525 SE CHERRY BLOSSOM DR						
PORTLAND	OR	97216				
OREGON HEALTH SCIENCE UNIVERSITY			FEDERAL PERKINS LOAN	$362,844	868	$1,129,110
3181 SW SAM JACKSON PK RD			FSEOG	$23,204	37	
PORTLAND	OR	97201	FWS	$80,000	98	
OREGON INST OF TECH			FEDERAL PERKINS LOAN	$68,663	450	$585,132
3201 CAMPUS DRIVE			FSEOG	$156,232	252	
KLAMATH FALLS	OR	97601	FWS	$183,083	223	
OREGON POLYTECHNIC INSTITUTE			FSEOG	$32,945	53	
900 SE SANDY BLVD			FWS	$10,552	13	
PORTLAND	OR	97214				
OREGON SCHOOL OF ARTS & CRAFTS			FSEOG	$5,568	9	
8245 SW BARNES RD			FWS	$5,113	6	
PORTLAND	OR	97225				
OREGON STATE UNIVERSITY			FEDERAL PERKINS LOAN	$31,538	4,788	$6,225,295
			FSEOG	$994,777	1,604	
CORVALLIS	OR	97331	FWS	$426,284	520	
PACIFIC NORTHWEST COLLEGE OF ART			FSEOG	$30,091	49	
1219 SW PARK			FWS	$25,057	31	
PORTLAND	OR	97205				
PACIFIC UNIVERSITY			FEDERAL PERKINS LOAN	$171,632	861	$1,119,467
2043 COLLEGE WAY			FSEOG	$206,282	333	
FOREST GROVE	OR	97116	FWS	$321,409	392	
PHAGAN'S SCHOOL OF HAIR DESIGN			FSEOG	$5,567	9	
16550 SE MCLOUGHLIN BLVD						
PORTLAND	OR	97267				
PHAGANS BEAUTY COLLEGE			FSEOG	$5,057	8	
142 SW SECOND STREET						
CORVALLIS	OR	97333				
PHAGANS CENTRAL OREGON BEAUTY CLG			FSEOG	$5,568	9	
355 NE 2ND ST						
BEND	OR	97701				
PHAGANS SCHOOL OF BEAUTY			FSEOG	$6,291	10	
622 LANCASTER NE						
SALEM	OR	97301				

STATE OF OREGON

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PHAGANS'MEDFORD BEAUTY SCHOOL	FSEOG	$5,713	9	
2316 POPLAR DR				
MEDFORD OR 97504				
PORTLAND COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$349,724	1,132	$1,472,536
12000 S W 49TH AVE	FSEOG	$859,614	1,386	
PORTLAND OR 97219	FWS	$543,378	663	
PORTLAND STATE UNIVERSITY	FEDERAL PERKINS LOAN	$128,332	1,282	$1,667,553
P O BOX 751	FSEOG	$945,229	1,525	
PORTLAND OR 97207	FWS	$1,149,220	1,401	
ROGUE COMMUNITY COLLEGE	FSEOG	$101,406	164	
3345 REDWOOD HWY	FWS	$92,331	113	
GRANTS PASS OR 97526				
SOUTHERN OREGON STATE COLLEGE	FEDERAL PERKINS LOAN		879	$1,142,749
1250 SISKIYOU BLVD	FSEOG	$401,410	647	
ASHLAND OR 97520	FWS	$402,194	490	
SOUTHWESTERN OREGON COMMUNITY COL	FEDERAL PERKINS LOAN	$34,832	81	$106,453
1988 NEWMARK	FSEOG	$72,149	116	
COOS BAY OR 97420	FWS	$83,760	102	
THE REED COLLEGE	FEDERAL PERKINS LOAN	$188,362	402	$522,625
3208 SE WOODSTOCK BLVD	FSEOG	$253,082	408	
PORTLAND OR 97202	FWS	$145,682	178	
TREASURE VALLEY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$10,985	86	$113,083
650 COLLEGE BLVD	FSEOG	$35,077	57	
ONTARIO OR 97914	FWS	$64,125	78	
TREND COLLEGE - EUGENE	FEDERAL PERKINS LOAN	$35,156	187	$243,790
1050 GREEN ACRE RD	FSEOG	$38,541	62	
EUGENE OR 97401	FWS	$20,670	25	
TREND COLLEGE - PORTLAND	FEDERAL PERKINS LOAN	$65,669	465	$604,612
1950 SW 6TH AVENUE	FSEOG	$104,885	169	
PORTLAND OR 97201	FWS	$23,214	28	
TREND COLLEGE - SALEM	FEDERAL PERKINS LOAN	$28,908	326	$424,913
210 LIBERTY ST SE	FSEOG	$75,714	122	
SALEM OR 97301	FWS	$28,347	35	
UMPQUA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$20,777	81	$106,569
P O BOX 967	FSEOG	$75,408	122	
ROSEBURG OR 97470	FWS	$75,662	92	

STATE OF OREGON

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF OREGON	FEDERAL PERKINS LOAN		3,312	$4,306,404
260 OREGON HALL	FSEOG	$1,049,759	1,693	
EUGENE OR 97403	FWS	$1,441,251	1,758	
UNIVERSITY OF PORTLAND	FEDERAL PERKINS LOAN	$31,044	449	$583,712
5000 N WILLAMETTE BLVD	FSEOG	$246,594	398	
PORTLAND OR 97203	FWS	$162,667	198	
WARNER PACIFIC COLLEGE	FEDERAL PERKINS LOAN		155	$202,320
2219 SE 68TH AVE	FSEOG	$118,945	192	
PORTLAND OR 97215	FWS	$134,360	164	
WESTERN BAPTIST COLLEGE	FEDERAL PERKINS LOAN	$28,746	124	$162,358
5000 DEER PARK DRIVE SE	FSEOG	$60,645	98	
SALEM OR 97301	FWS	$41,266	50	
WESTERN BUSINESS COLLEGE	FEDERAL PERKINS LOAN		66	$86,505
505 SW 6TH AVE	FSEOG	$75,000	121	
PORTLAND OR 97204	FWS	$30,000	37	
WESTERN CULINARY INSTITUTE	FEDERAL PERKINS LOAN		21	$28,340
1316 SW 13TH AVE	FSEOG	$64,461	104	
PORTLAND OR 97201	FWS	$21,044	26	
WESTERN OREGON STATE COLLEGE	FEDERAL PERKINS LOAN		543	$706,107
345 N MONMOUTH AVENUE	FSEOG	$207,036	334	
MONMOUTH OR 97361	FWS	$231,573	282	
WESTERN STATES CHIROPRACTIC COLLEGE	FEDERAL PERKINS LOAN	$134,353	430	$559,534
2900 NE 132ND AVE	FWS	$51,516	63	
PORTLAND OR 97230				
WILLAMETTE UNIVERSITY	FEDERAL PERKINS LOAN	$27,047	751	$977,465
900 STATE STREET	FSEOG	$312,596	504	
SALEM OR 97301	FWS	$382,920	467	

STATE OF OREGON	FEDERAL PERKINS LOAN	$3,055,770	17,299	NO. INSTITUTIONS	43
	FSEOG	$9,623,644	15,520	NO. INSTITUTIONS	54
	FWS	$9,683,815	11,812	NO. INSTITUTIONS	50

STATE OF PENNSYLVANIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ACADEMY OF MEDICAL ARTS & BUSINESS	FSEOG	$24,264	39	
279 BOAS STREET	FWS	$6,993	9	
HARRISBURG PA 17102				
ALBRIGHT COLLEGE	FEDERAL PERKINS LOAN	$62,089	324	$422,377
13TH& EXETER STS., PO BOX15234	FSEOG	$114,668	185	
READING PA 19612	FWS	$146,387	179	
ALLEGHENY BUSINESS INSTITUTE	FSEOG	$4,536	7	
339 BLVD OF THE ALLIES 3RD FL				
PITTSBURGH PA 15222				
ALLEGHENY COLLEGE	FEDERAL PERKINS LOAN	$6,439	603	$784,694
NORTH MAIN STREET	FSEOG	$353,736	571	
MEADVILLE PA 16335	FWS	$271,384	331	
ALLENTOWN COLLEGE OF ST FRANCIS DE SALES	FEDERAL PERKINS LOAN	$34,832	169	$219,811
2755 STATION AVE	FSEOG	$177,962	287	
CENTER VALLEY PA 18034	FWS	$109,370	133	
ALLENTOWN SCHOOL OF COSMETOLOGY	FSEOG	$12,311	20	
1921 UNION BOULEVARD				
ALLENTOWN PA 18103				
ALVERNIA COLLEGE	FEDERAL PERKINS LOAN	$20,942	106	$137,802
400 ST BERNARDINE STREET	FSEOG	$72,028	116	
READING PA 19607	FWS	$29,263	36	
AMERICAN INSTITUTE OF DESIGN	FSEOG	$48,947	79	
1616 ORTHODOX ST				
PHILADELPHIA PA 19124				
ANTONELLI INSTITUTE	FEDERAL PERKINS LOAN		5	$6,896
1700 INDUSTRIAL HWY	FSEOG	$5,948	10	
POTTSTOWN PA 19464				
ANTONELLI INSTITUTE OF ART AND PHOTOGRAPHY	FEDERAL PERKINS LOAN	$9,971	49	$64,592
2910 JOLLY ROAD P O BOX 570	FSEOG	$17,729	29	
PLYMOUTH MEETING PA 19462				
ART INSTITUTE OF PHILADELPHIA	FEDERAL PERKINS LOAN		90	$117,895
1622 CHESTNUT STREET	FSEOG	$190,099	307	
PHILADELPHIA PA 19103	FWS	$58,241	71	
ART INSTITUTE OF PITTSBURGH	FEDERAL PERKINS LOAN	$89,568	271	$352,334
526 PENN AVE	FSEOG	$384,008	619	
PITTSBURGH PA 15222	FWS	$100,799	123	

STATE OF PENNSYLVANIA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BEAVER COLLEGE			FEDERAL PERKINS LOAN	$11,346	95	$123,949
450 S EASTON ROAD			FSEOG	$70,947	114	
GLENSIDE	PA	19038	FWS	$74,198	90	
BEREAN MANUAL TRAINING AND INDUSTRIAL SCHOOLS			FSEOG	$21,711	35	
1901 W GIRARD AVE			FWS	$16,640	20	
PHILADELPHIA	PA	19130				
BERKS TECHNICAL INSTITUTE			FEDERAL PERKINS LOAN		11	$15,459
833 N PARK RD			FSEOG	.25,451	41	
WYOMISSING	PA	19610	FWS	$11,598	14	
BLOOMSBURG UNIVERSITY			FEDERAL PERKINS LOAN	$94,500	328	$427,002
			FSEOG	$229,735	371	
BLOOMSBURG	PA	17815	FWS	$566,204	690	
BRADFORD SCHOOL			FEDERAL PERKINS LOAN	$27,343	127	$166,008
355 FIFTH AVENUE PARK BLDG			FSEOG	$69,284	112	
PITTSBURGH	PA	15222				
BRADLEY ACADEMY FOR THE VISUAL ARTS			FSEOG	$18,993	31	
625 E PHILADELPHIA ST			FWS	$1,268	2	
YORK	PA	17403				
BRYN MAWR COLLEGE			FEDERAL PERKINS LOAN	$48,921	549	$714,457
101 N MERION AVE			FSEOG	$161,111	260	
BRYN MAWR	PA	19010	FWS	$160,791	196	
BUCKNELL UNIVERSITY			FEDERAL PERKINS LOAN	$189,415	548	$712,489
			FSEOG	$364,964	589	
LEWISBURG	PA	17837	FWS	$227,323	277	
BUCKS COUNTY COMMUNITY COLLEGE			FEDERAL PERKINS LOAN	$54,297	118	$154,596
SWAMP ROAD			FSEOG	$360,195	581	
NEWTOWN	PA	18940	FWS	$466,594	569	
BUTLER COUNTY COMMUNITY COLLEGE			FSEOG	$40,000	65	
PO BOX 1203 COLLEGE DR OAKHILL			FWS	$49,423	60	
BUTLER	PA	16003				
CABRINI COLLEGE			FEDERAL PERKINS LOAN	$16,468	97	$127,246
610 KING OF PRUSSIA ROAD			FSEOG	$85,082	137	
RADNOR	PA	19087	FWS	$84,653	103	
CALIFORNIA UNIVERSITY OF PA			FEDERAL PERKINS LOAN	$99,602	347	$451,984
250 UNIVERSITY AVENUE			FSEOG	$231,152	373	
CALIFORNIA	PA	15419	FWS	$272,221	332	

STATE OF PENNSYLVANIA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CAREER TRAINING ACADEMY			FSEOG	$11,036	18	
703 5TH AVE						
NEW KENSINGTON	PA	15060				
CARLOW COLLEGE			FEDERAL PERKINS LOAN		212	$276,640
3333 FIFTH AVE			FSEOG	$168,371	272	
PITTSBURGH	PA	15213	FWS	$192,428	235	
CARNEGIE MELLON UNIVERSITY			FEDERAL PERKINS LOAN	$506,892	2,077	$2,701,017
5000 FORBES AVE			FSEOG	$1,694,242	2,733	
PITTSBURGH	PA	15213	FWS	$1,219,345	1,487	
CEDAR CREST COLLEGE			FEDERAL PERKINS LOAN	$5,168	76	$99,902
100 COLLEGE DRIVE			FSEOG	$115,060	186	
ALLENTOWN	PA	18104	FWS	$68,338	83	
CENTRAL PENNSYLVANIA BUSINESS SCH			FSEOG	$76,710	124	
COLLEGE HILL ROAD			FWS	$44,272	54	
SUMMERDALE	PA	17093				
CHATHAM COLLEGE			FEDERAL PERKINS LOAN		154	$201,023
WOODLAND ROAD			FSEOG	$78,701	127	
PITTSBURGH	PA	15232	FWS	$127,176	155	
CHESTNUT HILL COLLEGE			FEDERAL PERKINS LOAN	$14,368	90	$117,319
9601 GERMANTOWN AVE			FSEOG	$65,951	106	
PHILADELPHIA	PA	19118	FWS	$40,491	49	
CHEYNEY UNIVERSITY OF PENNSYLVANIA			FEDERAL PERKINS LOAN		139	$180,798
			FSEOG	$344,440	556	
CHEYNEY	PA	19319	FWS	$197,708	241	
CLARION UNIVERSITY OF PENNSYLVANIA			FEDERAL PERKINS LOAN		204	$265,513
WOOD STREET			FSEOG	$100,000	161	
CLARION	PA	16214	FWS	$223,480	273	
CLARISSA OF FASHION DESIGN			FSEOG	$7,294	12	
332 FIFTH AVE WARNER CENTER						
PITTSBURGH	PA	15222				
COLLEGE MISERICORDIA			FEDERAL PERKINS LOAN	$6,475	146	$190,579
LAKE STREET			FSEOG	$145,667	235	
DALLAS	PA	18612	FWS	$121,394	148	
COMMUNITY COLLEGE OF ALLEGHENY CO			FEDERAL PERKINS LOAN		20	$27,018
800 ALLEGHENY AVENUE			FSEOG	$262,080	423	
PITTSBURGH	PA	15233	FWS	$313,728	383	

STATE OF PENNSYLVANIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
COMMUNITY COLLEGE OF BEAVER COUNTY	FSEOG	$70,000	113	
ONE CAMPUS DRIVE	FWS	$55,669	68	
MONACA PA 15061				
COMMUNITY COLLEGE OF PHILADELPHIA	FEDERAL PERKINS LOAN		408	$530,749
1700 SPRING GARDEN STREET	FSEOG	$790,148	1,274	
PHILADELPHIA PA 19130	FWS	$489,138	597	
COMPUTER TECH	FSEOG	$82,414	133	
107 SIXTH ST FULTON BLDG				
PITTSBURGH PA 15222				
DATA PROCESSING TRAINERS	FSEOG	$27,835	45	
2824 COTTMAN AVE SUITE 4				
PHILADELPHIA PA 19149				
DEAN INSTITUTE OF TECHNOLOGY	FSEOG	$17,224	28	
1501 W LIBERTY AVE				
PITTSBURGH PA 15226				
DELAWARE COUNTY COMMUNITY COLLEGE	FSEOG	$189,988	306	
ROUTE 252 & MEDIA LINE RDAD	FWS	$120,000	146	
MEDIA PA 19063				
DELAWARE VALLEY COLLEGE	FEDERAL PERKINS LOAN		323	$420,453
700 EAST BUTLER AVENUE	FSEOG	$108,338	175	
DOYLESTOWN PA 18901	FWS	$80,896	99	
DICKINSON COLLEGE	FEDERAL PERKINS LOAN	$70,740	359	$467,732
WEST HIGH STREET	FSEOG	$344,035	555	
CARLISLE PA 17013	FWS	$254,762	311	
DICKINSON SCHOOL OF LAW THE	FWS	$85,539	104	
150 SO COLLEGE ST				
CARLISLE PA 17013				
DREXEL UNIVERSITY	FEDERAL PERKINS LOAN		891	$1,158,434
32ND & CHESTNUT STS	FSEOG	$673,336	1,086	
PHILADELPHIA PA 19104	FWS	$415,815	507	
DUFFS BUSINESS INST.	FEDERAL PERKINS LOAN		25	$33,333
110 NINTH STREET	FSEOG	$113,421	183	
PITTSBURGH PA 15222	FWS	$28,817	35	
DUQUESNE UNIVERSITY	FEDERAL PERKINS LOAN	$78,737	995	$1,294,670
600 FORBES AVENUE	FSEOG	$631,350	1,018	
PITTSBURGH PA 15282	FWS	$577,144	704	

STATE OF PENNSYLVANIA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
EAST STROUDSBURG STATE UNIVERSITY			FEDERAL PERKINS LOAN	$119,424	332	$431,716
			FSEOG	$189,602	306	
EAST STROUDSBURG	PA	18301	FWS	$251,334	307	
EASTERN BAPTIST THEOLOGIAL SEMINARY THE			FWS	$11,814	14	
PO BOX 12438						
PHILADELPHIA	PA	19151				
EASTERN COLLEGE			FEDERAL PERKINS LOAN		114	$148,264
10 FAIRVIEW DRIVE			FSEOG	$130,120	210	
SAINT DAVIDS	PA	19087	FWS	$248,623	303	
EDINBORO UNIVERSITY OF PENNSYLVANIA			FEDERAL PERKINS LOAN	$27,549	432	$562,688
MAIN CAMPUS			FSEOG	$487,331	786	
EDINBORO	PA	16444	FWS	$248,876	304	
ELECTRONIC INSTITUTES			FSEOG	$56,411	91	
4634 BROWN HILL RD						
PITTSBURGH	PA	15217				
ELIZABETHTOWN COLLEGE			FEDERAL PERKINS LOAN	$14,241	149	$194,187
ONE ALPHA DRIVE			FSEOG	$122,146	197	
ELIZABETHTOWN	PA	17022	FWS	$99,753	122	
EMPIRE BEAUTY SCHOOL			FEDERAL PERKINS LOAN		53	$70,041
324 NORTH CENTRE ST			FSEOG	$145,633	235	
POTTSVILLE	PA	17901				
ERIE BUSINESS CENTER			FSEOG	$23,715	38	
246 WEST 9TH ST			FWS	$3,984	5	
ERIE	PA	16501				
FRANKFORD HOSPITAL SCH OF NURSING			FSEOG	$26,151	42	
4920 PENN STREET			FWS	$8,449	10	
PHILADELPHIA	PA	19124				
FRANKLIN & MARSHALL COLLEGE			FEDERAL PERKINS LOAN		280	$364,884
BOX 3003			FSEOG	$252,423	407	
LANCASTER	PA	17604	FWS	$235,506	287	
GANNON UNIVERSITY			FEDERAL PERKINS LOAN	$118,996	622	$808,838
UNIVERSITY SQUARE			FSEOG	$412,442	665	
ERIE	PA	16541	FWS	$415,552	507	
GARFIELD BUSINESS INSTITUTE			FSEOG	$6,969	11	
709 THIRD AVENUE						
NEW BRIGHTON	PA	15066				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
GATEWAY TECHNICAL INSTITUTE 100 SEVENTH STREET PITTSBURGH PA 15222	FSEOG	$40,000	65	
GENEVA COLLEGE	FEDERAL PERKINS LOAN		337	$439,046
	FSEOG	$159,196	257	
BEAVER FALLS PA 15010	FWS	$138,057	168	
GETTYSBURG COLLEGE	FEDERAL PERKINS LOAN		272	$353,623
N WASHINGTON STREET	FSEOG	$289,402	467	
GETTYSBURG PA 17325	FWS	$132,123	161	
GORDON PHILLIPS SCH OF BTY-U DARBY	FEDERAL PERKINS LOAN		27	$35,170
37 GARRETT ROAD	FSEOG	$95,298	154	
UPPER DARBY PA 19082	FWS	$8,576	10	
GWYNEDD-MERCY COLLEGE	FEDERAL PERKINS LOAN		85	$110,928
	FSEOG	$69,246	112	
GWYNEDD VALLEY PA 19437	FWS	$51,238	62	
HAHNEMANN UNIVERSITY	FEDERAL PERKINS LOAN	$377,964	1,353	$1,759,733
BROAD & VINE STREETS	FSEOG	$127,805	206	
PHILADELPHIA PA 19102	FWS	$338,143	412	
HARCUM JR COLLEGE	FEDERAL PERKINS LOAN	$9,360	121	$157,430
MONTGOMERY & MORRIS AVENUES	FSEOG	$133,804	216	
BRYN MAWR PA 19010	FWS	$77,368	94	
HARRISBURG AREA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		39	$51,525
ONE HACC DRIVE	FSEOG	$189,298	305	
HARRISBURG PA 17110	FWS	$129,856	158	
HAVERFORD COLLEGE	FEDERAL PERKINS LOAN	$23,929	155	$202,227
	FSEOG	$153,343	247	
HAVERFORD PA 19041	FWS	$90,282	110	
HOLY FAMILY COLLEGE	FEDERAL PERKINS LOAN	$36,960	125	$162,593
GRANT & FRANKFORD AVES	FSEOG	$70,000	113	
PHILADELPHIA PA 19114	FWS	$41,992	51	
HUSSIAN SCHOOL OF ART INC	FSEOG	$14,717	24	
1010 ARCH STREET	FWS	$7,548	9	
PHILADELPHIA PA 19107				
ICM SCHOOL OF BUSINESS	FEDERAL PERKINS LOAN		196	$255,971
10 WOOD STREET	FSEOG	$94,008	152	
PITTSBURGH PA 15222	FWS	$8,462	10	

STATE OF PENNSYLVANIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
IMMACULATA COLLEGE	FEDERAL PERKINS LOAN		73	$95,330
	FSEOG	$49,192	79	
IMMACULATA PA 19345	FWS	$51,770	63	
INDIANA UNIVERSITY OF PENNSYLVANIA	FEDERAL PERKINS LOAN	$462,411	1,422	$1,849,659
	FSEOG	$719,175	1,160	
INDIANA PA 15705	FWS	$1,206,915	1,472	
INTERNATIONAL BEAUTY SCHOOL WEST SHOR PLAZA LEMOYNE PA 17043	FSEOG	$3,129	5	
INTERNATIONAL BEAUTY SCHOOL 1101-C SOUTH EDGAR STREET YORK PA 17403	FSEOG	$9,669	16	
INTERNATIONAL BEAUTY SCHOOL 66 S MAIN STREET CHAMBERSBURG PA 17201	FSEOG	$14,621	24	
J.H. THOMPSON ACADEMIES	FEDERAL PERKINS LOAN		15	$19,973
2908 STATE STREET	FSEOG	$28,613	46	
ERIE PA 16508	FWS	$389		
JEFFERSON CO DUBOIS VOC TECH - PR NSG 100 JEFF TECH DR REYNOLDSVILLE PA 15851	FSEOG	$6,005	10	
JOHNSON TECHNICAL INSTITUTE 3427 N MAIN AVENUE SCRANTON PA 18508	FSEOG	$33,643	54	
JUNIATA COLLEGE	FEDERAL PERKINS LOAN	$8,310	196	$255,009
1700 MOORE STREET	FSEOG	$194,055	313	
HUNTINGDON PA 16652	FWS	$111,335	136	
KEYSTONE JR COLLEGE	FEDERAL PERKINS LOAN		168	$219,683
P O BOX 50 COLLEGE AVE	FSEOG	$120,635	195	
LA PLUME PA 18440	FWS	$69,028	84	
KINGS COLLEGE	FEDERAL PERKINS LOAN	$5,470	350	$456,088
133 RIVER STREET	FSEOG	$233,154	376	
WILKES BARRE PA 18711	FWS	$229,357	280	
KUTZTOWN UNIVERSITY	FEDERAL PERKINS LOAN	$168,371	551	$717,358
	FSEOG	$193,346	312	
KUTZTOWN PA 19530	FWS	$227,894	278	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LA ROCHE COLLEGE	FEDERAL PERKINS LOAN	$11,095	137	$179,124
9000 BABCOCK BLVD	FSEOG	$124,902	201	
PITTSBURGH PA 15237	FWS	$133,828	163	
LA SALLE UNIVERSITY	FEDERAL PERKINS LOAN		749	$974,781
20TH STREET AND OLNEY AVENUE	FSEOG	$241,120	389	
PHILADELPHIA PA 19141	FWS	$271,809	331	
LACKAWANNA JR COLLEGE	FEDERAL PERKINS LOAN	$19,141	33	$43,344
901 PROSPECT AVENUE	FSEOG	$71,078	115	
SCRANTON PA 18505	FWS	$57,409	70	
LAFAYETTE COLLEGE	FEDERAL PERKINS LOAN		304	$395,757
	FSEOG	$193,329	312	
EASTON PA 18042	FWS	$114,222	139	
LANCASTER BIBLE COLLEGE	FEDERAL PERKINS LOAN		43	$56,372
901 EDEN ROAD	FSEOG	$34,873	56	
LANCASTER PA 17601	FWS	$71,276	87	
LANCASTER GEN HOSP SCH OF NURSING	FSEOG	$7,147	12	
P O BOX 3555				
LANCASTER PA 17603				
LAUREL BUSINESS INSTITUTE	FSEOG	$25,369	41	
11-15 PENN STREET	FWS	$9,911	12	
UNIONTOWN PA 15401				
LEBANON VALLEY COLLEGE	FEDERAL PERKINS LOAN		174	$227,420
101 NORTH COLLEGE AVENUE	FSEOG	$95,517	154	
ANNVILLE PA 17003	FWS	$76,419	93	
LEHIGH COUNTY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$59,713	116	$151,187
4525 EDUCATION PARK DRIVE	FSEOG	$68,458	110	
SCHNECKSVILLE PA 18078	FWS	$60,749	74	
LEHIGH UNIVERSITY	FEDERAL PERKINS LOAN	$49,760	484	$629,644
216-218 W PACKER AVE	FSEOG	$555,761	896	
BETHLEHEM PA 18015	FWS	$310,852	379	
LINCOLN TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		42	$55,443
9191 TORRESDALE AVENUE	FSEOG	$37,021	60	
PHILADELPHIA PA 19136	FWS	$4,276	5	
LINCOLN TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN	$27,184	84	$110,252
5151 TILGHMAN STREET	FSEOG	$54,936	89	
ALLENTOWN PA 18104	FWS	$22,804	28	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LINCOLN UNIVERSITY	FSEOG	$381,124	615	
	FWS	$137,390	168	
LINCOLN UNIVERSITY PA 19352				
LOCK HAVEN UNIVERSITY OF PA	FEDERAL PERKINS LOAN	$14,928	210	$273,865
	FSEOG	$152,893	247	
LOCK HAVEN PA 17745	FWS	$172,631	211	
LUTHERAN THEOLOGICAL SEM-GETTYSBURG	FWS	$13,447	16	
61 W CONFEDERATE AVE				
GETTYSBURG PA 17325				
LUZERNE COUNTY COMMUNITY COLLEGE	FSEOG	$100,000	161	
1333 SOUTH PROSPECT STREET	FWS	$112,423	137	
NANTICOKE PA 18634				
LYCOMING COLLEGE	FEDERAL PERKINS LOAN		224	$292,242
COLLEGE PLACE	FSEOG	$145,301	234	
WILLIAMSPORT PA 17701	FWS	$100,372	122	
MANOR JR COLLEGE	FEDERAL PERKINS LOAN	$27,339	59	$77,957
700 FOX CHASE ROAD	FSEOG	$46,317	75	
JENKINTOWN PA 19046	FWS	$25,276	31	
MANSFIELD UNIVERSITY	FEDERAL PERKINS LOAN	$28,567	291	$379,505
ACADEMY STREET G8 ALUMNI HALL	FSEOG	$95,000	153	
MANSFIELD PA 16933	FWS	$140,154	171	
MARYWOOD COLLEGE	FEDERAL PERKINS LOAN		384	$500,015
2300 ADAMS AVE	FSEOG	$177,563	286	
SCRANTON PA 18509	FWS	$134,011	163	
MCCANN SCHOOL OF BUSINESS	FSEOG	$18,567	30	
2004 WYOMING AVENUE				
WYOMING PA 18644				
MCCARRIE SCHOOLS OF HEALTH & TECH	FEDERAL PERKINS LOAN		1	$1,802
512 SOUTH BROAD STREET	FSEOG	$41,973	68	
PHILADELPHIA PA 19146				
MEDIAN SCHOOL OF ALLIED HEALTH CAREERS	FSEOG	$46,220	75	
125 7TH ST	FWS	$10,088	12	
PITTSBURGH PA 15222				
MEDICAL COLLEGE OF PENNSYLVANIA THE	FEDERAL PERKINS LOAN	$186,137	541	$704,183
3300 HENRY AVE	FWS	$100,000	122	
PHILADELPHIA PA 19129				

STATE OF PENNSYLVANIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MERCYHURST COLLEGE	FEDERAL PERKINS LOAN	$85,002	265	$345,612
GLENWOOD HILLS	FSEOG	$183,853	297	
ERIE PA 16546	FWS	$204,620	250	
MESSIAH COLLEGE	FEDERAL PERKINS LOAN	$104,415	428	$556,416
	FSEOG	$177,506	286	
GRANTHAM PA 17027	FWS	$302,209	369	
MILLERSVILLE UNIVERSITY OF PENNSYLVANIA	FEDERAL PERKINS LOAN	$66,181	356	$463,292
	FSEOG	$178,242	287	
MILLERSVILLE PA 17551	FWS	$182,203	222	
MILTON S HERSHEY MED CTR-PENN STATE	FEDERAL PERKINS LOAN	$143,325	493	$641,582
P O BOX 850	FWS	$75,000	91	
HERSHEY PA 17033				
MONTGOMERY CO CMTY COLLEGE	FSEOG	$115,658	187	
340 DEKALB PIKE	FWS	$86,216	105	
BLUE BELL PA 19422				
MOORE COLLEG OF ART AND DESIGN	FEDERAL PERKINS LOAN	$33,283	173	$226,032
20TH AND THE PARKWAY	FSEOG	$107,002	173	
PHILADELPHIA PA 19103	FWS	$102,447	125	
MORAVIAN COLLEGE	FEDERAL PERKINS LOAN		213	$277,098
1200 MAIN STREET	FSEOG	$163,564	264	
BETHLEHEM PA 18018	FWS	$127,879	156	
MOUNT ALOYSIUS COLLEGE	FEDERAL PERKINS LOAN		131	$170,750
1 COLLEGE DRIVE	FSEOG	$170,683	275	
CRESSON PA 16630	FWS	$100,541	123	
MUHLENBERG COLLEGE	FEDERAL PERKINS LOAN	$9,196	314	$408,519
2400 CHEW STREET	FSEOG	$142,673	230	
ALLENTOWN PA 18104	FWS	$92,605	113	
NATIONAL EDUCATION CENTER-ALLENTOWN	FEDERAL PERKINS LOAN		44	$58,170
1501 N LEHIGH STREET	FSEOG	$45,810	74	
ALLENTOWN PA 18103	FWS	$3,494	4	
NATIONAL EDUCATION CENTER-THOMPSON INST CAMPUS	FEDERAL PERKINS LOAN	$33,865	142	$185,569
5650 DERRY STREET	FSEOG	$68,265	110	
HARRISBURG PA 17111	FWS	$9,905	12	
NATIONAL EDUCATION CENTER-VALE TECHNICAL	FEDERAL PERKINS LOAN		30	$40,089
135 WEST MARKET ST	FSEOG	$70,897	114	
BLAIRSVILLE PA 15717	FWS	$6,861	8	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NEUMANN COLLEGE	FSEOG	$71,934	116	
	FWS	$20,111	25	
ASTON PA 19014				
NEW CASTLE SCHOOL OF TRADES	FEDERAL PERKINS LOAN		34	$44,432
RD 1	FSEOG	$55,674	90	
PULASKI PA 16143	FWS	$25,992	32	
NORTHAMPTON COUNTY AREA CMTY COL	FEDERAL PERKINS LOAN	$24,880	92	$120,051
3835 GREEN POND ROAD	FSEOG	$133,007	215	
BETHLEHEM PA 18017	FWS	$175,470	214	
NORTHEASTERN HOSPITAL SCHOOL OF NURSING	FSEOG	$8,475	14	
2301 EAST ALLEGHENY AVENUE	FWS	$5,478	7	
PHILADELPHIA PA 19134				
OAKBRIDGE ACADEMY OF ARTS	FSEOG	$5,581	9	
401 NINTH STREET				
NEW KENSINGTON PA 15068				
ORLEANS TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		11	$15,472
1330 RHAWN STREET	FSEOG	$30,203	49	
PHILADELPHIA PA 19111	FWS	$13,258	16	
PACE INSTITUTE	FSEOG	$19,947	32	
606 COURT STREET	FWS	$5,332	7	
READING PA 19601				
PARKWAY WEST AREA VOCATIONAL TECHNICAL SCHOOL	FSEOG	$6,532	11	
7101 STEUBENVILLE PIKE				
OAKDALE PA 15071				
PEIRCE JR COLLEGE	FEDERAL PERKINS LOAN		73	$95,317
1420 PINE STREET	FSEOG	$105,154	170	
PHILADELPHIA PA 19102	FWS	$68,473	84	
PENN TECHNICAL INSTITUTE	FSEOG	$25,580	41	
110 NINTH STREET				
PITTSBURGH PA 15222				
PENNCO TECH	FEDERAL PERKINS LOAN		27	$36,024
3815 OTTER STREET	FSEOG	$58,718	95	
BRISTOL PA 19007	FWS	$214		
PENNSYLVANIA ACADEMY OF THE FINE ARTS	FSEOG	$30,097	49	
1301 CHERRY STREET	FWS	$26,795	33	
PHILADELPHIA PA 19107				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PENNSYLVANIA COL OF PODIATRIC MED	FEDERAL PERKINS LOAN	$167,287	882	$1,147,504
EIGHTH AT RACE STREETS	FWS	$160,000	195	
PHILADELPHIA PA 19107				
PENNSYLVANIA COLLEGE OF OPTOMETRY	FEDERAL PERKINS LOAN	$250,339	1,060	$1,379,053
1200 W GODFREY AVE	FWS	$268,862	328	
PHILADELPHIA PA 19141				
PENNSYLVANIA COLLEGE OF TECHNOLOGY	FSEOG	$328,203	529	
ONE COLLEGE	FWS	$188,253	230	
WILLIAMSPORT PA 17701				
PENNSYLVANIA INST OF TECHNOLOGY	FSEOG	$39,384	64	
800 MANCHESTER AVENUE	FWS	$22,457	27	
MEDIA PA 19063				
PENNSYLVANIA INSTITUTE OF CULINARY ARTS	FEDERAL PERKINS LOAN		0	$1,000
808 LIBERTY AVENUE	FSEOG	$82,817	134	
PITTSBURGH PA 15222	FWS	$37,580	46	
PENNSYLVANIA SCHOOL OF ARTS & DESIGN	FSEOG	$10,869	18	
204 N PRINCE ST PO BOX 59	FWS	$9,189	11	
LANCASTER PA 17603				
PENNSYLVANIA STATE UNIVERSITY	FEDERAL PERKINS LOAN	$558,631	5,126	$6,664,495
314 SHIELDS BUILDING	FSEOG	$3,581,670	5,777	
UNIVERSITY PARK PA 16802	FWS	$2,880,249	3,512	
PHILA COL OF OSTEOPATHIC MEDICINE	FEDERAL PERKINS LOAN	$57,606	564	$734,160
4150 CITY AVENUE	FWS	$75,000	91	
PHILADELPHIA PA 19131				
PHILA COL OF PHARMACY & SCIENCE	FEDERAL PERKINS LOAN	$19,902	182	$237,750
600 S 43RD STREET	FSEOG	$174,837	282	
PHILADELPHIA PA 19104	FWS	$93,964	115	
PHILA COL OF TEXTILES & SCIENCE	FEDERAL PERKINS LOAN		241	$314,369
SCHOOL HOUSE LANE & HENRY AVE	FSEOG	$200,562	323	
PHILADELPHIA PA 19144	FWS	$178,681	218	
PHILA COLLEGE OF BIBLE	FSEOG	$63,157	102	
200 MANOR AVENUE	FWS	$66,830	82	
LANGHORNE PA 19047				
PHILADELPHIA WIRELESS TECHNOLOGY	FSEOG	$8,660	14	
1533 PINE STREET				
PHILADELPHIA PA 19102				

STATE OF PENNSYLVANIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PITTSBURGH BEAUTY ACADEMY	FEDERAL PERKINS LOAN		32	$41,790
415 SMITHFIELD STREET	FSEOG	$57,218	92	
PITTSBURGH PA 15222	FWS	$16,981	21	
PITTSBURGH DIESEL INSTITUTE	FSEOG	$42,348	68	
12330 PERRY HIGHWAY				
WEYFORD PA 15090				
PITTSBURGH TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		11	$14,784
635 SMITHFIELD STREET	FSEOG	$61,323	99	
PITTSBURGH PA 15222	FWS	$23,444	29	
POINT PARK COLLEGE	FEDERAL PERKINS LOAN	$4,217	123	$160,831
201 WOOD STREET	FSEOG	$222,045	358	
PITTSBURGH PA 15222	FWS	$247,566	302	
PRUONTO'S HAIR DESIGN INSTITUTE	FSEOG	$2,795	5	
705 12TH ST				
ALTOONA PA 16602				
RALPH AMODEI INTERNATIONAL INST OF HAIR DESIGN T	FSEOG	$5,721	9	
4451 FRANKFORD AVENUE				
PHILADELPHIA PA 19124				
RANDY RICK BEAUTY ACADEMY	FSEOG	$9,219	15	
450 PENN STREET	FWS	$552	1	
READING PA 19602				
READING AREA COMMUNITY COLLEGE	FSEOG	$78,734	127	
10 SOUTH SECOND STREET	FWS	$59,014	72	
READING PA 19602				
ROBERT MORRIS COLLEGE	FEDERAL PERKINS LOAN	$89,568	208	$271,281
NARROWS RUN ROAD	FSEOG	$211,311	341	
CORAOPOLIS PA 15108	FWS	$125,000	152	
ROSEDALE TECHNICAL INSTITUTE	FSEOG	$182,833	295	
4634 BROWNS HILL ROAD				
PITTSBURGH PA 15217				
ROSEMONT COLLEGE	FEDERAL PERKINS LOAN	$5,327	85	$110,680
MONTGOMERY AVE	FSEOG	$56,998	92	
ROSEMONT PA 19010	FWS	$57,984	71	
SAINT FRANCIS COLLEGE	FEDERAL PERKINS LOAN		184	$239,355
	FSEOG	$163,914	264	
LORETTO PA 15940	FWS	$132,945	162	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SAINT JOSEPH UNIVERSITY	FEDERAL PERKINS LOAN		408	$531,029
5600 CITY AVENUE	FSEOG	$194,044	313	
PHILADELPHIA PA 19131	FWS	$192,240	234	
SAINT VINCENT COLLEGE	FEDERAL PERKINS LOAN		282	$368,820
BUSINESS OFFICE	FSEOG	$215,942	346	
LATROBE PA 15650	FWS	$152,300	186	
SAINT VINCENT HEALTH CENTER SCHOOL OF NURSING	FSEOG	$7,860	13	
P O BOX 740	FWS	$5,409	7	
ERIE PA 16544				
SAWYER SCHOOL	FEDERAL PERKINS LOAN	$33,175	65	$84,906
717 LIBERTY AVE SUITE 800	FSEOG	$123,100	199	
PITTSBURGH PA 15222	FWS	$44,673	54	
SETON HILL COLLEGE	FEDERAL PERKINS LOAN		150	$195,337
	FSEOG	$263,048	424	
GREENSBURG PA 15601	FWS	$194,821	238	
SEWICKLEY VALLEY HOSPITAL SCHOOL OF NURSING	FSEOG	$7,757	13	
BLACKBURN ROAD	FWS	$1,551	2	
SEWICKLEY PA 15143				
SHENANGO VALLEY SCHOOL OF BUSINESS	FSEOG	$35,311	57	
335 BOYD DRIVE				
SHARON PA 16146				
SHIPPENSBURG UNIVERSITY	FEDERAL PERKINS LOAN	$92,943	379	$493,204
NORTH PRINCE STREET	FSEOG	$168,070	271	
SHIPPENSBURG PA 17257	FWS	$143,358	175	
SLIPPERY ROCK UNIVERSITY	FEDERAL PERKINS LOAN	$123,038	662	$861,339
SLIPPERY ROCK UNIVERSITY	FSEOG	$278,105	449	
SLIPPERY ROCK PA 16057	FWS	$303,663	370	
SOUTH PHILA BEAUTY ACADEMY	FSEOG	$6,664	11	
1933 W PASSYUNK AVE				
PHILADELPHIA PA 19145				
ST CHARLES BORROMEO SEMINARY	FSEOG	$5,568	9	
1000 E WYNNEWOOD ROAD	FWS	$15,320	19	
OVERBROOK PA 19096				
STROUDSBURG SCHOOL OF COSMETOLOGY	FSEOG	$12,344	20	
100 N 8TH STREET				
STROUDSBURG PA 18360				

STATE OF PENNSYLVANIA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SUSQUEHANNA UNIVERSITY			FEDERAL PERKINS LOAN		245	$319,152
512 UNIVERSITY AVENUE			FSEOG	$151,658	245	
SELINSGROVE	PA	17870	FWS	$164,090	200	
SWARTHMORE COLLEGE			FEDERAL PERKINS LOAN	$21,770	236	$307,899
			FSEOG	$262,400	423	
SWARTHMORE	PA	19081	FWS	$214,720	262	
TALMUDICAL YESHIVA OF PHILADELPHIA			FSEOG	$30,982	50	
6063 DREXEL RD			FWS	$21,992	27	
PHILADELPHIA	PA	19131				
TEMPLE UNIVERSITY			FEDERAL PERKINS LOAN	$834,707	3,423	$4,450,034
BROAD ST AND MONTGOMERY AVENUE			FSEOG	$1,442,952	2,327	
PHILADELPHIA	PA	19122	FWS	$2,075,293	2,531	
THIEL COLLEGE			FEDERAL PERKINS LOAN	$10,076	201	$262,171
75 COLLEG AVENUE			FSEOG	$119,930	193	
GREENVILLE	PA	16125	FWS	$80,527	98	
THOMAS JEFFERSON UNIVERSITY			FEDERAL PERKINS LOAN	$327,696	1,035	$1,346,606
1020 WALNUT STREET			FSEOG	$58,963	95	
PHILADELPHIA	PA	19107	FWS	$207,006	252	
TRIANGLE INSTITUTE OF TECHNOLOGY			FEDERAL PERKINS LOAN		67	$88,350
1940 PERRYSVILLE AVE			FSEOG	$130,000	210	
PITTSBURGH	PA	15214	FWS	$23,107	28	
UNIVERSITY OF PENNSYLVANIA			FEDERAL PERKINS LOAN	$1,100,287	8,836	$11,487,922
ROOM 200 FRANKLIN BLDG			FSEOG	$2,353,486	3,796	
PHILADELPHIA	PA	19104	FWS	$3,710,270	4,525	
UNIVERSITY OF PITTSBURGH			FEDERAL PERKINS LOAN		3,250	$4,225,999
5TH AVE & BIGELOW BLVD			FSEOG	$1,459,289	2,354	
PITTSBURGH	PA	15260	FWS	$1,532,892	1,869	
UNIVERSITY OF SCRANTON			FEDERAL PERKINS LOAN	$149,280	552	$718,638
LINDEN ST & MONROE AVE			FSEOG	$283,307	457	
SCRANTON	PA	18510	FWS	$275,268	336	
UNIVERSITY OF THE ARTS			FEDERAL PERKINS LOAN	$100,894	421	$547,911
BROAD AND PINE STREETS			FSEOG	$307,932	497	
PHILADELPHIA	PA	19102	FWS	$231,900	283	
URSINUS COLLEGE			FEDERAL PERKINS LOAN	$26,867	299	$388,991
PO BOX 1000			FSEOG	$61,527	99	
COLLEGEVILLE	PA	19426	FWS	$108,664	133	

STATE OF PENNSYLVANIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
VALLEY FORGE CHRISTIAN COLLEGE	FEDERAL PERKINS LOAN		53	$69,619
CHARLESTOWN ROAD	FSEOG	$40,841	66	
PHOENIXVILLE PA 19460	FWS	$31,164	38	
VALLEY FORGE MILITARY ACAD & JR COLLEGE	FSEOG	$33,319	54	
10001 EAGLE ROAD	FWS	$4,022	5	
WAYNE PA 19087				
VENUS BEAUTY SCHOOL INC	FSEOG	$11,759	19	
1033 CHESTER PIKE				
SHARON HILL PA 19079				
VILLANOVA UNIVERSITY	FEDERAL PERKINS LOAN	$89,568	677	$880,926
845 LANCASTER AVE	FSEOG	$500,994	808	
VILLANOVA PA 19085	FWS	$524,208	639	
WASHINGTON & JEFFERSON COLLEGE	FEDERAL PERKINS LOAN	$51,426	214	$279,421
LINCOLN STREET	FSEOG	$162,984	263	
WASHINGTON PA 15301	FWS	$81,865	100	
WAYNESBURG COLLEGE	FEDERAL PERKINS LOAN		105	$136,947
51 WEST COLLEGE ST.	FSEOG	$148,774	240	
WAYNESBURG PA 15370	FWS .	$74,014	90	
WELDER TRAINING AND TESTING INST	FSEOG	$19,891	32	
729 E HIGHLAND STREET				
ALLENTOWN PA 18103				
WELDER TRAINING AND TESTING INSTITUTE	FSEOG	$4,000	6	
100 PENNSYLVANIA AVENUE				
SELINSGROVE PA 17870				
WEST CHESTER UNIVERSITY	FEDERAL PERKINS LOAN	$349,339	818	$1,063,963
	FSEOG	$298,472	481	
WEST CHESTER PA 19383	FWS	$259,732	317	
WESTERN SCHOOL OF HEALTH AND BUSINESS CAREERS	FSEOG	$47,865	77	
411-7TH AVE 2ND FLR	FWS	$17,120	21	
PITTSBURGH PA 15219				
WESTMINSTER COLLEGE	FEDERAL PERKINS LOAN		262	$341,089
SOUTH MARKET STREET	FSEOG	$148,947	240	
NEW WILMINGTON PA 16172	FWS	$116,215	142	
WESTMORELAND COUNTY CMTY COLLEGE	FWS	$90,152	110	
COLLEGE STATION/ARMBRUST RD				
YOUNGWOOD PA 15697				

STATE OF PENNSYLVANIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WIDENER UNIVERSITY 1 UNIVERSITY PLACE CHESTER PA 19013	FEDERAL PERKINS LOAN FSEOG FWS	$94,991 $365,147 $517,478	1,338 589 631	$1,739,482
WILKES UNIVERSITY P O BOX 111 WILKES-BARRE PA 18766	FEDERAL PERKINS LOAN FSEOG FWS	$8,614 $251,020 $188,022	370 405 229	$481,400
WILMA BOYO CAREER SCHOOL ONE CHATHAM CENTER PITTSBURGH PA 15219	FEDERAL PERKINS LOAN FSEOG	 $80,647	13 130	$17,161
WILSON COLLEGE 1015 PHILADELPHIA AVENUE CHAMBERSBURG PA 17201	FEDERAL PERKINS LOAN FSEOG FWS	 $21,824 $23,605	89 35 29	$116,520
YESHIVATH BETH MOSHE 930 HICKORY STREET SCRANTON PA 18505	FSEOG FWS	$35,840 $34,454	58 42	
YORK COLLEGE OF PENNSYLVANIA COUNTRY CLUB ROAD YORK PA 17405	FEDERAL PERKINS LOAN FSEOG FWS	$4,976 $97,392 $77,886	52 157 95	$68,151
YORK TECHNICAL INSTITUTE 3351 WHITEFORD ROAD YORK PA 17402	FSEOG FWS	$61,583 $17,218	99 21	
YORKTOWNE BUSINESS INSTITUTE WEST SEVENTH AVENUE YORK PA 17404	FSEOG	$8,116	13	

STATE OF PENNSYLVANIA	FEDERAL PERKINS LOAN	$8,317,631	45,308	NO. INSTITUTIONS 130
	FSEOG	$34,690,595	55,963	NO. INSTITUTIONS 191
	FWS	$31,868,934	38,864	NO. INSTITUTIONS 161

STATE OF PUERTO RICO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
AMERICAN EDUCATIONAL COLLEGE	FSEOG	$27,000	44	
P.O. BOX 62	FWS	$13,127	16	
BAYAMON PR 00619				
AMERICAN UNIVERSITY OF PUERTO RICO	FSEOG	$231,030	373	
P O BOX 2037	FWS	$352,410	430	
BAYAMON PR 00960				
ANTILLES SCHOOL OF TECHNICAL CAREERS	FSEOG	$26,395	43	
DOMENECH #107 ST	FWS	$10,737	13	
HATO REY PR 00917				
ATLANTIC COLLEGE	FSEOG	$29,082	47	
PO BOX 1774	FWS	$17,774	22	
GUAYNABO PR 00657				
BAYAMON CENTRAL UNIVERSITY	FSEOG	$401,054	647	
BOX 1725	FWS	$254,976	311	
BAYAMON PR 00960				
CARIBBEAN UNIVERSITY	FEDERAL PERKINS LOAN		1	$1,914
PO BOX 493	FSEOG	$125,000	202	
BAYAMON PR 00960	FWS	$90,527	110	
CENTRO DE ESTUDIOS MULTIDISCIPLINARIOS	FSEOG	$92,745	150	
602 BARBOSA AVE	FWS	$65,019	79	
HATO REY PR 00917				
COLUMBIA COLLEGE	FSEOG	$116,106	187	
P O BOX 8517	FWS	$97,948	119	
CAGUAS PR 00626				
COMMONWEALTH DEPT OF ED-VOC TECH & HIGHSKILL PRO	FSEOG	$94,143	152	
PO BOX 759	FWS	$479,359	585	
HATO REY PR 00919				
CONSERVATORY OF MUSIC-PUERTO RICO	FSEOG	$7,789	13	
PO BOX 41227 MINILLAS STATION	FWS	$19,429	24	
SAN JUAN PR 00940				
ELECTRONIC DATA PROCESSING COLLEGE OF P R INC	FSEOG	$109,628	177	
MUNOZ RIVERA AVE #555 BOX 2303	FWS	$105,889	129	
HATO REY PR 00919				
EMMA'S BEAUTY ACADEMY	FSEOG	$33,890	55	
PO BOX 2095	FWS	$4,043	5	
MAYAGUEZ PR 00681				

STATE OF PUERTO RICO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ESCUELA DE ARTES PLASTICAS	FSEOG	$5,641	9	
PO BOX 1112	FWS	$5,574	7	
SAN JUAN PR 00902				
FASHION DESIGN COLLEGE	FSEOG	$8,478	14	
CALLE DEGETAU #5 ESQ BETANCES				
BAYAMON PR 00619				
HUERTAS JUNIOR COLLEGE	FSEOG	$142,913	231	
BOX 8429	FWS	$54,882	67	
CAGUAS PR 00626				
HUMACAO COMMUNITY COLLEGE	FSEOG	$38,806	63	
P O BOX 8948	FWS	$26,911	33	
HUMACAO PR 00661				
ICPR JUNIOR COLLEGE	FSEOG	$118,095	190	
BOX 304	FWS	$101,769	124	
HATO REY PR 00919				
INSTITUTO DE BANCA Y COMERCIO	FSEOG	$328,970	531	
996 MUNOZ RIVERA AVE	FWS	$208,559	254	
RIO PIEDRAS PR 00928				
INSTITUTO DE EDUCACION UNIVERSAL	FEDERAL PERKINS LOAN	$9,952	91	$119,515
AVE BARBOSA 404	FSEOG	$273,218	441	
HATO REY PR 00930	FWS	$91,255	111	
INSTITUTO TECNICO DE LAS ARTES MANUALES	FSEOG	$3,476	6	
CALLE RUIS RIVERA #31				
CABO ROJO PR 00623				
INSTITUTO VOCACIONAL Y COMERCIALEDIC	FSEOG	$25,866	42	
APARTADO 9120	FWS	$16,769	20	
CAGUAS PR 00726				
INTER AMERICAN UNIV OF PUERTO RICO	FEDERAL PERKINS LOAN	$840,213	3,328	$4,327,183
P O BOX 363255	FSEOG	$2,525,058	4,073	
SAN JUAN PR 00936	FWS	$3,868,090	4,717	
LANIN SCHOOL OF AESTHETICS	FSEOG	$7,222	12	
752 ANDALUCIA ST				
PUERTO NUEVO PR 00920				
LICEO DE ARTE Y DISENOS INC	FSEOG	$14,371	23	
PO BOX 1889				
CAGUAS PR 00726				

STATE OF PUERTO RICO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LICEO OE ARTE Y TECNOLOGIA	FSEOG	$52,070	84	
AVE PONCE DE LEON #405 4TH FL	FWS	$40,927	50	
HATO REY PR 00919				
MBTI - PUERTO RICO	FSEOG	$90,898	147	
1256 PONCE DE LEON AVE				
SANTURCE PR 00908				
MERLIX PROFESSIONAL AND TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		1	$2,526
BOX 6241 STATION ONE	FSEOG	$9,205	15	
BAYAMON PR 00961	FWS	$5,614	7	
MOOERN HAIRSTYLING INSTITUTE AT BAYAMON	FSEOG	$35,911	58	
P O BOX 369	FWS	$5,636	7	
BAYAMON PR 00960				
MODERN HAIRSTYLING INSTITUTE AT CAROLINA	FSEOG	$12,465	20	
P O BOX 369	FWS	$2,462	3	
BAYAMON PR 00960				
MODERN HAIRSTYLING INSTITUTE AT RIO PIEDRAS	FSEOG	$19,000	31	
P O BOX 369	FWS	$3,352	4	
BAYAMON PR 00960				
NATIONAL COLLEGE OF BUSINESS & TECHNOLOGY	FSEOG	$160,820	259	
PO BOX 2036, RAMOS BLDG	FWS	$57,817	71	
BAYAMON PR 00960				
PONCE COLLEGE OF TECHNOLOGY	FSEOG	$16,734	27	
CALLE ESTRELLA #57 PO BOX 1284	FWS	$18,853	23	
PONCE PR 00731				
PONCE TECHNICAL SCHOOL INC	FSEOG	$17,618	28	
CALLE SALUD #16	FWS	$539	1	
PONCE PR 00731				
PONTIFICAL CATHOLIC UNIVERSITY OF PUERTO RICO	FEDERAL PERKINS LOAN	$646,371	2,088	$2,715,387
STATION 6	FSEOG	$511,158	824	
PONCE PR 00732	FWS	$1,317,118	1,606	
PUERTO RICO JUNIOR COLLEGE	FEDERAL PERKINS LOAN		107	$139,125
PO BOX 2010	FSEOG	$1,124,461	1,814	
CAROLINA PR 00983	FWS	$1,712,104	2,088	
PUERTO RICO PROFESSIONAL COLLEGE	FSEOG	$22,852	37	
CALLE DR VEVE #51 ESO DEGETAU	FWS	$6,055	7	
BAYAMON PR 00961				

STATE OF PUERTO RICO

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
RAMIREZ COLLEGE OF BUSINESS & TECH	FSEOG	$91,030	147	
CALL BOX 8340	FWS	$28,337	35	
SANTURCE PR 00910				
RYDER MEMORIAL HOSP SCH PRAC NURSNG	FSEOG	$6,105	10	
CALL BOX 489	FWS	$11,542	14	
HUMACAO PR 00792				
SAN JUAN CITY COLLEGE	FWS	$70,442	86	
501 ROBERTO H TODO AVE				
SANTURCE PR 00907				
SAN JUAN TECHNOLOGICAL COLLEGE	FSEOG	$30,355	49	
JOSE OLIVER ST TRES MONJITAS	FWS	$56,135	68	
HATO REY PR 00918				
SERBIA'S SCHOOL OF BEAUTY CULTURE	FSEOG	$7,530	12	
CALLE PALMER # 61	FWS	$2,076	3	
GUAYAMA PR 00784				
UNIVERSIDAD ADVENTISTA DE LAS ANTILLAS	FSEOG	$48,042	77	
P O BOX 118	FWS	$129,877	158	
MAYAGUEZ PR 00680				
UNIVERSIDAD POLITECNICA DE PR	FSEOG	$323,531	522	
AVE PONCE DE LEON 405	FWS	$145,165	177	
HATO REY PR 00918				
UNIVERSITY OF PUERTO RICO	FEDERAL PERKINS LOAN	$537,410	1,102	$1,433,635
P O BOX 364984	FSEOG	$2,026,549	3,269	
SAN JUAN PR 00936	FWS	$3,655,453	4,458	
UNIVERSITY OF THE SACRED HEART	FEDERAL PERKINS LOAN	$243,757	619	$805,932
BOX 12383 LOIZA STATION	FSEOG	$336,623	543	
SANTURCE PR 00914	FWS	$616,138	751	

STATE OF PUERTO RICO	FEDERAL PERKINS LOAN	$2,277,703	7,228	NO. INSTITUTIONS	8
	FSEOG	$9,728,933	15,698	NO. INSTITUTIONS	44
	FWS	$13,770,689	16,793	NO. INSTITUTIONS	40

STATE OF RHODE ISLAND

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ARTHUR ANGELO SCHOOL COSMETICS			FSEOG	$27,589	44	
151 BROADWAY						
PROVIDENCE	RI	02903				
BROWN UNIVERSITY			FEDERAL PERKINS LOAN	$741,516	2,608	$3,391,235
PROSPECT STREET			FSEOG	$854,090	1,378	
PROVIDENCE	RI	02912	FWS	$1,183,311	1,443	
BRYANT COLLEGE			FEDERAL PERKINS LOAN		698	$907,570
1150 DOUGLAS PIKE			FSEOG	$263,643	425	
SMITHFIELD	RI	02917	FWS	$192,033	234	
COMMUNITY COLLEGE OF RHODE ISLAND			FSEOG	$353,624	570	
400 EAST AVENUE			FWS	$228,077	278	
WARWICK	RI	02886				
JOHNSON & WALES UNIVERSITY			FEDERAL PERKINS LOAN	$82,085	1,119	$1,454,737
8 ABBOTT PARK PLACE			FSEOG	$822,396	1,326	
PROVIDENCE	RI	02903	FWS	$474,553	579	
KATHARINE GIBBS SCHOOL			FEDERAL PERKINS LOAN		7	$10,325
178 BUTLER AVE			FSEOG	$27,836	45	
PROVIDENCE	RI	02906	FWS	$11,393	14	
NEW ENGLAND INSTITUTE OF TECHNOLOGY			FEDERAL PERKINS LOAN		96	$124,937
2500 POST ROAD			FSEOG	$385,448	622	
WARWICK	RI	02886	FWS	$112,715	137	
NEW ENGLAND TECHNICAL COLLEGE			FSEOG	$20,248	33	
2500 POST ROAD			FWS	$9,470	12	
WARWICK	RI	02886				
OCEAN STATE BUSINESS INSTITUTE			FSEOG	$8,768	14	
140 POINT JUDITH RD, UNIT 3A						
NARRAGANSETT	RI	02882				
PROVIDENCE COLLEGE			FEDERAL PERKINS LOAN		806	$1,048,398
RIVER AVE AND EATON ST			FSEOG	$636,296	1,026	
PROVIDENCE	RI	02918	FWS	$702,632	857	
R I SCHOOL OF PHOTOGRAPHY			FSEOG	$15,135	24	
241 WEBSTER AVENUE			FWS	$2,005	2	
PROVIDENCE	RI	02909				
RHODE ISLAND COLLEGE			FEDERAL PERKINS LOAN	$192,565	765	$994,777
600 MT PLEASANT AVE			FSEOG	$444,395	717	
PROVIDENCE	RI	02908	FWS	$677,124	826	

STATE OF RHODE ISLAND

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
RHODE ISLAND SCHOOL OF DESIGN	FEDERAL PERKINS LOAN	$97,315	572	$743,952
2ND COLLEGE STREET	FSEOG	$241,138	389	
PROVIDENCE RI 02903	FWS	$250,598	306	
ROGER WILLIAMS UNIVERSITY	FEDERAL PERKINS LOAN	$20,800	249	$324,542
ONE OLD FERRY ROAD	FSEOG	$236,555	382	
BRISTOL RI 02809	FWS	$197,220	241	
SALVE REGINA UNIVERSITY	FEDERAL PERKINS LOAN	$11,431	197	$256,417
OCHRE POINT AVE	FSEOG	$126,750	204	
NEWPORT RI 02840	FWS	$118,476	144	
SAWYER SCHOOL	FEDERAL PERKINS LOAN	$252	13	$17,400
101 MAIN ST	FSEOG	$87,801	142	
PAWTUCKET RI 02860	FWS	$31,024	38	
UNIVERSITY OF RHODE ISLAND	FEDERAL PERKINS LOAN		1,030	$1,339,367
	FSEOG	$918,288	1,481	
KINGSTON RI 02881	FWS	$845,212	1,031	

STATE OF RHODE ISLAND	FEDERAL PERKINS LOAN	$1,145,964	5,523	NO. INSTITUTIONS	12
	FSEOG	$5,470,000	8,822	NO. INSTITUTIONS	17
	FWS	$5,035,843	6,142	NO. INSTITUTIONS	15

STATE OF SOUTH CAROLINA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ACADEMY OF COSMETOLOGY	FSEOG	$5,568	9	
107 HIGHWAY 52 SOUTH				
MONCKS CORNER SC 29461				
ACADEMY OF HAIR DESIGN	FSEOG	$11,369	18	
5060 DORCHESTER ROAD				
CHARLESTON SC 29418				
AIKEN TECHNICAL COLLEGE	FSEOG	$46,387	75	
P O DRAWER 696	FWS	$33,955	41	
AIKEN SC 29802				
ALLEN UNIVERSITY	FSEOG	$134,857	218	
1530 HARDEN STREET	FWS	$163,156	199	
COLUMBIA SC 29204				
ANDERSON COLLEGE	FEDERAL PERKINS LOAN	$117,632	328	$427,361
316 BOULEVARD	FSEOG	$83,418	135	
ANDERSON SC 29621	FWS	$107,732	131	
CENTRAL CAROLINA TECHNICAL COLLEGE	FSEOG	$83,065	134	
506 NORTH GUIGNARD DRIVE	FWS	$115,125	140	
SUMTER SC 29150				
CENTRAL WESLEYAN COLLEGE	FEDERAL PERKINS LOAN	$38,623	131	$171,337
ONE WESLEYAN DRIVE	FSEOG	$75,000	121	
CENTRAL SC 29630	FWS	$69,641	85	
CHARLESTON SOUTHERN UNIVERSITY	FEDERAL PERKINS LOAN	$54,167	580	$754,623
PO BOX 10087	FSEOG	$299,910	484	
CHARLESTON SC 29423	FWS	$455,501	555	
CHESTERFIELD-MARLBORO TECHNICAL COLLEGE	FSEOG	$25,353	41	
PO BOX DRAWER 1007	FWS	$53,304	65	
CHERAW SC 29520				
CHRIS LOGAN CAREER	FEDERAL PERKINS LOAN		45	$59,385
1810-B SECOND LOOP RD	FSEOG	$91,303	147	
FLORENCE SC 29501	FWS	$40,314	49	
CITADEL MILITARY COLLEGE OF SC	FEDERAL PERKINS LOAN	$9,952	76	$99,845
	FSEOG	$46,553	75	
CHARLESTON SC 29409	FWS	$30,518	37	
CLAFLIN COLLEGE	FEDERAL PERKINS LOAN		84	$110,013
700 COLLEGE AVENUE	FSEOG	$231,401	373	
ORANGEBURG SC 29115	FWS	$263,976	322	

STATE OF SOUTH CAROLINA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CLEMSON UNIVERSITY			FEDERAL PERKINS LOAN	$319,748	1,153	$1,499,098
			FSEOG	$349,187	563	
CLEMSON	SC	29634	FWS	$344,521	420	
COASTAL CAROLINA UNIVERSITY			FEDERAL PERKINS LOAN	$61,802	326	$424,375
HIGHWAY 501 PO BOX 1954			FSEOG	$145,618	235	
CONWAY	SC	29526	FWS	$155,588	190	
COKER COLLEGE			FEDERAL PERKINS LOAN	$533	73	$96,178
PO BOX 5008			FSEOG	$100,000	161	
HARTSVILLE	SC	29550	FWS	$61,794	75	
COLLEGE OF CHARLESTON			FEDERAL PERKINS LOAN	$44,224	501	$652,357
68 GEORGE STREET			FSEOG	$153,568	248	
CHARLESTON	SC	29424	FWS	$181,333	221	
COLUMBIA BIBLE COLLEGE AND SEMINARY			FSEOG	$38,144	62	
P O BOX 3122			FWS	$66,868	82	
COLUMBIA	SC	29230				
COLUMBIA COLLEGE			FEDERAL PERKINS LOAN	$34,380	264	$343,588
1301 COLUMBIA COLLEGE DR			FSEOG	$133,056	215	
COLUMBIA	SC	29203	FWS	$150,359	183	
COLUMBIA JUNIOR COLLEGE			FEDERAL PERKINS LOAN		110	$143,776
PO BOX 1196 3810 MAIN STREET			FSEOG	$104,209	168	
COLUMBIA	SC	29202	FWS	$90,393	110	
CONVERSE COLLEGE			FEDERAL PERKINS LOAN	$17,916	177	$230,196
580 E MAIN ST			FSEOG	$51,152	83	
SPARTANBURG	SC	29302	FWS	$67,868	83	
DENMARK TECHNICAL COLLEGE			FSEOG	$110,850	179	
PO BOX 327, SOLOMON BLATT BLVD			FWS	$206,707	252	
DENMARK	SC	29042				
ERSKINE COLLEGE			FEDERAL PERKINS LOAN		122	$159,354
P O BOX 337			FSEOG	$52,275	84	
DUE WEST	SC	29639	FWS	$67,370	82	
FLORENCE-DARLINGTON TECHNICAL COLLEGE			FEDERAL PERKINS LOAN	$34,832	118	$153,662
P O BOX 100548			FSEOG	$80,957	131	
FLORENCE	SC	29501	FWS	$124,636	152	
FORREST JUNIOR COLLEGE			FEDERAL PERKINS LOAN		2	$3,073
601 EAST RIVER ST			FSEOG	$14,171	23	
ANDERSON	SC	29624	FWS	$7,965	10	

STATE OF SOUTH CAROLINA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
FRANCIS MARION UNIVERSITY			FEDERAL PERKINS LOAN	$74,640	194	$253,001
PO BOX 100547			FSEOG	$97,871	158	
FLORENCE	SC	29501	FWS	$123,561	151	
FURMAN UNIVERSITY			FEDERAL PERKINS LOAN	$188,077	690	$898,105
			FSEOG	$168,193	271	
GREENVILLE	SC	29613	FWS	$291,271	355	
GREENVILLE TECHNICAL COLLEGE			FSEOG	$167,511	270	
P O BOX 5616 STATION B			FWS	$134,996	165	
GREENVILLE	SC	29606				
HORRY-GEORGETOWN TECHNICAL COLLEGE			FSEOG	$52,568	85	
HIGHWAY 501 EAST PO BOX 1966			FWS	$98,024	120	
CONWAY	SC	29526				
KENNETH SHULER'S SCHOOL OF COSMETOLOGY & HAIR DE			FSEOG	$9,248	15	
1730 BROAD RIVER ROAD						
COLUMBIA	SC	29210				
LANDER UNIVERSITY			FEDERAL PERKINS LOAN	$34,832	199	$259,337
STANLEY AVENUE			FSEOG	$73,930	119	
GREENWOOD	SC	29646	FWS	$110,636	135	
LIMESTONE COLLEGE			FEDERAL PERKINS LOAN		52	$68,366
1115 COLLEGE DRIVE			FSEOG	$80,000	129	
GAFFNEY	SC	29340	FWS	$56,980	69	
MANGUM BARBER & HAIRSTYLING COLLEGE			FSEOG	$3,527	6	
125 HAMPTON STREET						
ROCK HILLS	SC	29730				
MEDICAL UNIV OF SOUTH CAROLINA			FEDERAL PERKINS LOAN	$114,009	611	$795,599
171 ASHLEY AVENUE			FSEOG	$22,254	36	
CHARLESTON	SC	29425	FWS	$150,044	183	
MIDLANDS TECHNICAL COLLEGE			FSEOG	$296,808	479	
POST OFFICE BOX 2408			FWS	$406,817	496	
COLUMBIA	SC	29202				
MORRIS COLLEGE			FEDERAL PERKINS LOAN		89	$115,891
100 WEST COLLEGE STREET			FSEOG	$306,378	494	
SUMTER	SC	29150	FWS	$370,866	452	
NEWBERRY COLLEGE			FEDERAL PERKINS LOAN	$19,905	183	$238,951
2100 COLLEGE ST			FSEOG	$54,016	87	
NEWBERRY	SC	29108	FWS	$60,598	74	

STATE OF SOUTH CAROLINA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NIELSEN ELECTRONICS INSTITUTE	FSEOG	$110,063	178	
1600 MEETING STREET				
CHARLESTON SC 29405				
NORTH AMERICAN INSTITUTE OF AVIATION OF SC INC	FEDERAL PERKINS LOAN	$3,304	10	$13,705
HORRY COUNTY AIRPORT PO BOX680	FSEOG	$11,697	19	
CONWAY SC 29526				
NORTH GREENVILLE COLLEGE	FSEOG	$58,224	94	
PO BOX 1892	FWS	$33,842	41	
TIGERVILLE SC 29688				
ORANGEBURG-CALHOUN TECHNICAL COL	FSEOG	$96,630	156	
3250 ST MATTHEWS RD NE	FWS	$100,767	123	
ORANGEBURG SC 29115				
PIEDMONT TECHNICAL COLLEGE	FSEOG	$63,203	102	
PO DRAWER 1467	FWS	$96,415	118	
GREENWOOD SC 29648				
PRESBYTERIAN COLLEGE	FEDERAL PERKINS LOAN		135	$176,386
SOUTH BROAD ST	FSEOG	$87,485	141	
CLINTON SC 29325	FWS	$65,415	80	
SHERMAN COL OF STRAIGHT CHIROPRACT	FEDERAL PERKINS LOAN	$45,033	171	$222,896
PO BOX 1452	FSEOG	$18,684	30	
SPARTANBURG SC 29304	FWS	$87,029	106	
SOUTH CAROLINA STATE UNIVERSITY	FEDERAL PERKINS LOAN		224	$291,570
300 COLLEGE AVENUE	FSEOG	$685,164	1,105	
ORANGEBURG SC 29117	FWS	$352,933	430	
SPARTANBURG METHODIST COLLEGE	FEDERAL PERKINS LOAN	$24,880	68	$89,232
1200 TEXTILE DRIVE	FSEOG	$70,320	113	
SPARTANBURG SC 29301	FWS	$66,304	81	
SPARTANBURG TECHNICAL COLLEGE	FSEOG	$65,280	105	
P O DRAWER 4386	FWS	$50,059	61	
SPARTANBURG SC 29305				
TECHNICAL COLLEGE OF THE LOWCOUNTRY	FSEOG	$35,151	57	
100 S RIBAULT RD, PO BOX 1288	FWS	$69,817	85	
BEAUFORT SC 29901				
TRI-COUNTY TECHNICAL COLLEGE	FSEOG	$53,695	87	
BOX 587	FWS	$72,289	88	
PENDLETON SC 29670				

STATE OF SOUTH CAROLINA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
TRIDENT TECHNICAL COLLEGE	FSEOG	$199,177	321	
P O BOX 10367	FWS	$211,504	258	
CHARLESTON SC 29411				
UNIVERSITY OF SOUTH CAROLINA	FEDERAL PERKINS LOAN	$180,529	2,897	$3,767,116
1714 COLLEGE ST	FSEOG	$463,716	748	
COLUMBIA SC 29208	FWS	$1,081,401	1,319	
UNIVERSITY OF SOUTH CAROLINA AT AIKEN	FEDERAL PERKINS LOAN	$38,913	110	$143,374
171 UNIVERSITY PARKWAY	FSEOG	$73,110	118	
AIKEN SC 29801	FWS	$93,942	115	
UNIVERSITY OF SOUTH CAROLINA AT SPARTANBURG	FEDERAL PERKINS LOAN	$49,760	235	$305,571
800 UNIVERSITY WAY	FSEOG	$88,841	143	
SPARTANBURG SC 29303	FWS	$133,830	163	
USC-REGIONAL CAMPUSES	FEDERAL PERKINS LOAN	$70,958	338	$439,959
900 ASSEMBLY STREET	FSEOG	$87,979	142	
COLUMBIA SC 29208	FWS	$165,948	202	
VOORHEES COLLEGE	FEDERAL PERKINS LOAN		138	$179,537
VOORHEES ROAD PO BOX 678	FSEOG	$407,952	658	
DENMARK SC 29042	FWS	$333,720	407	
WILLIAMSBURG TECHNICAL COLLEGE	FSEOG	$16,100	26	
601 LANE ROAD	FWS	$52,855	64	
KINGSTREE SC 29556				
WINTHROP UNIVERSITY	FEDERAL PERKINS LOAN	$12,666	357	$464,453
119 TILLMAN	FSEOG	$125,642	203	
ROCK HILL SC 29733	FWS	$154,028	188	
WOFFORD COLLEGE	FEDERAL PERKINS LOAN	$49,760	294	$382,313
429 NORTH CHURCH STREET	FSEOG	$90,296	146	
SPARTANBURG SC 29303	FWS	$127,644	156	
YORK TECHNICAL COLLEGE	FSEOG	$55,593	90	
452 S ANDERSON ROAD	FWS	$83,569	102	
ROCK HILL SC 29730				

STATE OF SOUTH CAROLINA	FEDERAL PERKINS LOAN	$1,641,075	10,084	NO. INSTITUTIONS 35
	FSEOG	$6,763,677	10,913	NO. INSTITUTIONS 58
	FWS	$8,095,728	9,871	NO. INSTITUTIONS 52

STATE OF SOUTH DAKOTA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
AUGUSTANA COLLEGE	FEDERAL PERKINS LOAN	$5,011	918	$1,194,380
29TH & SOUTH SUMMIT AVE	FSEOG	$386,534	623	
SIOUX FALLS SD 57197	FWS	$450,407	549	
BLACK HILLS STATE UNIVERSITY	FEDERAL PERKINS LOAN	$87,785	386	$502,281
1200 UNIVERSITY BOX 9509	FSEOG	$226,355	365	
SPEARFISH SD 57783	FWS	$258,744	316	
DAKOTA STATE UNIV	FEDERAL PERKINS LOAN	$61,428	289	$375,889
820 N WASHINGTON	FSEOG	$105,091	170	
MADISON SD 57042	FWS	$210,199	256	
DAKOTA WESLEYAN UNIVERSITY	FEDERAL PERKINS LOAN		133	$173,626
1200 W UNIVERSITY BLVD	FSEOG	$96,799	156	
MITCHELL SD 57301	FWS	$94,837	116	
HURON UNIVERSITY	FEDERAL PERKINS LOAN		87	$113,450
333 9TH ST SW	FSEOG	$130,775	211	
HURON SD 57350	FWS	$85,274	104	
KILIAN COMMUNITY COLLEGE	FSEOG	$9,629	16	
1600 S MENLO AVENUE	FWS	$8,299	10	
SIOUX FALLS SD 57105				
LAKE AREA TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		196	$254,890
230 NE 11TH	FSEOG	$65,000	105	
WATERTOWN SD 57201	FWS	$59,616	73	
MITCHELL TECHNICAL INSTITUTION	FEDERAL PERKINS LOAN		82	$107,049
821 NORTH CAPITAL	FSEOG	$46,763	75	
MITCHELL SD 57301	FWS	$66,472	81	
MOUNT MARTY COLLEGE	FEDERAL PERKINS LOAN	$26,667	190	$248,167
1105 WEST 8TH	FSEOG	$136,457	220	
YANKTON SD 57078	FWS	$110,808	135	
NATIONAL COLLEGE	FEDERAL PERKINS LOAN	$72,833	291	$379,222
321 KANSAS CITY ST P O BX 1780	FSEOG	$202,543	327	
RAPID CITY SD 57701	FWS	$192,735	235	
NETTLETON COLLEGE	FEDERAL PERKINS LOAN		153	$199,694
100 SOUTH SPRING AVE BOX 924	FSEOG	$61,686	99	
SIOUX FALLS SD 57101	FWS	$11,151	14	
NORTH AMERICAN BAPTIST SEMINARY	FWS	$5,438	7	
1321 W 22ND ST				
SIOUX FALLS SD 57105				

STATE OF SOUTH DAKOTA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NORTHERN STATE UNIVERSITY	FEDERAL PERKINS LOAN	$35,322	618	$803,436
1200 SOUTH JAY STREET	FSEOG	$162,671	262	
ABERDEEN SD 57401	FWS	$409,878	500	
OGLALA LAKOTA COLLEGE	FSEOG	$20,000	32	
P.O. BOX 490	FWS	$25,433	31	
KYLE SD 57752				
PRESENTATION COLLEGE	FEDERAL PERKINS LOAN		124	$161,691
1500 NO MAIN	FSEOG	$61,099	99	
ABERDEEN SD 57401	FWS	$41,220	50	
SINTE GLESKA UNIVERSITY	FSEOG	$28,986	47	
PO BOX 490	FWS	$29,278	36	
ROSEBUD SD 57570				
SIOUX FALLS COLLEGE	FEDERAL PERKINS LOAN		232	$302,602
1501 S PRAIRIE	FSEOG	$98,835	159	
SIOUX FALLS SD 57105	FWS	$135,850	166	
SISSETON-WAHPETON CMTY COLLEGE	FSEOG	$25,895	42	
BOX 689 AGENCY VILLAGE CPO	FWS	$12,803	16	
SISSETON SD 57262				
SOUTH DAKOTA SCHOOL OF MINES & TECH	FEDERAL PERKINS LOAN	$64,932	263	$343,018
501 EAST ST JOSEPH ST	FSEOG	$88,537	143	
RAPID CITY SD 57701	FWS	$182,913	223	
SOUTH DAKOTA STATE UNIVERSITY	FEDERAL PERKINS LOAN	$220,549	1,291	$1,679,359
ADMINISTRATION LANE BOX 2201	FSEOG	$376,827	608	
BROOKINGS SD 57007	FWS	$537,823	656	
SOUTHEAST VO-TECH INSTITUTE	FSEOG	$24,568	40	
2301 CAREER PL	FWS	$25,960	32	
SIOUX FALLS SD 57107				
STENOTYPE INST OF SOUTH DAKOTA	FEDERAL PERKINS LOAN	$35,304	67	$88,107
705 WEST AVE NORTH	FSEOG	$23,599	38	
SIOUX FALLS SD 57104	FWS	$10,808	13	
STEWART SCHOOL OF HAIRSTYLING	FEDERAL PERKINS LOAN		64	$83,503
PO BX 5026	FSEOG	$22,214	36	
SIOUX FALLS SD 57101				
STEWART SCHOOL OF HAIRSTYLING	FEDERAL PERKINS LOAN		20	$26,095
201 SO MAIN	FSEOG	$10,304	17	
ABERDEEN SD 57401				

STATE OF SOUTH DAKOTA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIV OF SOUTH DAKOTA-VERMILLION	FEDERAL PERKINS LOAN	$322,831	1,396	$1,815,534
414 EAST CLARK ST	FSEOG	$418,736	675	
VERMILLION SD 57069	FWS	$584,564	713	
WESTERN DAKOTA TECHNICAL INSTITUTE	FSEOG	$37,133	60	
1600 SEDIVY LANE	FWS	$18,988	23	
RAPID CITY SD 57701				

STATE OF SOUTH DAKOTA	FEDERAL PERKINS LOAN	$932,662	5,709	NO. INSTITUTIONS 19
	FSEOG	$2,867,036	4,625	NO. INSTITUTIONS 25
	FWS	$3,569,498	4,355	NO. INSTITUTIONS 24

STATE OF TENNESSEE

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
AMERICAN BAPTIST THEOLOGICAL SEM	FSEOG	$8,601	14	
1800 BAPTIST WORLD CENTER DR	FWS	$6,964	8	
NASHVILLE TN 37207				
AQUINAS JR COLLEGE	FSEOG	$11,629	19	
4210 HARDING ROAD	FWS	$10,700	13	
NASHVILLE TN 37205				
AREA VOCATIONAL-TECHNICAL SCHOOL	FSEOG	$5,568	9	
1405 MADISON STREET	FWS	$3,776	5	
SHELBYVILLE TN 37160				
ARNOLD'S BEAUTY SCHOOL	FSEOG	$5,743	9	
1179 SOUTH SECOND STREET				
MILAN TN 38358				
ATHENS STATE AREA VOCATIONAL-TECHNICAL SCHOOL	FSEOG	$5,000	8	
P O BOX 848	FWS	$868	1	
ATHENS TN 37303				
AUSTIN PEAY STATE UNIVERSITY	FEDERAL PERKINS LOAN	$16,963	445	$578,695
COLLEGE STREET	FSEOG	$197,624	319	
CLARKSVILLE TN 37044	FWS	$235,487	287	
BELMONT UNIVERSITY	FEDERAL PERKINS LOAN	$66,042	275	$358,396
1900 BELMONT BOULEVARD	FSEOG	$188,532	304	
NASHVILLE TN 37212	FWS	$85,367	104	
BETHEL COLLEGE	FEDERAL PERKINS LOAN		93	$121,245
212 CHERRY STREET	FSEOG	$28,092	45	
MCKENZIE TN 38201	FWS	$71,286	87	
BRISTOL UNIVERSITY	FSEOG	$42,110	68	
1241 VOLUNTEER PKWY POB 4366	FWS	$35,932	44	
BRISTOL TN 37625				
BRYAN COLLEGE	FEDERAL PERKINS LOAN	$15,076	195	$253,992
BOX 7000	FSEOG	$90,190	145	
DAYTON TN 37321	FWS	$160,373	196	
CARSON-NEWMAN COLLEGE	FEDERAL PERKINS LOAN	$74,640	376	$489,447
1646 RUSSELL AVENUE POB 552	FSEOG	$219,782	354	
JEFFERSON CITY TN 37760	FWS	$133,784	163	
CHATTANOOGA ST TECH CMTY COLLEGE	FSEOG	$109,741	177	
4501 AMNICOLA HWY	FWS	$82,325	100	
CHATTANOOGA TN 37406				

STATE OF TENNESSEE

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CHRISTIAN BROTHERS UNIVERSITY	FEDERAL PERKINS LOAN	$11,112	121	$158,249
650 E PARKWAY SO	FSEOG	$110,427	178	
MEMPHIS TN 38104	FWS	$157,035	192	
CHURCH OF GOD SCHOOL OF THEOLOGY	FEDERAL PERKINS LOAN	$15,463	42	$55,255
900 WALKER ST NE	FWS	$13,888	17	
CLEVELAND TN 37311				
CLEVELAND STATE COMMUNITY COLLEGE	FSEOG	$11,323	18	
PO BOX 3570	FWS	$47,403	58	
CLEVELAND TN 37320				
COLUMBIA STATE COMMUNITY COLLEGE	FSEOG	$10,937	18	
HAMPSHIRE PIKE	FWS	$35,850	44	
COLUMBIA TN 38401				
CONCORDE CAREER INSTITUTE	FEDERAL PERKINS LOAN		5	$7,203
5100 POPLAR AVE STE 132	FSEOG	$36,145	58	
MEMPHIS TN 38137				
COVINGTON STATE AREA VOCATIONAL TECHNICAL SCHOOL	FSEOG	$8,276	13	
1600 HIGHWAY 51 SOUTH				
COVINGTON TN 38019				
CRICHTON COLLEGE	FEDERAL PERKINS LOAN	$15,396	65	$85,182
6655 WINCHESTER RD,POB 757830	FSEOG	$38,357	62	
MEMPHIS TN 38175	FWS	$63,136	77	
CUMBERLAND SCHOOL OF TECHNOLOGY	FEDERAL PERKINS LOAN	$14,928	15	$19,904
1065 E 10TH STREET	FSEOG	$14,275	23	
COOKEVILLE TN 38501				
CUMBERLAND UNIVERSITY OF TENNESSEE	FEDERAL PERKINS LOAN		23	$30,968
SOUTH GREENWOOD STREET	FSEOG	$45,696	74	
LEBANON TN 37087	FWS	$29,116	36	
DAVID LIPSCOMB UNIVERSITY	FEDERAL PERKINS LOAN	$11,033	268	$349,643
3901 GRANNY WHITE PIKE	FSEOG	$81,025	131	
NASHVILLE TN 37204	FWS	$86,258	105	
DAVIDSON TECHNICAL COLLEGE	FSEOG	$25,087	40	
212 PAVILION BOULEVARD	FWS	$2,658	3	
NASHVILLE TN 37217				
DRAUGHONS COLLEGE	FEDERAL PERKINS LOAN		17	$22,210
3200 ELVIS PRESLEY BLVD	FSEOG	$199,996	323	
MEMPHIS TN 38186				

STATE OF TENNESSEE

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
DRAUGHONS JR COLLEGE OF BUSINESS	FEDERAL PERKINS LOAN		0	$1,000
PRK AT PAVILION BVD POB 17386	FSEDG	$84,991	137	
NASHVILLE TN 37217	FWS	$38,098	46	
DYERSBURG STATE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		5	$7,478
P O BOX 648	FSEOG	$30,443	49	
DYERSBURG TN 38025	FWS	$33,042	40	
EAST TENNESSEE STATE UNIVERSITY	FEDERAL PERKINS LOAN	$373,201	1,260	$1,638,291
PO BOX 70722	FSEOG	$238,477	385	
JOHNSON CITY TN 37614	FWS	$390,984	477	
ELECTRONIC COMPUTER PROGRAMMING INSTITUTE OF CHA	FSEOG	$13,322	21	
3805 BRAINERD ROAD				
CHATTANOOGA TN 37411				
ELIZABETHTON AREA VOC TECH SCHOOL	FSEOG	$13,000	21	
1500 ARNEY ST	FWS	$3,000	4	
ELIZABETHTON TN 37643				
EMMANUAL SCHOOL OF RELIGION	FWS	$7,579	9	
ONE WALKER DRIVE				
JOHNSON CITY TN 37601				
FISK UNIVERSITY	FEDERAL PERKINS LOAN		157	$205,378
1000 17TH AVENUE NORTH	FSEOG	$231,729	374	
NASHVILLE TN 37208	FWS	$222,518	271	
FREE WILL BAPTIST BIBLE COLLEGE	FSEOG	$16,137	26	
3606 W END AVE	FWS	$10,172	12	
NASHVILLE TN 37205				
FREED-HARDMAN UNIVERSITY	FEDERAL PERKINS LOAN	$59,589	425	$553,039
158 EAST MAIN	FSEDG	$195,784	316	
HENDERSON TN 38340	FWS	$335,310	409	
HARRIMAN STATE AREA VOCATIONAL-TECHNICAL SCHOOL	FSEOG	$9,786	16	
P O BOX 1109	FWS	$2,664	3	
HARRIMAN TN 37748				
HARTSVILLE STATE AREA VOCATIONAL-TECHNICAL SCHOO	FSEOG	$4,449	7	
HWY 25 E, 716 MCMURRY BLVD				
HARTSVILLE TN 37074				
HEALTH CARE TRAINING INSTITUTE	FSEOG	$27,766	45	
430 N CLEVELAND STREET				
MEMPHIS TN 38104				

STATE OF TENNESSEE

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
HIWASSEE COLLEGE		FEDERAL PERKINS LOAN		127	$165,941
		FSEOG	$73,672	119	
MADISONVILLE	TN 37354	FWS	$62,004	76	
INTERNATIONAL BARBER & STYLE COLLEGE		FSEOG	$5,051	8	
619 S GALLATIN ROAD					
MADISON	TN 37115				
ITT TECHNICAL INSTITUTE		FEDERAL PERKINS LOAN		9	$12,164
441 DONELSON PIKE PO BOX148029		FSEOG	$65,000	105	
NASHVILLE	TN 37214	FWS	$20,783	25	
ITT TECHNICAL INSTITUTE		FEDERAL PERKINS LOAN		18	$24,629
1637 DOWNTOWN WEST BLVD STE 22		FSEOG	$40,000	65	
KNOXVILLE	TN 37919	FWS	$15,641	19	
JACKSBORO STATE VOC-TECH SCHOOL		FSEOG	$10,170	16	
PO BOX 419		FWS	$2,227	3	
JACKSBORO	TN 37757				
JACKSON STATE COMMUNITY COLLEGE		FEDERAL PERKINS LOAN	$5,691	24	$31,341
2046 N PARKWAY STREET		FSEOG	$71,808	116	
JACKSON	TN 38301	FWS	$42,629	52	
JETT COLLEGE OF BARBERING		FSEOG	$6,166	10	
3740 N WATKINS					
MEMPHIS	TN 38127				
JETT COLLEGE OF COSMETOLOGY & BARBERING		FSEOG	$8,460	14	
1286 SOUTHBROOK MALL					
MEMPHIS	TN 38116				
JETT COLLEGE OF COSMETOLOGY AND BARBERING		FSEOG	$1,239	2	
524 S COOPER					
MEMPHIS	TN 38104				
JOHN A GUPTON COLLEGE		FSEOG	$5,568	9	
1816 CHURCH ST		FWS	$819	1	
NASHVILLE	TN 37203				
JOHNSON BIBLE COLLEGE		FSEOG	$26,362	43	
7900 JOHNSON DRIVE		FWS	$94,278	115	
KNOXVILLE	TN 37998				
JON NAVE UNIVERSITY OF UNISEX COSMETOLOGY		FSEOG	$4,748	8	
5128 CHARLOTTE AVENUE					
NASHVILLE	TN 37209				

STATE OF TENNESSEE

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
KING COLLEGE	FEDERAL PERKINS LOAN	$39,808	120	$156,561
1350 KING COLLEGE RD	FSEOG	$56,119	91	
BRISTOL TN 37620	FWS	$54,222	66	
KNOXVILLE BUSINESS COLLEGE	FEDERAL PERKINS LOAN		64	$83,548
720 N FIFTH AVENUE	FSEOG	$54,856	88	
KNOXVILLE TN 37917	FWS	$31,287	38	
KNOXVILLE COLLEGE	FEDERAL PERKINS LOAN		40	$52,431
901 COLLEGE STREET	FSEOG	$352,762	569	
KNOXVILLE TN 37921	FWS	$194,933	238	
KNOXVILLE INSTITUTE OF HAIR DESIGN	FSEOG	$5,568	9	
1221 NORTH CENTRAL				
KNOXVILLE TN 37917				
LACARM SCHOOL OF COSMETOLOGY	FSEOG	$5,568	9	
1123B SPARTA STREET				
MCMINNVILLE TN 37110				
LAMBUTH UNIVERSITY	FEDERAL PERKINS LOAN	$5,182	257	$334,331
LAMBUTH BLVD	FSEOG	$60,993	98	
JACKSON TN 38301	FWS	$86,539	106	
LANE COLLEGE	FEDERAL PERKINS LOAN		13	$17,618
545 LANE AVE	FSEOG	$500,594	807	
JACKSON TN 38301	FWS	$285,582	348	
LE MOYNE-OWEN COLLEGE	FEDERAL PERKINS LOAN		42	$55,880
807 WALKER AVE	FSEOG	$305,090	492	
MEMPHIS TN 38126	FWS	$336,573	410	
LEE COLLEGE	FEDERAL PERKINS LOAN	$58,394	296	$384,990
NORTH OCOEE STREET	FSEOG	$143,842	232	
CLEVELAND TN 37311	FWS	$198,458	242	
LINCOLN MEMORIAL UNIVERSITY	FEDERAL PERKINS LOAN	$10,043	265	$344,825
CUMBERLAND GAP PARKWAY	FSEOG	$125,927	203	
HARROGATE TN 37752	FWS	$126,380	154	
LYNMAR BEAUTY ACADEMY	FSEOG	$7,789	13	
119 NASHVILLE HWY #113				
COLUMBIA TN 38401				
MARTIN METHODIST COLLEGE	FSEOG	$23,371	38	
433 WEST MADISON	FWS	$28,683	35	
PULASKI TN 38478				

STATE OF TENNESSEE

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MARYVILLE COLLEGE	FEDERAL PERKINS LOAN		117	$152,236
502 LAMAR ALEXANDER PARKWAY	FSEOG	$85,108	137	
MARYVILLE TN 37801	FWS	$69,664	85	
MEDICAL CAREER COLLEGE	FEDERAL PERKINS LOAN		3	$4,942
537-39 MAIN STREET	FSEOG	$19,027	31	
NASHVILLE TN 37206				
MEHARRY MEDICAL COLLEGE	FEDERAL PERKINS LOAN	$537,410	807	$1,050,327
1005 D B TODD BLVD	FWS	$163,896	200	
NASHVILLE TN 37208				
MEMPHIS COLLEGE OF ART	FEDERAL PERKINS LOAN	$4,414	16	$21,814
OVERTON PARK	FSEOG	$11,218	18	
MEMPHIS TN 38112	FWS	$16,110	20	
MEMPHIS STATE UNIVERSITY	FEDERAL PERKINS LOAN	$25,876	533	$693,035
CENTRAL AT PATTERSON	FSEOG	$303,593	490	
MEMPHIS TN 38152	FWS	$295,743	361	
METHODIST HOSPITAL OF MEMPHIS SCHOOL OF NURSING	FEDERAL PERKINS LOAN	$26,124	51	$66,329
251 SOUTH CLAYBROOK	FSEOG	$17,739	29	
MEMPHIS TN 38104	FWS	$21,164	26	
MIDDLE TENNESSEE SCHOOL OF COSMETOLOGY	FSEOG	$5,568	9	
46 E BROAD STREET				
COOKEVILLE TN 38501				
MIDDLE TENNESSEE STATE UNIVERSITY	FEDERAL PERKINS LOAN	$81,759	530	$689,992
EAST MAIN STREET	FSEOG	$205,423	331	
MURFREESBORO TN 37132	FWS	$313,585	382	
MIDSOUTH SCHOOL OF BEAUTY	FEDERAL PERKINS LOAN		1	$2,411
3974 ELVIS PRESLEY BLVD	FSEOG	$7,614	12	
MEMPHIS TN 38116				
MILLER-MOTTE BUSINESS COLLEGE	FSEOG	$85,000	137	
1820 BUSINESS PARK DRIVE	FWS	$29,876	36	
CLARKSVILLE TN 37040				
MILLIGAN COLLEGE	FEDERAL PERKINS LOAN	$54,737	214	$279,352
P O BOX 250	FSEOG	$50,489	81	
MILLIGAN COLLEGE TN 37682	FWS	$59,210	72	
MOTLOW STATE COMMUNITY COLLEGE	FSEOG	$57,431	93	
POB 88100	FWS	$42,120	51	
TULLAHOMA TN 37388				

STATE OF TENNESSEE

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MURFREESBORO AREA VOCATIONAL-TECHNICAL SCHOOL	FSEOG	$1,501	2	
1303 OLD FORT PARKWAY	FWS	$1,773	2	
MURFREESBORO TN 37130				
NASHVILLE AUTO DIESEL COLLEGE	FSEOG	$103,865	168	
1524 GALLATIN ROAD	FWS	$59,750	73	
NASHVILLE TN 37206				
NASHVILLE COLLEGE	FSEOG	$12,744	21	
402 PLAZA PROFESSIONAL BLDG				
MADISON TN 37115				
NASHVILLE STATE AREA VOCATIONAL-TECHNICAL SCHOOL	FSEOG	$14,459	23	
100 WHITE BRIDGE ROAD				
NASHVILLE TN 37209				
NASHVILLE STATE TECH INSTITUTE	FSEOG	$44,079	71	
120 WHITE BRIDGE ROAD	FWS	$31,685	39	
NASHVILLE TN 37209				
NEWBERN STATE AREA VOC-TECH SCHOOL	FSEOG	$11,841	19	
340 WASHINGTON STREET	FWS	$4,555	6	
NEWBERN TN 38059				
NORTHEAST STATE TECHNICAL COMMUNITY COLLEGE	FSEOG	$75,422	122	
2425 HIGHWAY 74,PO BOX 246	FWS	$40,103	49	
BLOUNTVILLE TN 37617				
ONEIDA AREA VOCATIONAL-TECHNICAL SCHOOL	FSEOG	$6,027	10	
120 ELI LANE RT 3 BOX 37-S	FWS	$6,571	8	
ONEIDA TN 37841				
PELLISSIPPI STATE TECHNICAL COMMUNITY COLLEGE	FSEOG	$80,666	130	
10915 HARDIN VLLY RD,PO#22990	FWS	$58,722	72	
KNOXVILLE TN 37933				
RHODES COLLEGE	FEDERAL PERKINS LOAN	$48,384	225	$293,144
2000 N. PARKWAY	FSEOG	$170,467	275	
MEMPHIS TN 38112	FWS	$134,797	164	
RICE COLLEGE	FEDERAL PERKINS LOAN		52	$68,502
2485 UNION EXTENDED	FSEOG	$141,206	228	
MEMPHIS TN 38112	FWS	$59,602	73	
ROANE STATE COMMUNITY COLLEGE	FSEOG	$50,000	81	
RT 8 BOX 69	FWS	$96,504	118	
HARRIMAN TN 37748				

STATE OF TENNESSEE

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SHELBY STATE COMMUNITY COLLEGE		FEDERAL PERKINS LOAN		10	$13,314
P O BOX 40568		FSEOG	$230,104	371	
MEMPHIS	TN 38174	FWS	$432,819	528	
SOUTHERN COLLEGE OF OPTOMETRY		FEDERAL PERKINS LOAN	$296,037	914	$1,188,625
1245 MADISON AVE		FWS	$107,602	131	
MEMPHIS	TN 38104				
SOUTHERN COLLEGE OF SDA		FEDERAL PERKINS LOAN	$43,162	445	$579,082
P O BOX 370		FSEOG	$185,270	299	
COLLEGEDALE	TN 37315	FWS	$304,898	372	
STATE AREA VOCATIONAL TECH SCHOOL		FSEOG	$3,352	5	
740 HIGHWAY 46		FWS	$1,176	1	
DICKSON	TN 37055				
STATE AREA VOCATIONAL TECHNICAL SCHOOL		FSEOG	$10,000	16	
1233 E COLLEGE ST PO BOX 614		FWS	$2,648	3	
PULASKI	TN 38478				
STATE AREA VOCATIONAL TECHNICAL SCHOOL		FSEOG	$9,110	15	
821 W LOUISE AVE		FWS	$3,601	4	
MORRISTOWN	TN 37814				
STATE AREA VOCATIONAL TECHNICAL SCHOOL		FSEOG	$7,792	13	
813 WEST MAIN STREET		FWS	$3,310	4	
HOHENWALD	TN 38462				
STATE AREA VOCATIONAL TECHNICAL SCHOOL		FSEOG	$8,016	13	
P O BOX 89,HWY 64 W		FWS	$6,402	8	
CRUMP	TN 38327				
STATE AREA VOCATIONAL-TECHNICAL SCHOOL		FSEOG	$9,845	16	
PO BOX 2959		FWS	$4,014	5	
CROSSVILLE	TN 38555				
STATE AREA VOCATIONAL-TECHNICAL SCHOOL		FSEOG	$9,000	15	
AIRPORT ROAD, PO BOX 219		FWS	$5,780	7	
LIVINGSTON	TN 38570				
STATE AREA VOCATIONAL-TECHNICAL SCHOOL		FSEOG	$11,146	18	
312 S WILSON ST		FWS	$5,113	6	
PARIS	TN 38242				
STATE AREA VOCATIONAL-TECHNICAL SCHOOL		FSEOG	$25,000	40	
1100 LIBERTY STREET		FWS	$10,000	12	
KNOXVILLE	TN 37919				

STATE OF TENNESSEE

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
STATE AREA VOCATIONAL-TECHNICAL SCHOOL	FSEOG	$11,136	18	
VO-TECH DRIVE	FWS	$10,000	12	
MCMINNVILLE TN 37110				
STATE AREA VOCATIONAL-TECHNICAL SCHOOL-JACKSON	FSEOG	$16,150	26	
MCKELLAR FIELD	FWS	$1,148	1	
JACKSON TN 38301				
STATE TECHNICAL INSTITUTE-MEMPHIS	FSEOG	$91,968	148	
5983 MACON COVE	FWS	$121,580	148	
MEMPHIS TN 38134				
TENNESSEE STATE UNIVERSITY	FEDERAL PERKINS LOAN		566	$736,480
3500 JOHN A MERRITT BOULEVARD	FSEOG	$1,086,001	1,752	
NASHVILLE TN 37209	FWS	$996,185	1,215	
TENNESSEE TECHNOLOGICAL UNIVERSITY	FEDERAL PERKINS LOAN	$149,280	923	$1,200,273
DIXIE AVENUE	FSEOG	$225,708	364	
COOKEVILLE TN 38505	FWS	$370,659	452	
TENNESSEE TEMPLE UNIVERSITY	FEDERAL PERKINS LOAN	$229,780	534	$694,408
1815 UNION AVE	FSEOG	$62,214	100	
CHATTANOOGA TN 37404	FWS	$82,589	101	
TENNESSEE WESLEYAN COLLEGE	FEDERAL PERKINS LOAN	$2,851	103	$134,061
P O BOX 40	FSEOG	$43,583	70	
ATHENS TN 37303	FWS	$19,617	24	
TREVECCA NAZARENE COLLEGE	FEDERAL PERKINS LOAN	$9,018	329	$428,242
333 MURFREESBORO RD	FSEOG	$144,251	233	
NASHVILLE TN 37210	FWS	$124,457	152	
TUSCULUM COLLEGE	FEDERAL PERKINS LOAN	$47,773	141	$184,193
PO BOX 5049	FSEOG	$89,532	144	
GREENEVILLE TN 37743	FWS	$97,520	119	
UNION UNIVERSITY	FEDERAL PERKINS LOAN	$19,905	205	$266,707
HWY 45 BY-PASS	FSEOG	$80,000	129	
JACKSON TN 38305	FWS	$76,189	93	
UNIV OF TENN-CTR FOR HEALTH SCI	FEDERAL PERKINS LOAN	$18,612	1,322	$1,719,166
800 MADISON AVENUE	FSEOG	$55,926	90	
MEMPHIS TN 38163	FWS	$128,000	156	
UNIVERSITY OF BEAUTY	FSEOG	$5,568	9	
1701 G SOUTH LEE HWY	FWS	$528	1	
CLEVELAND TN 37311				

STATE OF TENNESSEE

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF TENNESSEE-CHATTANOOGA	FEDERAL PERKINS LOAN	$144,305	452	$588,257
615 MCCALLIE AVENUE	FSEOG	$142,337	230	
CHATTANOOGA TN 37403	FWS	$222,039	271	
UNIVERSITY OF TENNESSEE-KNOXVILLE	FEDERAL PERKINS LOAN	$63,359	2,297	$2,987,019
527 ANDY HOLT TOWER	FSEOG	$1,052,830	1,698	
KNOXVILLE TN 37996	FWS	$917,176	1,119	
UNIVERSITY OF TENNESSEE-MARTIN	FEDERAL PERKINS LOAN	$137,778	679	$883,135
UNIVERSITY STREET	FSEOG	$173,816	280	
MARTIN TN 38238	FWS	$383,552	468	
UNIVERSITY OF THE SOUTH	FEDERAL PERKINS LOAN	$74,640	356	$463,551
735 UNIVERSITY AVENUE	FSEOG	$178,053	287	
SEWANEE TN 37383	FWS	$156,728	191	
VANDERBILT UNIVERSITY	FEDERAL PERKINS LOAN	$68,783	1,749	$2,274,307
2309 WEST END AVENUE	FSEOG	$593,032	957	
NASHVILLE TN 37203	FWS	$705,302	860	
VOLUNTEER STATE COMMUNITY COLLEGE	FSEOG	$68,321	107	
NASHVILLE PIKE	FWS	$49,735	61	
GALLATIN TN 37066				
WALTERS STATE COMMUNITY COLLEGE	FSEOG	$60,875	98	
500 S DAVY CROCKETT PARKWAY	FWS	$55,764	68	
MORRISTOWN TN 37813				
WEST TENNESSEE BUSINESS COLLEGE	FEDERAL PERKINS LOAN		24	$31,978
1186 HWY 45 BYPASS PO BOX 1668	FSEOG	$25,759	42	
JACKSON TN 38301	FWS	$20,864	25	
WHITEVILLE AREA VOC-TECH SCHOOL	FSEOG	$5,807	9	
PO BOX 489	FWS	$5,000	6	
WHITEVILLE TN 38075				

STATE OF TENNESSEE	FEDERAL PERKINS LOAN	$2,876,548	17,274	NO. INSTITUTIONS 58
	FSEOG	$10,600,752	17,100	NO. INSTITUTIONS 113
	FWS	$10,824,036	13,200	NO. INSTITUTIONS 96

STATE OF TEXAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ABILENE CHRISTIAN UNIVERSITY	FEDERAL PERKINS LOAN		290	$377,595
ACU STATION BOX 8483	FSEOG	$273,565	441	
ABILENE TX 79699	FWS	$284,724	347	
ALADDIN BEAUTY COLLEGE #1	FEDERAL PERKINS LOAN		0	$1,000
817 SCOTT	FSEOG	$132,331	213	
WICHITA FALLS TX 76301				
ALAMO COMMUNITY COLLEGE DISTRICT	FEDERAL PERKINS LOAN		66	$86,019
811 W HOUSTON BOX 3800	FSEOG	$889,186	1,434	
SAN ANTONIO TX 78284	FWS	$1,035,042	1,262	
ALVIN COMMUNITY COLLEGE	FSEOG	$60,047	97	
3110 MUSTANG RD	FWS	$50,584	62	
ALVIN TX 77511				
AMARILLO COLLEGE	FSEOG	$68,018	110	
BOX 447	FWS	$72,503	88	
AMARILLO TX 79178				
AMERICAN BEAUTY COLLEGE	FSEOG	$5,903	10	
96 LANARK				
SAN ANTONIO TX 78218				
AMERICAN COMMERCIAL COLLEGE	FEDERAL PERKINS LOAN		59	$77,261
402 BUTTERNUT				
ABILENE TX 79602				
AMERICAN INSTITUTE OF COMMERCE	FEDERAL PERKINS LOAN		9	$12,088
5501 LBJ FREEWAY SUITE 201	FSEOG	$13,616	22	
DALLAS TX 75240	FWS	$6,635	8	
AMERICAN TRADES INSTITUTE	FEDERAL PERKINS LOAN		10	$13,021
6627 MAPLE AVE	FSEOG	$124,012	200	
DALLAS TX 75235				
ANDERSON COUNTY BEAUTY COLLEGE	FSEOG	$5,568	9	
217 WEST OAK STREET				
PALESTINE TX 75801				
ANGELINA COLLEGE	FSEOG	$91,190	147	
P O BOX 1763	FWS	$98,677	120	
LUFKIN TX 75902				
ANGELO STATE UNIVERSITY	FEDERAL PERKINS LOAN		129	$168,132
2601 WEST AVE N	FSEOG	$98,280	159	
SAN ANGELO TX 76909	FWS	$193,706	236	

STATE OF TEXAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ARLINGTON COURT REPORTING COLLEGE	FEDERAL PERKINS LOAN		10	$14,127
360 OFFICE PLACE1201NWATSON RD	FSEOG	$32,619	53	
ARLINGTON TX 76006	FWS	$14,695	18	
ART INSTITUTE OF DALLAS	FEDERAL PERKINS LOAN		19	$25,637
8080 PARKLANE - TWO NORTHPARK	FSEOG	$170,031	274	
DALLAS TX 75231	FWS	$47,170	58	
ART INSTITUTE OF HOUSTON	FEDERAL PERKINS LOAN	$174,877	461	$600,210
1900 YORKTOWN	FSEOG	$201,761	325	
HOUSTON TX 77056	FWS	$75,892	93	
ATI COMPUTER TRAINING OF FORT WORTH	FEDERAL PERKINS LOAN		4	$6,160
235 NE LOOP 820 SUITE 300	FSEOG	$28,749	46	
HURST TX 76053	FWS	$2,347	3	
ATI HEALTH EDUCATION CENTER	FEDERAL PERKINS LOAN		1	$1,386
1200 SUMMIT AVE 2ND FLOOR	FSEOG	$33,412	54	
FT WORTH TX 76102	FWS	$2,803	3	
AUSTIN COLLEGE	FEDERAL PERKINS LOAN	$28,383	449	$584,415
900 N GRAND SUITE 6N BOX 1177	FSEOG	$243,492	393	
SHERMAN TX 75091	FWS	$187,750	229	
AUSTIN COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		23	$30,925
5930 MIDDLE FISKVILLE RD RM220	FSEOG	$238,271	384	
AUSTIN TX 78752	FWS	$233,605	285	
AVALON VOC TECH INST	FSEOG	$54,823	88	
4241 TANGLEWOOD	FWS	$49,636	61	
ODESSA TX 79762				
AVALON VOCATIONAL TECHNICAL	FSEOG	$24,470	39	
1407 TEXAS STREET	FWS	$8,219	10	
FORT WORTH TX 76102				
BARROW BEAUTY SCHOOL	FSEOG	$4,637	7	
PO BOX 839				
TYLER TX 75710				
BAUDER FASHION COLLEGE	FEDERAL PERKINS LOAN		59	$77,128
508 S CENTER	FSEOG	$57,507	93	
ARLINGTON TX 76010	FWS	$13,938	17	
BAYLOR COLLEGE OF MEDICINE	FEDERAL PERKINS LOAN	$216,386	453	$589,195
ONE BAYLOR PLAZA	FWS	$174,800	213	
HOUSTON TX 77030				

STATE OF TEXAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BAYLOR UNIVERSITY	FEDERAL PERKINS LOAN		1,026	$1,334,781
PO BOX 97028	FSEOG	$494,527	798	
WACO TX 76798	FWS	$1,045,695	1,275	
BEE COUNTY COLLEGE	FSEOG	$74,926	121	
3800 CHARCO RD	FWS	$85,360	104	
BEEVILLE TX 78102				
BISH MATHIS INSTITUTE	FEDERAL PERKINS LOAN		58	$75,704
2521 JUDSON RD	FSEOG	$16,724	27	
LONGVIEW TX 75601				
BLINN COLLEGE	FEDERAL PERKINS LOAN		10	$14,188
902 COLLEGE AVE	FSEOG	$53,435	86	
BRENHAM TX 77833				
BRADFORD SCHOOL OF BUSINESS	FEDERAL PERKINS LOAN	$58,936	151	$197,049
4669 SOUTHWEST FREEWAY, #350	FSEOG	$29,184	47	
HOUSTON TX 77027				
CAPITOL CITY CAREERS	FEDERAL PERKINS LOAN	$18,028	25	$32,990
4630 WESTGATE BLVD	FSEOG	$20,409	33	
AUSTIN TX 78745	FWS	$25,681	31	
CAPITOL CITY TRADE & TECHNICAL	FEDERAL PERKINS LOAN		16	$22,060
205 EAST RIVERSIDE DRIVE	FSEOG	$70,145	113	
AUSTIN TX 78704	FWS	$39,695	48	
CAREER CENTERS OF TEXAS-EL PASO INC	FEDERAL PERKINS LOAN		13	$17,916
8375 BURNHAM	FSEOG	$24,139	39	
EL PASO TX 79907	FWS	$5,967	7	
CAREER POINT BUSINESS SCHOOL	FEDERAL PERKINS LOAN		61	$79,905
485 SPENCER LANE	FSEOG	$52,846	85	
SAN ANTONIO TX 78201	FWS	$3,246	4	
CENTRAL TEXAS COLLEGE	FEDERAL PERKINS LOAN		56	$74,073
PO BOX 1800	FSEOG	$138,354	223	
KILLEEN TX 76540	FWS	$99,105	121	
CENTRAL TEXAS COMMERCIAL COLLEGE	FSEOG	$10,587	17	
315 N CENTER P O BOX 1324				
BROWNWOOD TX 76801				
CHARLES & SUE'S SCHOOL OF HAIR DESIGN	FSEOG	$8,611	14	
1711 BRIARCREST DRIVE				
BRYAN TX 77802				

STATE OF TEXAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CHENIER BUSINESS SCHOOL 4320 CALDER BEAUMONT TX 77706	FSEOG	$9,743	16	
CISCO JUNIOR COLLEGE RT 3 BOX 3 CISCO TX 76437	FSEOG FWS	$10,000 $56,770	16 69	
CLARENDON COLLEGE BOX 968 CLARENDON TX 79226	FSEOG FWS	$36,885 $36,677	59 45	
CLASSIC BEAUTY ACADEMY 12120 SOUTH FRAZIER CONROE TX 77301	FSEOG	$6,516	11	
CLERICAL ART SCHOOL 6420 RICHMOND AVENUE HOUSTON TX 77057	FSEOG	$15,146	24	
COLLEGE OF THE MAINLAND 1200 AMBURN ROAD TEXAS CITY TX 77591	FSEOG FWS	$46,978 $118,292	76 144	
COLLIN COUNTY COMMUNITY COLLEGE 2200 W UNIVERSITY MCKINNEY TX 75075	FSEOG FWS	$163,346 $165,669	263 202	
COMPUTER CAREER CENTER 6101 MONTANA EL PASO TX 79925	FSEOG FWS	$26,602 $14,801	43 18	
CONCORDIA LUTHERAN COLLEGE 3400 INTERSTATE 35 NORTH AUSTIN TX 78705	FSEOG FWS	$40,629 $50,399	66 61	
CONLEE COLLEGE OF COSMETOLOGY 402 QUINLAN KERRVILLE TX 78028	FSEOG	$6,259	10	
COOKE COUNTY COLLEGE 1525 W CALIFORNIA GAINESVILLE TX 76240	FSEOG FWS	$26,207 $23,314	42 28	
COSMETOLOGY CAREER CENTER 8070 SPRING VALLEY DALLAS TX 75240	FSEOG	$11,102	18	

STATE OF TEXAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
COURT REPORTING INSTITUTE OF DALLAS	FEDERAL PERKINS LOAN		24	$32,163
8585 N STEMMONS FWY STE 200	FSEOG	$30,000	48	
DALLAS TX 75247				
DALLAS BAPTIST UNIVERSITY	FEDERAL PERKINS LOAN	$77,345	383	$498,351
3000 MOUNTAIN CREEK PKWY	FSEOG	$118,405	191	
DALLAS TX 75211	FWS	$133,893	183	
DALLAS CHRISTIAN COLLEGE	FSEOG	$7,071	11	
2700 CHRISTIAN PARKWAY	FWS	$14,351	18	
DALLAS TX 75234				
DALLAS COUNTY CMTY COLLEGE DISTRICT	FSEOG	$457,208	737	
4343 N HIGHWAY 67	FWS	$415,256	506	
MESQUITE TX 75150				
DEL MAR COLLEGE	FEDERAL PERKINS LOAN		35	$45,930
101 BALDWIN BLVD	FSEOG	$311,850	503	
CORPUS CHRISTI TX 78404	FWS	$235,257	287	
DELTA CAREER INSTITUTE	FEDERAL PERKINS LOAN		5	$6,688
1310 PENNSYLVANIA	FSEOG	$11,629	19	
BEAUMONT TX 77701	FWS	$3,370	4	
DEVRY INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN	$247,308	655	$852,296
4250 N BELTLINE ROAD	FSEOG	$470,827	759	
IRVING TX 75038	FWS	$226,730	277	
EAST TEXAS BAPTIST UNIVERSITY	FEDERAL PERKINS LOAN		240	$312,135
1209 NORTH GROVE STREET	FSEOG	$109,607	177	
MARSHALL TX 75670	FWS	$118,413	144	
EAST TEXAS STATE UNIVERSITY	FEDERAL PERKINS LOAN		239	$311,876
EAST TEXAS STATION	FSEOG	$147,939	239	
COMMERCE TX 75428	FWS	$252,871	308	
EL PASO COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		5	$7,004
P O BOX 20500	FSEOG	$1,025,656	1,654	
EL PASO TX 79998	FWS	$773,425	943	
EXECUTIVE SECRETARIAL SCH OF TEXAS	FEDERAL PERKINS LOAN	$7,357	23	$30,343
4849 GREENVILLE AVENUE	FSEOG	$46,166	74	
DALLAS TX 75220	FWS	$18,011	22	
FORT WORTH BEAUTY COLLEGE	FSEOG	$5,127	8	
2820 HEMPHILL				
FORT WORTH TX 76110				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
FOUR-C COLLEGE	FEDERAL PERKINS LOAN		17	$23,141
205 N EIGHTH STREET	FSEOG	$70,005	113	
WACO TX 76703	FWS	$45,987	56	
FRANK PHILLIPS COLLEGE	FSEOG	$12,431	20	
PO BOX 5118	FWS	$5,945	7	
BORGER TX 79008				
FRANKLIN BEAUTY SCHOOL	FSEOG	$14,987	24	
4965 MARTIN LUTHER KING BLVD				
HOUSTON TX 77021				
GALVESTON COLLEGE	FSEOG	$43,067	69	
4015 AVE O	FWS	$51,740	63	
GALVESTON TX 77550				
GRAYSON COUNTY JUNIOR COLLEGE	FSEOG	$41,329	67	
6101 GRAYSON DR	FWS	$52,827	64	
DENISON TX 75020				
HALLMARK INSTITUTE OF TECHNOLOGY	FEDERAL PERKINS LOAN		89	$116,961
1130 99TH STREET	FSEOG	$81,629	132	
SAN ANTONIO TX 78214				
HARDIN SIMMONS UNIVERSITY	FEDERAL PERKINS LOAN		270	$351,481
DRAWER R HSU	FSEOG	$162,432	262	
ABILENE TX 79698	FWS	$184,896	225	
HI TECH INSTITUTE OF HAIR DESIGN	FEDERAL PERKINS LOAN	$4,537	4	$6,049
7423 W MILITARY DRIVE	FSEOG	$5,581	9	
SAN ANTONIO TX 78227	FWS	$5,113	6	
HILL COLLEGE	FSEOG	$68,962	111	
P O BOX 619	FWS	$43,513	53	
HILLSBORO TX 76645				
HOUSTON BAPTIST UNIVERSITY	FEDERAL PERKINS LOAN		29	$38,098
7502 FONDREN ROAD	FSEOG	$89,305	144	
HOUSTON TX 77074	FWS	$49,421	60	
HOUSTON COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		3	$4,108
P O BOX 7849	FSEOG	$366,479	591	
HOUSTON TX 77270	FWS	$187,277	228	
HOWARD COUNTY JUNIOR COLLEGE DISTRICT	FSEOG	$30,000	48	
1001 BIRDWELL LANE	FWS	$47,134	57	
BIG SPRING TX 79720				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
HOWARD PAYNE UNIVERSITY	FEDERAL PERKINS LOAN		340	$442,824
PO BOX 825 HOWARD PAYNE STA	FSEOG	$184,398	297	
BROWNWOOD TX 76801	FWS	$113,429	138	
HUSTON-TILLOTSON COLLEGE	FEDERAL PERKINS LOAN		55	$72,280
900 CHICON	FSEOG	$74,395	120	
AUSTIN TX 78702	FWS	$111,613	136	
INCARNATE WORD COLLEGE	FEDERAL PERKINS LOAN	$110,461	341	$443,765
4301 BROADWAY	FSEOG	$504,992	815	
SAN ANTONIO TX 78209	FWS	$812,004	990	
INTERACTIVE LEARNING SYSTEMS	FEDERAL PERKINS LOAN		0	$1,116
M50 TWIN TWRS, 8585 N STEMMONS	FSEOG	$18,112	29	
DALLAS TX 75247	FWS	$3,962	5	
INTERNATIONAL BUSINESS COLLEGE	FEDERAL PERKINS LOAN		19	$25,153
4630 50TH STREET	FSEOG	$12,145	20	
LUBBOCK TX 79413				
INTERNATIONAL BUSINESS COLLEGES CORP	FEDERAL PERKINS LOAN		172	$224,399
4121 MONTANA	FSEOG	$53,288	88	
EL PASO TX 79925	FWS	$28,896	35	
ITT TECHNICAL INSITITUTE	FEDERAL PERKINS LOAN		18	$24,584
2201 ARLINGTON DOWNS ROAD	FSEOG	$61,969	100	
ARLINGTON TX 76011	FWS	$12,593	15	
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		19	$25,306
9421 WEST SAM HOUSTON PARKWAY	FSEOG	$80,000	129	
HOUSTON TX 77099	FWS	$35,479	43	
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		20	$27,100
4242 PIEDRAS DRIVE EAST	FSEOG	$40,000	65	
SAN ANTONIO TX 78228	FWS	$17,168	21	
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		13	$17,243
1840 EASTGATE DRIVE SUITE 100	FSEOG	$40,000	65	
GARLAND TX 75041	FWS	$20,678	25	
JACKSONVILLE COLLEGE	FEDERAL PERKINS LOAN	$8,957	20	$26,818
500 PINE STREET	FSEOG	$14,519	23	
JACKSONVILLE TX 75766	FWS	$21,982	27	
JARVIS CHRISTIAN COLLEGE	FEDERAL PERKINS LOAN	$23,442	134	$174,594
P O BOX G	FSEOG	$200,767	324	
HAWKINS TX 75765	FWS	$299,263	365	

STATE OF TEXAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
JAUNTE FAIRE ACADEMY OF HAIR DESIGN	FSEOG	$1,027	2	
2015 BANDERA	FWS	$1,207	1	
SAN ANTONIO TX 78226				
KEITH METRO HAIR ACADEMY	FSEOG	$9,906	16	
3225 COMMERCE ST SUITE #B	FWS	$9,860	12	
AMARILLO TX 79109				
KILGORE COLLEGE	FSEOG	$19,275	31	
1100 BROADWAY ST	FWS	$55,000	67	
KILGORE TX 75662				
LAMAR UNIVERSITY	FEDERAL PERKINS LOAN		136	$177,424
P O BOX 10042	FSEOG	$165,000	266	
BEAUMONT TX 77710	FWS	$444,129	542	
LAMAR UNIVERSITY - ORANGE	FSEOG	$37,557	61	
410 FRONT STREET	FWS	$31,756	39	
ORANGE TX 77630				
LAMAR UNIVERSITY-PORT ARTHUR	FSEOG	$54,090	87	
PO BOX 310	FWS	$23,751	29	
PORT ARTHUR TX 77640				
LAREDO BEAUTY COLLEGE INC	FSEOG	$16,771	27	
3002 MALINCHE				
LAREDO TX 78043				
LAREDO COMMUNITY COLLEGE	FSEOG	$635,599	1,025	
WEST END WASHINGTON STREET	FWS	$484,145	590	
LAREDO TX 78040				
LE CHEF CULINARY ARTS SCHOOL	FSEOG	$5,568	9	
6020-B DILLARD CIRCLE	FWS	$771	1	
AUSTIN TX 78752				
LEE COLLEGE	FSEOG	$50,000	81	
PO BOX 818	FWS	$34,824	42	
BAYTOWN TX 77522				
LETOURNEAU UNIVERSITY	FEDERAL PERKINS LOAN	$28,943	322	$419,311
P O BOX 7001	FSEOG	$187,209	302	
LONGVIEW TX 75607	FWS	$162,866	199	
LINCOLN TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		21	$27,765
2501 ARKANSAS LANE	FSEOG	$40,608	65	
GRAND PRAIRIE TX 75051	FWS	$3,610	4	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LON MORRIS COLLEGE	FSEOG	$18,337	30	
801 S COLLEGE	FWS	$48,800	60	
JACKSONVILLE TX 75766				
LUBBOCK CHRISTIAN UNIVERSITY	FEDERAL PERKINS LOAN	$24,207	260	$338,633
5601 W 19TH STREET	FSEOG	$101,076	163	
LUBBOCK TX 79407	FWS	$146,335	178	
MCLENNAN COMMUNITY COLLEGE	FSEOG	$91,856	148	
1400 COLLEGE DRIVE	FWS	$115,108	140	
WACO TX 76708				
MCMURRY UNIVERSITY	FEDERAL PERKINS LOAN		254	$330,211
BOX 308 MCM STATION	FSEOG	$117,181	189	
ABILENE TX 79697	FWS	$130,245	159	
METHODIST HOSPITAL SCH OF NURSING	FSEOG	$8,769	14	
2002 MIAMI				
LUBBOCK TX 79410				
METROPLEX BEAUTY SCHOOL	FSEOG	$21,805	35	
519 N GALLOWAY				
MESQUITE TX 75149				
METROPLEX BEAUTY SCHOOL #2	FSEOG	$5,568	9	
113 N GUN BARREL LANE				
GUN BARREL TX 75147				
MICROCOMPUTER TECHNOLOGY INSTITUTE	FEDERAL PERKINS LOAN	$41,033	43	$56,311
7277 REGENCY SQUARE BLVD	FSEOG	$115,384	186	
HOUSTON TX 77036	FWS	$58,952	72	
MIDLAND COLLEGE	FSEOG	$35,348	57	
3600 N GARFIELD	FWS	$73,855	90	
MIDLAND TX 79705				
MIDWESTERN STATE UNIVERSITY	FEDERAL PERKINS LOAN		18	$24,622
3410 TAFT BLVD	FSEOG	$72,213	116	
WICHITA FALLS TX 76308	FWS	$45,587	56	
MISS WADES FASHION MERCHANDISING COLLEGE	FEDERAL PERKINS LOAN		24	$32,035
PO BOX 586343	FSEOG	$45,449	73	
DALLAS TX 75258	FWS	$17,557	21	
NATIONAL EDUCATION CENTER-BRYMAN	FEDERAL PERKINS LOAN		1	$2,459
16416 NORTHCHASE DR SUITE 300	FSEOG	$51,063	82	
HOUSTON TX 77060	FWS	$24,264	30	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NATIONAL EDUCATION CENTER-BRYMAN CAMPUS	FEDERAL PERKINS LOAN		65	$85,252
9724 BEECHNUT STREET SUITE 300	FSEOG	$56,094	90	
HOUSTON TX 77036	FWS	$9,117	11	
NATIONAL EDUCATION CENTER-NATL INST OF TECH CAMP	FEDERAL PERKINS LOAN		15	$19,652
3622 FREDERICKSBURG RD	FSEOG	$41,361	67	
SAN ANTONIO TX 78201	FWS	$13,218	16	
NAVARRO COLLEGE	FSEOG	$42,613	69	
3200 W 7TH AVENUE	FWS	$72,623	89	
CORSICANA TX 75110				
NEC NATIONAL INST OF TECH CAMPUS	FEDERAL PERKINS LOAN		65	$85,185
10945 ESTATE LANE	FSEOG	$59,602	96	
DALLAS TX 75238	FWS	$12,579	15	
NEILSON BEAUTY COLLEGE INC	FSEOG	$11,593	19	
416 W JEFFERSON				
DALLAS TX 75208				
NORTH HARRIS MONTGOMERY COM COL DISTRICT	FSEOG	$75,918	122	
2700 W W THORNE DRIVE	FWS	$55,639	68	
HOUSTON TX 77073				
NORTHEAST TEXAS COMMUNITY COLLEGE	FSEOG	$36,888	59	
PO BOX 1307	FWS	$31,471	38	
MT PLEASANT TX 75455				
OCCUPATIONAL SAFETY TRAINING INSTITUTE	FEDERAL PERKINS LOAN		11	$14,585
9000 W BELFORT SUITE 440	FSEOG	$33,439	54	
HOUSTON TX 77031	FWS	$5,640	7	
ODESSA COLLEGE	FSEOG	$106,474	172	
201 WEST UNIVERSITY BLVD	FWS	$73,069	89	
ODESSA TX 79764				
OGLES SCHOOL OF HAIR DESIGN	FSEOG	$19,867	32	
2200 WEST PARK ROW SUITE 106				
ARLINGTON TX 76013				
OGLES SCHOOL OF HAIR DESIGN	FSEOG	$10,889	18	
720 ARCADIA				
HURST TX 76053				
OGLES SCHOOL OF HAIR DESIGN	FSEOG	$13,314	21	
5062 OLD GRANBURY ROAD				
FORT WORTH TX 76134				

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
OUR LADY OF THE LAKE UNIV OF SAN ANTONIO	FEDERAL PERKINS LOAN	$27,682	472	$614,288
411 SW 24TH STREET	FSEOG	$286,650	462	
SAN ANTONIO TX 78207	FWS	$368,396	449	
PANOLA COLLEGE	FSEOG	$37,023	60	
1109 W PANOLA ST	FWS	$31,584	39	
CARTHAGE TX 75633				
PARIS JR COLLEGE	FEDERAL PERKINS LOAN	$16,147	79	$103,700
2400 CLARKSVILLE STREET	FSEOG	$45,216	73	
PARIS TX 75460	FWS	$51,776	63	
PARKER COLLEGE OF CHIROPRACTIC	FEDERAL PERKINS LOAN		10	$13,333
2540 WALNUT HILL LANE	FSEOG	$42,491	69	
DALLAS TX 75229	FWS	$50,000	61	
PAUL QUINN COLLEGE	FEDERAL PERKINS LOAN		43	$57,014
3837 STUART SIMPSON RD	FSEOG	$227,132	366	
DALLAS TX 75261	FWS	$192,441	235	
PRAIRIE VIEW A&M UNIVERSITY	FEDERAL PERKINS LOAN		123	$161,145
PO BOX 2967	FSEOG	$1,582,433	2,552	
PRAIRIE VIEW TX 77466	FWS	$1,317,752	1,607	
PRINCE CAREERS INC	FEDERAL PERKINS LOAN		11	$14,625
8101 CARPENTER FREEWAY	FSEOG	$19,278	31	
DALLAS TX 75247	FWS	$6,663	8	
RANGER COLLEGE	FSEOG	$12,277	20	
COLLEGE CIRCLE	FWS	$65,702	80	
RANGER TX 76470				
RENEE'S COSMETOLOGY CENTER	FEDERAL PERKINS LOAN		1	$1,473
2222 GREENVILLE AVE	FSEOG	$9,636	16	
DALLAS TX 75206	FWS	$7,354	9	
RICE UNIVERSITY	FEDERAL PERKINS LOAN	$198,210	966	$1,256,289
P O BOX 1892	FSEOG	$156,574	253	
HOUSTON TX 77251	FWS	$409,060	499	
RICKERSON BEAUTY ACADEMY #5	FSEOG	$10,601	17	
114 SOUTH GOLIAD ROAD	FWS	$17,385	21	
SAN ANTONIO TX 78223				
SAINT EDWARD'S UNIVERSITY	FEDERAL PERKINS LOAN	$73,048	273	$355,030
3001 SO CONGRESS AVE	FSEOG	$248,092	400	
AUSTIN TX 78704	FWS	$183,396	224	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SAINT MARY'S UNIVERSITY	FEDERAL PERKINS LOAN	$108,527	1,164	$1,513,952
ONE CAMINO SANTA MARIA	FSEOG	$393,435	635	
SAN ANTONIO TX 78284	FWS	$808,866	986	
SAM HOUSTON STATE UNIVERSITY	FEDERAL PERKINS LOAN		230	$300,024
PO BOX 2328	FSEOG	$125,000	202	
HUNTSVILLE TX 77341	FWS	$119,960	146	
SAN ANGELO HAIR ACADEMY	FSEOG	$5,568	9	
18 N CHADBOURNE STREET				
SAN ANGELO TX 76903				
SAN ANTONIO BEAUTY COLLEGE NO 3	FSEOG	$4,793	8	
4021 NACO-PERRIN				
SAN ANTONIO TX 78217				
SAN ANTONIO COLLEGE OF MEDICAL AND DENTAL ASSIST	FEDERAL PERKINS LOAN		62	$81,121
4205 SAN PEDRO	FSEOG	$91,395	147	
SAN ANTONIO TX 78212	FWS	$9,859	12	
SCHREINER COLLEGE	FSEOG	$57,085	92	
2100 MEMORIAL BLVD	FWS	$34,474	42	
KERRVILLE TX 78028				
SEGUIN BEAUTY SCHOOL	FSEOG	$6,069	10	
102 E COURT ST	FWS	$5,113	6	
SEGUIN TX 78155				
SOUTH PLAINS COLLEGE	FSEOG	$84,466	136	
1401 COLLEGE AVENUE	FWS	$93,100	114	
LEVELLAND TX 79336				
SOUTH TEXAS COLLEGE OF LAW	FWS	$252,369	308	
1303 SAN JACINTO				
HOUSTON TX 77002				
SOUTH TEXAS COMMUNITY COLLEGE	FSEOG	$60,000	97	
3201 WEST PECAN	FWS	$36,725	45	
MCALLEN TX 78501				
SOUTH TEXAS VO TECH INSTITUTE	FSEOG	$40,145	65	
2419 E HAGGAR AVE	FWS	$21,815	27	
WESLACO TX 78596				
SOUTHERN CAREERS INSTITUTE	FEDERAL PERKINS LOAN		6	$8,609
2301 S CONGRESS-SUITE 27	FSEOG	$16,268	26	
AUSTIN TX 78704	FWS	$6,709	8	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SOUTHERN METHODIST UNIVERSITY	FEDERAL PERKINS LOAN		623	$810,282
SMU BOX 196	FSEOG	$550,458	888	
DALLAS TX 75275	FWS	$651,413	794	
SOUTHWEST INSTITUTE OF MERCHANDISING AND DESIGN	FEDERAL PERKINS LOAN		9	$12,285
9611 ACER AVE	FSEOG	$28,820	46	
EL PASO TX 79925	FWS	$34,621	42	
SOUTHWEST SCHOOL OF ELECTRONICS	FEDERAL PERKINS LOAN		42	$55,891
5424 HIGHWAY 290 WEST #200	FSEOG	$39,413	64	
AUSTIN TX 78735	FWS	$25,667	31	
SOUTHWEST TEXAS JR COLLEGE	FSEOG	$76,589	124	
GARNER FIELD ROAD	FWS	$128,666	157	
UVALDE TX 78801				
SOUTHWEST TEXAS STATE UNIVERSITY	FEDERAL PERKINS LOAN		299	$389,285
601 UNIVERSITY DR	FSEOG	$350,999	566	
SAN MARCOS TX 78666	FWS	$667,986	815	
SOUTHWESTERN ADVENTIST COLLEGE	FEDERAL PERKINS LOAN		86	$112,939
PO BOX 567	FSEOG	$79,177	128	
KEENE TX 76059	FWS	$127,777	156	
SOUTHWESTERN ASSEMBLIES OF GOD COL	FEDERAL PERKINS LOAN	$8,962	173	$225,705
1200 SYCAMORE	FSEOG	$63,339	102	
WAXAHACHIE TX 75165	FWS	$84,813	103	
SOUTHWESTERN CHRISTIAN COLLEGE	FEDERAL PERKINS LOAN		3	$5,041
200 BOWSER CIRCLE-P O BOX 10	FSEOG	$65,359	105	
TERRELL TX 75160	FWS	$137,392	168	
SOUTHWESTERN UNIVERSITY	FEDERAL PERKINS LOAN	$188,093	274	$357,325
UNIVERSITY AVE	FSEOG	$97,578	157	
GEORGETOWN TX 78626	FWS	$126,568	154	
SPRING BRANCH BEAUTY COLLEGE	FSEOG	$5,555	9	
1055 N GESSNER #19				
HOUSTON TX 77055				
STEPHEN F AUSTIN STATE UNIVERSITY	FEDERAL PERKINS LOAN	$248,801	823	$1,070,989
PO BOX 13052, SFA STATION	FSEOG	$400,000	645	
NACOGDOCHES TX 75962	FWS	$508,087	620	
SUL ROSS STATE UNIVERSITY	FEDERAL PERKINS LOAN		78	$101,965
PO BOX C114	FSEOG	$56,811	92	
ALPINE TX 79832	FWS	$197,998	241	

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INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SW SCHOOL OF BUSINES & TECH CAREERS 100 MAIN EAGLE PASS TX 78852	FSEOG	$8,178	13	
SW SCHOOL OF BUSINESS & TECH CAREERS 602 W SOUTHCROSS SAN ANTONIO TX 78221	FSEOG	$12,342	20	
SW SCHOOL OF BUSINESS & TECH CAREERS 505 E TRAVIS SAN ANTONIO TX 78205	FSEOG	$5,568	9	
TARLETON STATE UNIVERSITY BOX T249 TARLETON STATION STEPHENVILLE TX 76402	FEDERAL PERKINS LOAN FSEOG FWS	$98,257 $107,416 $148,901	474 173 182	$616,971
TARRANT COUNTY JR COLLEGE 1500 HOUSTON STREET FORT WORTH TX 76102	FSEOG FWS	$209,509 $225,336	338 275	
TEMPLE ACADEMY OF COSMETOLOGY 5 SOUTH FIRST STREET TEMPLE TX 76501	FSEOG FWS	$6,897 $5,165	11 6	
TEMPLE JR COLLEGE 2600 SO 1ST STREET TEMPLE TX 76501	FSEOG FWS	$37,990 $40,857	61 50	
TEXARKANA COLLEGE 2500 NORTH ROBISON ROAD TEXARKANA TX 75501	FSEOG FWS	$49,407 $36,620	80 45	
TEXAS A & M UNIVERSITY COLLEGE STATION TX 77843	FEDERAL PERKINS LOAN FSEOG FWS	$793,610 $516,912 $651,757	2,658 834 795	$3,456,502
TEXAS A&I UNIVERSITY-KINGSVILLE PO BOX 115, STATION 1 KINGSVILLE TX 78363	FEDERAL PERKINS LOAN FSEOG FWS	$79,616 $376,552 $407,527	320 607 497	$416,383
TEXAS A&M INTERNATIONAL UNIVERSITY ONE WEST END WASHINGTON STREET LAREDO TX 78040	FSEOG FWS	$93,259 $55,914	150 68	
TEXAS A&M UNIV-CORPUS CHRISTI 6300 OCEAN DRIVE CORPUS CHRISTI TX 78412	FEDERAL PERKINS LOAN FSEOG FWS	$8,187 $75,255 $132,804	133 121 162	$173,408

STATE OF TEXAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
TEXAS A&M UNIVERSITY AT GALVESTON	FEDERAL PERKINS LOAN	$18,954	34	$45,404
P O BOX 1675	FSEOG	$39,112	63	
GALVESTON TX 77553	FWS	$19,277	24	
TEXAS AERO TECH	FEDERAL PERKINS LOAN		43	$57,186
6911 LEMMON AVE	FSEOG	$93,392	151	
DALLAS TX 75209	FWS	$7,775	9	
TEXAS BEAUTY COLLEGE	FSEOG	$16,580	27	
525 W JEFFERSON				
DALLAS TX 75208				
TEXAS CHIROPRACTIC COLLEGE	FSEOG	$24,824	40	
5912 SPENCER HIGHWAY	FWS	$96,424	118	
PASADENA TX 77505				
TEXAS CHRISTIAN UNIVERSITY	FEDERAL PERKINS LOAN	$301,291	893	$1,161,605
P O BOX 30787 TCU STATION	FSEOG	$413,687	667	
FORT WORTH TX 76129	FWS	$420,096	512	
TEXAS COLLEGE	FEDERAL PERKINS LOAN		25	$33,628
2404 NO GRAND AVE	FSEOG	$294,806	475	
TYLER TX 75702	FWS	$210,748	257	
TEXAS COLLEGE OF COSMETOLOGY	FSEOG	$9,760	16	
117 SAYLES STREET				
ABILENE TX 79605				
TEXAS LUTHERAN COLLEGE	FEDERAL PERKINS LOAN	$18,757	350	$455,829
1000 W COURT STREET	FSEOG	$69,862	113	
SEGUIN TX 78155	FWS	$109,576	134	
TEXAS SCHOOL OF BUSINESS	FEDERAL PERKINS LOAN		21	$27,801
711 AIRTEX DRIVE	FSEOG	$102,175	165	
HOUSTON TX 77073	FWS	$21,172	26	
TEXAS SOUTHERN UNIVERSITY	FEDERAL PERKINS LOAN		202	$263,652
3100 CLEBURNE ST	FSEOG	$726,893	1,172	
HOUSTON TX 77004	FWS	$856,216	1,044	
TEXAS STATE TECH INST-AMARILLO	FSEOG	$30,000	48	
PO BOX 11197	FWS	$49,704	61	
AMARILLO TX 79111				
TEXAS STATE TECHNICAL COLLEGE	FSEOG	$50,000	81	
300 COLLEGE DRIVE	FWS	$31,279	38	
SWEETWATER TX 79556				

STATE OF TEXAS

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
TEXAS STATE TECHNICAL COLLEGE AT WACO			FSEOG	$119,663	193	
3801 CAMPUS DRIVE			FWS	$210,224	256	
WACO	TX	76705				
TEXAS STATE TECHNICAL COLLEGE-HARLINGEN			FSEOG	$189,695	306	
2424 BOXWOOD			FWS	$234,003	285	
HARLINGEN	TX	78550				
TEXAS TECH UNIVERSITY			FEDERAL PERKINS LOAN		379	$493,508
PO BOX 45011			FSEOG	$753,143	1,215	
LUBBOCK	TX	79409	FWS	$922,784	1,125	
TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER			FEDERAL PERKINS LOAN	$59,308	297	$386,577
3601 4TH STREET			FSEOG	$8,939	14	
LUBBOCK	TX	79430				
TEXAS VOCATIONAL SCHOOL			FEDERAL PERKINS LOAN		11	$14,805
1913 SOUTH FLORES			FSEOG	$12,990	21	
SAN ANTONIO	TX	78204				
TEXAS VOCATIONAL SCHOOL			FSEOG	$13,683	22	
1921 E RED RIVER						
VICTORIA	TX	77901				
TEXAS VOCATIONAL SCHOOL			FEDERAL PERKINS LOAN		0	$1,000
PO BOX 791			FSEOG	$15,194	25	
PHARR	TX	78577				
TEXAS WESLEYAN UNIVERSITY			FSEOG	$114,442	185	
1201 WESLEYAN			FWS	$104,061	127	
FORT WORTH	TX	76105				
TEXAS WOMAN'S UNIVERSITY			FEDERAL PERKINS LOAN		307	$400,133
PO BOX 22628 TWU STATION			FSEOG	$317,302	512	
DENTON	TX	76204	FWS	$235,000	287	
THE VICTORIA COLLEGE			FSEOG	$100,211	162	
2200 E RED RIVER			FWS	$69,029	84	
VICTORIA	TX	77901				
TRI STATE BEAUTY SCHOOL NUMBER 1			FEDERAL PERKINS LOAN		16	$21,836
6800 GATEWAY EAST #4A			FSEOG	$28,573	46	
EL PASO	TX	79915	FWS	$1,106	1	
TRINITY UNIVERSITY			FEDERAL PERKINS LOAN	$80,940	736	$958,077
715 STADIUM DRIVE			FSEOG	$299,263	483	
SAN ANTONIO	TX	78212	FWS	$456,142	556	

STATE OF TEXAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
TRINITY VALLEY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		1	$2,126
500 S PRAIRIEVILLE	FSEOG	$45,000	73	
ATHENS TX 75751	FWS	$41,917	51	
TYLER JR COLLEGE	FSEOG	$61,010	98	
P O BOX 9020	FWS	$33,658	41	
TYLER TX 75711				
UNIV NORTH TEXAS HEALTH SCI CTR	FEDERAL PERKINS LOAN	$39,808	411	$535,470
3500 CAMP BOWIE BLVD	FWS	$80,000	98	
FORT WORTH TX 76107				
UNIV OF HOUSTON-CLEAR LAKE	FEDERAL PERKINS LOAN	$7,470	100	$130,016
2700 BAY AREA BOULEVARD	FSEOG	$68,903	111	
HOUSTON TX 77058	FWS	$54,188	66	
UNIV OF HOUSTON-DOWNTOWN CAMPUS	FSEOG	$159,591	257	
1 MAIN STREET	FWS	$182,584	223	
HOUSTON TX 77002				
UNIV OF HOUSTON-UNIVERSITY PARK	FEDERAL PERKINS LOAN		1,837	$2,388,422
4800 CALHOUN	FSEOG	$905,166	1,460	
HOUSTON TX 77004	FWS	$1,126,016	1,373	
UNIV OF HOUSTON-VICTORIA CENTER	FEDERAL PERKINS LOAN	$636	11	$15,284
2506 RED RIVER	FSEOG	$15,600	25	
VICTORIA TX 77901	FWS	$9,863	12	
UNIV OF TX HEALTH SCIENCE CENTER-HOUSTON	FEDERAL PERKINS LOAN	$123,927	668	$869,003
PO BOX 20036	FSEOG	$21,221	34	
HOUSTON TX 77225				
UNIV OF TX HEALTH SCIENCE CENTER-SAN ANTONIO	FEDERAL PERKINS LOAN	$299,404	746	$970,820
7703 FLOYD CURL DRIVE	FSEOG	$39,942	64	
SAN ANTONIO TX 78284				
UNIV OF TX SOUTHWESTERN MEDICAL CENTER	FEDERAL PERKINS LOAN	$133,983	749	$974,068
5323 HARRY HINES BLVD	FSEOG	$15,384	25	
DALLAS TX 75235	FWS	$49,486	60	
UNIVERSAL TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		144	$187,800
721 LOCKHADEN DRIVE	FSEOG	$151,177	244	
HOUSTON TX 77073	FWS	$24,000	29	
UNIVERSITY OF CENTRAL TEXAS	FSEOG	$17,581	28	
PO BOX 1416 HWY 190 WEST	FWS	$16,653	20	
KILLEEN TX 76541				

STATE OF TEXAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF DALLAS	FEDERAL PERKINS LOAN	$56,432	314	$409,480
1845 E NORTHGATE	FSEOG	$105,604	170	
IRVING TX 75061	FWS	$175,301	214	
UNIVERSITY OF HAIR DESIGN	FSEOG	$4,762	8	
6654 AZLE AVE				
FORT WORTH TX 76135				
UNIVERSITY OF HAIR DESIGN #2	FSEOG	$5,568	9	
5808 DENTON HIGHWAY				
FT WORTH TX 76148				
UNIVERSITY OF MARY HARDIN-BAYLOR	FEDERAL PERKINS LOAN	$19,077	343	$446,012
UMHB STATION BOX 8003	FSEOG	$90,932	147	
BELTON TX 76513	FWS	$112,415	137	
UNIVERSITY OF NORTH TEXAS	FEDERAL PERKINS LOAN	$29,856	248	$323,578
P O BOX 13525 NT STATION	FSEOG	$391,234	631	
DENTON TX 76203	FWS	$446,742	545	
UNIVERSITY OF SAINT THOMAS	FEDERAL PERKINS LOAN		62	$81,791
3800 MONTROSE BLVD	FSEOG	$109,273	176	
HOUSTON TX 77006	FWS	$79,308	97	
UNIVERSITY OF TEXAS AT ARLINGTON	FEDERAL PERKINS LOAN		563	$732,586
PO BOX 19199 UTA	FSEOG	$514,561	830	
ARLINGTON TX 76019	FWS	$1,500,679	1,830	
UNIVERSITY OF TEXAS AT AUSTIN	FEDERAL PERKINS LOAN	$1,584,120	5,745	$7,469,619
BOX 7758, UT STATION	FSEOG	$790,178	1,274	
AUSTIN TX 78713	FWS	$1,527,120	1,862	
UNIVERSITY OF TEXAS AT BROWNSVILLE	FSEOG	$274,412	443	
1614 RIDGELY ROAD	FWS	$495,924	605	
BROWNSVILLE TX 78520				
UNIVERSITY OF TEXAS AT DALLAS	FEDERAL PERKINS LOAN	$6,738	102	$133,840
PO BOX 830688 MC 12	FSEOG	$52,727	85	
RICHARDSON TX 75083	FWS	$108,912	133	
UNIVERSITY OF TEXAS AT EL PASO	FEDERAL PERKINS LOAN		427	$555,261
202 WEST UNION	FSEOG	$418,536	675	
EL PASO TX 79968	FWS	$908,490	1,108	
UNIVERSITY OF TEXAS AT SAN ANTONIO	FEDERAL PERKINS LOAN	$159,232	337	$438,853
6900 N LOOP 1604 W	FSEOG	$313,332	505	
SAN ANTONIO TX 78249	FWS	$507,045	618	

STATE OF TEXAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF TEXAS AT TYLER	FEDERAL PERKINS LOAN	$62,045	127	$165,346
3900 UNIVERSITY BLVD	FSEOG	$151,520	244	
TYLER TX 75701	FWS	$105,526	129	
UNIVERSITY OF TEXAS-PAN AMERICAN	FEDERAL PERKINS LOAN	$476,205	1,261	$1,640,139
1201 W UNIVERSITY DR	FSEOG	$673,492	1,086	
EDINBURG TX 78539	FWS	$934,407	1,140	
UNIVERSITY OF TX-MEDICAL BRANCH	FEDERAL PERKINS LOAN	$71,467	365	$474,748
300 UNIVERSITY BLVD	FSEOG	$16,351	26	
GALVESTON TX 77555	FWS	$129,136	157	
UNIVERSIY OF TEXAS OF PERMIAN BASIN	FSEOG	$29,143	47	
4901 EAST UNIVERSITY BLVD	FWS	$29,201	36	
ODESSA TX 79762				
VELMAS B'S BEAUTY ACADEMY	FSEOG	$13,039	21	
1511 SOUTH EWING STREET				
DALLAS TX 75216				
VERNON REGIONAL JR COLLEGE	FSEOG	$27,897	45	
4400 COLLEGE DRIVE	FWS	$33,866	41	
VERNON TX 76384				
VOGUE BEAUTY COLLEGE #3	FSEOG	$143,723	232	
PO BOX 8426	FWS	$13,764	17	
WICHITA FALLS TX 76307				
VOGUE COLLEGE OF COSMETOLOGY #25	FSEOG	$5,568	9	
1321 MORGAN	FWS	$253		
CORPUS CHRISTI TX 78404				
WACO BEAUTY COLLEGE	FWS	$3,562	4	
1208 DIH 35 NORTH				
ROUND ROCK TX 78664				
WAYLAND BAPTIST UNIVERSITY	FEDERAL PERKINS LOAN		160	$208,829
1900 WEST 7TH ST	FSEOG	$88,966	143	
PLAINVIEW TX 79072	FWS	$235,481	287	
WEATHERFORD COLLEGE	FSEOG	$12,803	21	
308 E PARK AVENUE	FWS	$12,744	16	
WEATHERFORD TX 76086				
WEST TEXAS STATE UNIVERSITY	FEDERAL PERKINS LOAN		116	$151,667
BOX 939 W T STATION	FSEOG	$123,094	199	
CANYON TX 79016	FWS	$188,581	230	

STATE OF TEXAS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WESTERN TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		25	$32,586
PO BOX 512361	FSEOG	$61,827	100	
EL PASO TX 79951				
WESTERN TEXAS COLLEGE	FSEOG	$13,680	22	
SOUTH COLLEGE AVENUE	FWS	$43,327	53	
SNYOER TX 79549				
WHARTON COUNTY JR COLLEGE	FSEOG	$39,091	63	
911 BOLING HWY	FWS	$69,097	84	
WHARTON TX 77488				
WILEY COLLEGE	FEDERAL PERKINS LOAN		119	$155,487
711 WILEY AVE	FSEOG	$230,667	372	
MARSHALL TX 75670	FWS	$240,807	294	

STATE OF TEXAS	FEDERAL PERKINS LOAN	$6,468,990	25,370	NO. INSTITUTIONS 131
	FSEOG	$28,593,530	46,114	NO. INSTITUTIONS 227
	FWS	$32,912,709	40,130	NO. INSTITUTIONS 185

STATE OF UTAH

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
AMERICAN TECHNICAL CENTER	FEDERAL PERKINS LOAN		23	$31,160
1144 WEST 3300 SOUTH	FSEOG	$3,197	5	
SALT LAKE CITY UT 84119	FWS	$845	1	
BRYMAN SCHOOL	FEDERAL PERKINS LOAN	$9,646	74	$96,864
1144 WEST 3300 SOUTH	FSEOG	$71,202	115	
SALT LAKE CITY UT 84119	FWS	$16,583	20	
COLLEGE OF EASTERN UTAH	FEDERAL PERKINS LOAN	$32,344	67	$87,245
451 EAST 400 NORTH	FSEOG	$47,560	77	
PRICE UT 84501	FWS	$51,487	63	
DAVIS APPLIED TECHNOLOGY CENTER	FSEOG	$35,713	58	
550 E 300 S	FWS	$25,330	31	
KAYSVILLE UT 84037				
DIXIE COLLEGE	FEDERAL PERKINS LOAN	$119,424	197	$257,122
225 SOUTH 700 EAST	FSEOG	$105,110	170	
SAINT GEORGE UT 84770	FWS	$155,848	190	
INTERNATIONAL INST OF HAIR DSGN-SLC	FEDERAL PERKINS LOAN		14	$19,372
5712 S REDWOOD ROAD	FSEOG	$17,849	29	
SALT LAKE CITY UT 84118				
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		8	$11,264
920 WEST LEVOY DRIVE	FSEOG	$60,000	97	
MURRY UT 84123	FWS	$26,878	33	
OGDEN-WEBER APPLIED TECHNOLOGY CENTER	FSEOG	$62,881	101	
559 EAST AVC LANE	FWS	$76,698	94	
OGDEN UT 84404				
PHILLIPS JUNIOR COLLEGE	FEDERAL PERKINS LOAN		2	$3,096
3098 HIGHLAND DR	FSEOG	$80,000	129	
SALT LAKE CITY UT 84106	FWS	$16,155	20	
SALT LAKE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$185,589	496	$645,661
4600 S REDWOOD RD, BOX 30808	FSEOG	$372,431	601	
SALT LAKE CITY UT 84130	FWS	$241,399	294	
SEVIER VALLEY TECH	FSEOG	$14,616	24	
800 WEST 200 SOUTH	FWS	$12,675	15	
RICHFIELD UT 84701				
SNOW COLLEGE	FEDERAL PERKINS LOAN	$79,616	286	$372,338
150 COLLEGE AVE	FSEOG	$65,541	106	
EPHRAIM UT 84627	FWS	$74,273	91	

STATE OF UTAH

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SOUTHERN UTAH UNIVERSITY	FEDERAL PERKINS LOAN	$22,486	343	$446,102
351 WEST CENTER STR	FSEOG	$152,499	246	
CEDAR CITY UT 84720	FWS	$207,244	253	
STACEY'S HANDS OF CHAMPIONS BEAUTY COLLEGE	FSEOG	$4,783	8	
3733 SOUTH 250 WEST				
OGDEN UT 84405				
STEVENS HENAGER COLLEGE	FEDERAL PERKINS LOAN		72	$94,714
2168 WASHINGTON BLVD	FSEOG	$123,120	199	
OGDEN UT 84401	FWS	$2,217	3	
UINTAH BASIN APPLIED TECHNOLOGY CENTER	FWS	$2,972	4	
1100 E LAGOON (124-5)				
ROOSEVELT UT 84066				
UNIVERSITY OF UTAH	FEDERAL PERKINS LOAN	$637,696	4,195	$5,454,295
	FSEOG	$647,105	1,044	
SALT LAKE CITY UT 84112	FWS	$1,075,244	1,311	
UTAH STATE UNIVERSITY	FEDERAL PERKINS LOAN	$211,106	1,544	$2,007,467
UMC 1800	FSEOG	$678,777	1,095	
LOGAN UT 84322	FWS	$624,031	761	
UTAH VALLEY STATE COLLEGE	FEDERAL PERKINS LOAN	$74,640	207	$270,173
800 WEST 1200 SOUTH	FSEOG	$234,272	378	
OREM UT 84058	FWS	$178,807	218	
WEBER STATE UNIVERSITY	FEDERAL PERKINS LOAN	$298,561	1,234	$1,605,351
3750 HARRISON BLVD	FSEOG	$539,309	870	
OGDEN UT 84408	FWS	$741,865	905	
WESTMINSTER COLLEGE OF SALT LAKE CITY	FEDERAL PERKINS LOAN	$62,588	270	$351,615
1840 SOUTH 1300 EAST	FSEOG	$169,397	273	
SALT LAKE CITY UT 84105	FWS	$105,525	129	

STATE OF UTAH	FEDERAL PERKINS LOAN	$1,733,696	8,913	NO. INSTITUTIONS	16
	FSEOG	$3,485,362	5,625	NO. INSTITUTIONS	20
	FWS	$3,636,076	4,436	NO. INSTITUTIONS	19

STATE OF VERMONT

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
BENNINGTON COLLEGE	FSEOG	$179,944	290	
	FWS	$94,998	116	
BENNINGTON VT 05201				
BURLINGTON COLLEGE	FEDERAL PERKINS LOAN	$27,956	56	$73,673
95 NORTH AVENUE	FSEOG	$35,170	57	
BURLINGTON VT 05401	FWS	$51,129	62	
CASTLETON STATE COLLEGE	FEDERAL PERKINS LOAN	$16,177	251	$326,533
	FSEOG	$316,155	510	
CASTLETON VT 05735	FWS	$300,567	367	
CHAMPLAIN COLLEGE	FEDERAL PERKINS LOAN	$39,554	299	$389,662
163 SO WILLARD ST	FSEOG	$300,808	485	
BURLINGTON VT 05401	FWS	$273,692	334	
COLLEGE OF ST JOSEPH	FEDERAL PERKINS LOAN		67	$88,172
71 CLEMENT ROAD	FSEOG	$51,535	83	
RUTLAND VT 05701	FWS	$31,032	38	
COMMUNITY COLLEGE OF VERMONT	FSEOG	$75,000	121	
P.O. BOX 120	FWS	$76,583	93	
WATERBURY VT 05676				
FANNY ALLEN MEMORIAL SCHOOL OF PRACTICAL NURSING	FEDERAL PERKINS LOAN	$7,378	17	$22,502
29 ETAN ALLEN AVENUE BOX 6	FSEOG	$6,241	10	
COLCHESTER VT 05446				
GODDARD COLLEGE	FEDERAL PERKINS LOAN		39	$51,836
	FSEOG	$85,728	138	
PLAINFIELD VT 05667	FWS	$54,154	66	
GREEN MOUNTAIN COLLEGE	FEDERAL PERKINS LOAN		40	$52,620
12 COLLEGE STREET	FSEOG	$450,000	726	
POULTNEY VT 05764	FWS	$46,137	56	
JOHNSON STATE COLLEGE	FEDERAL PERKINS LOAN		116	$151,889
	FSEOG	$212,416	343	
JOHNSON VT 05656	FWS	$485,910	593	
LANDMARK COLLEGE	FSEOG	$18,578	30	
RIVER ROAD	FWS	$7,793	10	
PUTNEY VT 05346				
LYNDON STATE COLLEGE	FEDERAL PERKINS LOAN	$2,947	201	$261,811
VAIL HILL	FSEOG	$157,482	254	
LYNDONVILLE VT 05851	FWS	$179,541	219	

STATE OF VERMONT

INSTITUTION		PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MARLBORO COLLEGE		FEDERAL PERKINS LOAN	$2,986	16	$21,687
		FSEOG	$89,303	144	
MARLBORO	VT 05344	FWS	$44,960	55	
MIDDLEBURY COLLEGE		FEDERAL PERKINS LOAN	$468,133	1,198	$1,558,481
		FSEOG	$246,727	398	
MIDDLEBURY	VT 05753	FWS	$253,294	309	
NEW ENGLAND CULINARY INSTITUTE		FEDERAL PERKINS LOAN	$4,478	24	$32,002
250 MAIN STREET RR1, BOX 1255		FSEOG	$98,850	159	
MONTPELIER	VT 05602	FWS	$11,282	14	
NORWICH UNIVERSITY		FEDERAL PERKINS LOAN	$360,368	930	$1,209,959
		FSEOG	$581,228	937	
NORTHFIELD	VT 05663	FWS	$465,289	567	
PUTNAM MEMORIAL HOSPITAL SCHOOL OF PRACTICAL NUR		FEDERAL PERKINS LOAN	$4,478	11	$15,231
150 HOSPITAL DRIVE		FSEOG	$5,568	9	
BENNINGTON	VT 05201				
SAINT MICHAEL'S COLLEGE		FEDERAL PERKINS LOAN		528	$687,418
WINOOSKI PARK		FSEOG	$296,110	478	
COLCHESTER	VT 05439	FWS	$227,695	278	
SCHOOL FOR INTERNATIONAL TRAINING		FEDERAL PERKINS LOAN		207	$270,187
KIPLING ROAD		FSEOG	$22,069	36	
BRATTLEBORO	VT 05301	FWS	$78,913	96	
SOUTHERN VERMONT COLLEGE		FSEOG	$70,320	113	
MONUMENT ROAD		FWS	$75,564	92	
BENNINGTON	VT 05201				
STERLING COLLEGE		FSEOG	$13,747	22	
MAIN STREET		FWS	$3,511	4	
CRAFTSBURY	VT 05827				
THOMPSON SCHOOL OF PRACTICAL NRSG		FEDERAL PERKINS LOAN	$3,688	16	$20,898
30 MAPLE ST-P O BOX 700		FSEOG	$5,568	9	
BRATTLEBORO	VT 05301	FWS	$3,756	5	
TRINITY COLLEGE OF VERMONT		FEDERAL PERKINS LOAN	$18,294	91	$119,533
208 COLCHESTER AVENUE		FSEOG	$104,523	169	
BURLINGTON	VT 05401	FWS	$92,510	113	
UNIVERSITY OF VERMONT		FEDERAL PERKINS LOAN		1,679	$2,183,282
330 WATERMAN BUILDING		FSEOG	$1,524,608	2,459	
BURLINGTON	VT 05405	FWS	$1,527,016	1,862	

STATE OF VERMONT

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
VERMONT COLLEGE OF COSMETOLOGY 187 PEARL STREET BURLINGTON VT 05404	FSEOG	$6,325	10	
	FWS	$473	1	
VERMONT LAW SCHOOL CHELSEA STREET SOUTH ROYALTON VT 05068	FEDERAL PERKINS LOAN	$98,747	365	$475,463
	FWS	$160,760	196	
VERMONT TECHNICAL COLLEGE RANDOLPH CENTER VT 05061	FEDERAL PERKINS LOAN		142	$185,544
	FSEOG	$196,431	317	
	FWS	$132,832	162	
WOODBURY COLLEGE 660 ELM STREET MONTPELIER VT 05602	FSEOG	$10,688	17	
	FWS	$6,103	7	

STATE OF VERMONT	FEDERAL PERKINS LOAN	$1,055,184	3,475	NO. INSTITUTIONS	21
	FSEOG	$5,161,122	8,324	NO. INSTITUTIONS	27
	FWS	$4,685,494	5,715	NO. INSTITUTIONS	26

STATE OF VIRGINIA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ANTHONY'S BARBER STYLING COLLEGE			FSEOG	$5,568	9	
1307 JEFFERSON AVENUE						
NEWPORT NEWS	VA	23607				
ATI CAREER INSTITUTE			FEDERAL PERKINS LOAN		14	$19,105
7777 LEESBURG PIKE SUITE 100S			FSEOG	$22,168	36	
FALLS CHURCH	VA	22043	FWS	$6,713	8	
ATI HOLLYWOOD			FEDERAL PERKINS LOAN		0	$1,000
3024 TRINKLE AVENUE NW			FSEOG	$7,037	11	
ROANOKE	VA	24012				
AUTOMOTIVE TRAINING INSTITUTE			FEDERAL PERKINS LOAN	$9,191	10	$13,522
5700 SOUTHERN BLVD			FSEOG	$31,880	51	
VIRGINIA BEACH	VA	23462				
AVERETT COLLEGE			FEDERAL PERKINS LOAN	$54,069	510	$664,102
420 WEST MAIN ST			FSEOG	$98,635	159	
DANVILLE	VA	24541	FWS	$113,767	139	
BLUE RIDGE COMMUNITY COLLEGE			FSEOG	$20,000	32	
P O BOX 80			FWS	$20,000	24	
WEYERS CAVE	VA	24486				
BLUEFIELD COLLEGE			FSEOG	$37,800	61	
			FWS	$22,357	27	
BLUEFIELD	VA	24605				
BRIDGEWATER COLLEGE			FEDERAL PERKINS LOAN	$1,332	569	$740,423
			FSEOG	$98,083	158	
BRIDGEWATER	VA	22812	FWS	$123,738	151	
CAREER DEVELOPMENT CENTER			FSEOG	$18,178	29	
605 THIMBLE SHOALS RD SUITE209			FWS	$259		
NEWPORT NEWS	VA	23606				
CENTRAL VIRGINIA COMMUNITY COLLEGE			FSEOG	$54,956	89	
3506 WARDS ROAD			FWS	$66,337	81	
LYNCHBURG	VA	24502				
CHRISTOPHER NEWPORT UNIVERSITY			FEDERAL PERKINS LOAN	$93,439	218	$283,594
50 SHOE LANE			FSEOG	$81,080	131	
NEWPORT NEWS	VA	23606	FWS	$60,044	73	
CLINCH VALLEY COLLEGE OF THE UNIVERSITY			FEDERAL PERKINS LOAN		6	$8,279
COLLEGE AVENUE			FSEOG	$55,381	89	
WISE	VA	24293	FWS	$140,144	171	

STATE OF VIRGINIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
COLLEGE OF WILLIAM AND MARY	FEDERAL PERKINS LOAN	$43,497	511	$665,077
PO BOX 8795 FINANCIAL AID	FSEOG	$103,354	167	
WILLIAMSBURG VA 23187	FWS	$191,990	234	
COMMONWEALTH COLLEGE	FSEOG	$76,598	124	
300 BOUSH STREET	FWS	$53,937	66	
NORFOLK VA 23510				
COMMONWEALTH COLLEGE	FSEOG	$230,730	372	
4160 VIRGINIA BEACH BLVD	FWS	$88,112	107	
VIRGINIA BEACH VA 23452				
COMMUNITY HOSPITAL OF ROANOKE VALLEY	FSEOG	$12,541	20	
PO BOX 13186	FWS	$21,398	26	
ROANOKE VA 24031				
COMPUTER DYNAMICS INSTITUTE	FEDERAL PERKINS LOAN		20	$26,833
5361 VIRGINIA BEACH BLVD	FSEOG	$9,847	16	
VIRGINIA BEACH VA 23462	FWS	$6,592	8	
COMPUTER LEARNING CENTER	FEDERAL PERKINS LOAN	$424,853	928	$1,206,933
6295 EDSALL ROAD SUITE 205	FSEOG	$783,175	1,263	
ALEXANDRIA VA 22312	FWS	$371,479	453	
DABNEY S LANCASTER CMTY COLLEGE	FSEOG	$35,000	56	
RTE 60 WEST P O BOX 1000	FWS	$44,780	55	
CLIFTON FORGE VA 24422				
DANVILLE COMMUNITY COLLEGE	FSEOG	$38,682	62	
1008 SOUTH MAIN STREET	FWS	$47,794	58	
DANVILLE VA 24541				
EASTERN MENNONITE COLLEGE	FEDERAL PERKINS LOAN	$56,351	513	$667,093
1200 PARK ROAD	FSEOG	$359,646	580	
HARRISONBURG VA 22801	FWS	$436,612	532	
EASTERN SHORE COMMUNITY COLLEGE	FSEOG	$12,095	20	
29300 LANKFORD HWY	FWS	$9,000	11	
MELFA VA 23410				
EASTERN VIRGINIA MED SCH-DIV OF MED COL OF HAMPT	FEDERAL PERKINS LOAN	$174,161	451	$587,453
P O BOX 1980	FWS	$37,500	46	
NORFOLK VA 23501				
ECPI COMPUTER INSTITUTE	FEDERAL PERKINS LOAN	$858	374	$487,056
5555 GREENWICH RD SUITE 100	FSEOG	$155,922	251	
VIRGINIA BEACH VA 23462	FWS	$61,805	75	

STATE OF VIRGINIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ECPI COMPUTER INSTITUTE-RICHMOND	FEDERAL PERKINS LOAN		41	$53,447
4303 W BROAD STREET	FSEOG	$53,811	87	
RICHMOND VA 23230	FWS	$20,432	25	
EMORY & HENRY COLLEGE	FEDERAL PERKINS LOAN	$34,188	163	$212,589
	FSEOG	$66,585	107	
EMORY VA 24327	FWS	$74,183	90	
FERRUM COLLEGE	FEDERAL PERKINS LOAN	$73,036	181	$235,673
	FSEOG	$115,003	185	
FERRUM VA 24088	FWS	$118,123	144	
FLAIR BEAUTY INSTITUTE	FSEOG	$5,871	9	
2015 PLANK ROAD WESTWOOD CTR				
FREDERICKSBURG VA 22401				
FLAIR BEAUTY INSTITUTE - PETERSBURG	FSEOG	$12,651	20	
1952B SOUTH SYCAMORE ST				
PETERSBURG VA 23805				
FLAIR BEAUTY INSTITUTE OF RICHMOND	FSEOG	$18,227	29	
2016 STAPLES MILL RD				
RICHMOND VA 23230				
GEORGE MASON UNIVERSITY	FEDERAL PERKINS LOAN	$174,687	558	$725,914
4400 UNIV DRIVE	FSEOG	$337,375	544	
FAIRFAX VA 22030	FWS	$315,552	385	
GERMANNA COMMUNITY COLLEGE	FSEOG	$22,042	36	
P O BOX 339	FWS	$20,636	25	
LOCUST GROVE VA 22508				
HAMPDEN-SYDNEY COLLEGE	FEDERAL PERKINS LOAN	$47,276	217	$282,305
PO BOX 726	FSEOG	$76,129	123	
HAMPDEN-SYDNEY VA 23943	FWS	$50,315	61	
HAMPTON UNIVERSITY	FEDERAL PERKINS LOAN	$298,561	796	$1,036,017
	FSEOG	$533,107	860	
HAMPTON VA 23668	FWS	$420,500	513	
HOLLINS COLLEGE	FEDERAL PERKINS LOAN	$11,751	132	$172,268
PO BOX 9718	FSEOG	$101,342	163	
ROANOKE VA 24020	FWS	$75,655	92	
INTERNATIONAL BEAUTY SCHOOL	FEDERAL PERKINS LOAN		4	$5,715
2024 HOLIDAY DRIVE	FSEOG	$4,635	7	
CHARLOTTESVILLE VA 22901				

STATE OF VIRGINIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
J SARGEANT REYNOLDS COMMUNITY COLLEGE	FSEOG	$231,888	374	
PO BOX 85622	FWS	$207,134	253	
RICHMOND VA 23285				
JAMES MADISON UNIVERSITY	FEDERAL PERKINS LOAN	$19,905	447	$581,185
	FSEOG	$85,000	137	
HARRISONBURG VA 22807	FWS	$230,406	281	
JOHN TYLER COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		36	$47,643
13101 JEFF DAVIS HGWY	FSEOG	$51,091	82	
CHESTER VA 23831	FWS	$27,854	34	
LIBERTY UNIVERSITY	FSEOG	$247,853	400	
PO BOX 20000	FWS	$241,262	294	
LYNCHBURG VA 24506				
LONGWOOD COLLEGE	FEDERAL PERKINS LOAN		207	$270,187
201 HIGH STREET	FSEOG	$101,220	163	
FARMVILLE VA 23909	FWS	$186,180	227	
LORD FAIRFAX COMMUNITY COLLEGE	FSEOG	$20,000	32	
PO BOX 47	FWS	$20,000	24	
MIDDLETOWN VA 22645				
LYNCHBURG COLLEGE	FEDERAL PERKINS LOAN	$1,427	245	$319,024
1501 LAKESIDE DRIVE	FSEOG	$128,772	208	
LYNCHBURG VA 24501	FWS	$149,900	183	
MARY BALDWIN COLLEGE	FEDERAL PERKINS LOAN	$750	178	$231,524
FREDERICK & NEW STREET	FSEOG	$96,104	155	
STAUNTON VA 24401	FWS	$72,063	88	
MARY WASHINGTON COLLEGE	FEDERAL PERKINS LOAN	$9,425	138	$180,516
1301 COLLEGE AVE	FSEOG	$41,635	67	
FREDERICKSBURG VA 22401	FWS	$57,556	70	
MARYMOUNT UNIVERSITY	FEDERAL PERKINS LOAN	$611	111	$145,032
2807 NO GLEBE ROAD	FSEOG	$136,083	219	
ARLINGTON VA 22207	FWS	$64,305	78	
MOUNTAIN EMPIRE CMTY COLLEGE	FSEOG	$87,967	142	
DRAWER 700	FWS	$92,901	113	
BIG STONE GAP VA 24219				
NATIONAL BUSINESS COLLEGE INC	FEDERAL PERKINS LOAN	$29,404	246	$321,053
P.O. BOX 6400	FSEOG	$157,019	253	
ROANOKE VA 24017	FWS	$48,194	59	

STATE OF VIRGINIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NATIONAL EDUCATION CTR-KEE BUSINESS CENTER	FEDERAL PERKINS LOAN		81	$105,951
861 GLENROCK RD-CIRCLE E BLDG	FSEOG	$172,327	278	
NORFOLK VA 23502	FWS	$56,380	69	
NEW RIVER COMMUNITY COLLEGE	FSEOG	$137,090	221	
DRAWER 1127	FWS	$201,361	246	
DUBLIN VA 24084				
NORFOLK STATE UNIVERSITY	FEDERAL PERKINS LOAN		273	$355,475
2401 CORPREW AVE	FSEOG	$810,459	1,307	
NORFOLK VA 23504	FWS	$661,784	807	
NORTHERN VA CMTY COL	FEDERAL PERKINS LOAN	$274,092	606	$788,796
4001 WAKEFIELD CHAPEL RD	FSEOG	$224,833	363	
ANNANDALE VA 22003	FWS	$337,398	411	
OLD DOMINION UNIVERSITY	FEDERAL PERKINS LOAN	$251,346	911	$1,184,739
5215 HAMPTON BLVD	FSEOG	$310,044	500	
NORFOLK VA 23529	FWS	$331,161	404	
PATRICK HENRY COMMUNITY COLLEGE	FSEOG	$26,883	43	
P O DRAWER 5311	FWS	$27,411	33	
MARTINSVILLE VA 24115				
PAUL D CAMP COMMUNITY COLLEGE	FSEOG	$53,644	87	
100 NORTH COLLEGE DRIVE	FWS	$51,185	62	
FRANKLIN VA 23851				
PHILLIPS BUSINESS COLLEGE	FSEOG	$18,368	30	
1912 MEMORIAL AVE, PO BOX 169	FWS	$27,500	34	
LYNCHBURG VA 24505				
PIEDMONT VIRGINIA COMMUNITY COLLEGE	FSEOG	$45,133	73	
ROUTE 6 BOX 1-A	FWS	$77,805	95	
CHARLOTTESVILLE VA 22901				
RADFORD UNIVERSITY	FEDERAL PERKINS LOAN	$3,250	658	$855,443
PO BOX 6905	FSEOG	$192,718	311	
RADFORD VA 24142	FWS	$376,198	459	
RANDOLPH MACON WOMAN'S COLLEGE	FEDERAL PERKINS LOAN		147	$191,730
2500 RIVERMONT AVE	FSEOG	$78,845	127	
LYNCHBURG VA 24503	FWS	$83,193	101	
RANDOLPH-MACON COLLEGE	FEDERAL PERKINS LOAN	$38,523	303	$394,444
	FSEOG	$75,268	121	
ASHLAND VA 23005	FWS	$70,605	86	

STATE OF VIRGINIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
RAPPAHANNOCK COMMUNITY COLLEGE	FSEOG	$27,500	44	
PO BOX 287	FWS	$24,417	30	
GLENNS VA 23149				
RICHARD BLAND COLLEGE	FSEOG	$13,415	22	
11301 JOHNSON ROAD	FWS	$12,614	15	
PETERSBURG VA 23805				
ROANOKE COLLEGE	FEDERAL PERKINS LOAN	$2,938	284	$369,823
	FSEOG	$120,869	195	
SALEM VA 24153	FWS	$104,235	127	
SAINT PAUL'S COLLEGE	FEDERAL PERKINS LOAN		149	$194,338
406 WINDSOR	FSEOG	$133,289	215	
LAWRENCEVILLE VA 23868	FWS	$320,357	391	
SHENANDOAH UNIVERSI'Y	FEDERAL PERKINS LOAN	$19,052	297	$386,606
1460 UNIVERSITY DRIVE	FSEOG	$152,466	246	
WINCHESTER VA 22601	FWS	$168,863	206	
SOUTHERN VA COLLEGE FOR WOMEN	FEDERAL PERKINS LOAN	$10,955	60	$78,585
ONE COLLEGE HILL DRIVE	FSEOG	$22,145	36	
BUENA VISTA VA 24416	FWS	$18,485	23	
SOUTHSIDE VIRGINIA CMTY COLLEGE	FSEOG	$119,742	193	
ROUTE 1 BOX 60	FWS	$58,668	72	
ALBERTA VA 23821				
SOUTHWEST VIRGINIA CMTY COLLEGE	FSEOG	$123,143	199	
BOX SVCC	FWS	$154,148	188	
RICHLANDS VA 24641				
STAUNTON SCHOOL OF COSMETOLOGY INC	FSEOG	$5,550	9	
128 E BEVERLY STREET				
STAUNTON VA 24401				
SWEET BRIAR COLLEGE	FEDERAL PERKINS LOAN	$32,244	222	$289,069
	FSEOG	$69,568	112	
SWEET BRIAR VA 24595	FWS	$40,385	49	
THOMAS NELSON COMMUNITY COLLEGE	FSEOG	$137,662	222	
P O BOX 9407 BRIARFIELD STAT	FWS	$128,478	157	
HAMPTON VA 23670				
TIDEWATER COMMUNITY COLLEGE	FSEOG	$224,713	362	
7000 COLLEGE DRIVE	FWS	$212,361	259	
PORTSMOUTH VA 23703				

STATE OF VIRGINIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF RICHMOND	FEDERAL PERKINS LOAN	$99,521	551	$716,929
	FSEOG	$128,938	208	
RICHMOND VA 23173	FWS	$169,666	207	
UNIVERSITY OF VIRGINIA	FEDERAL PERKINS LOAN	$11,075	2,257	$2,935,161
MILLER HALL	FSEOG	$417,451	673	
CHARLOTTESVILLE VA 22903	FWS	$797,852	973	
VIRGINIA COLLEGE	FSEOG	$30,735	50	
4142-1 MELROSE AVENUE	FWS	$11,843	14	
ROANOKE VA 24017				
VIRGINIA COMMONWEALTH UNIVERSITY	FEDERAL PERKINS LOAN	$240,317	2,478	$3,221,704
901 W FRANKLIN ST	FSEOG	$507,353	818	
RICHMOND VA 23284	FWS	$686,106	837	
VIRGINIA HIGHLANDS CMTY COLLEGE	FSEOG	$104,231	168	
P O BOX 828	FWS	$236,629	289	
ABINGDON VA 24210				
VIRGINIA INTERMONT COLLEGE	FEDERAL PERKINS LOAN	$20,638	132	$172,301
HARMELING AND MOORE STREET	FSEOG	$91,767	148	
BRISTOL VA 24201	FWS	$168,736	206	
VIRGINIA MILITARY INSTITUTE	FEDERAL PERKINS LOAN	$38,428	131	$170,889
	FSEOG	$89,075	144	
LEXINGTON VA 24450	FWS	$69,029	84	
VIRGINIA POLYTECHNIC INST & ST UNIV	FEDERAL PERKINS LOAN	$333,063	2,115	$2,750,695
BURRUSS HALL	FSEOG	$630,518	1,017	
BLACKSBURG VA 24061	FWS	$592,344	722	
VIRGINIA SCHOOL OF COSMETOLOGY, INC	FSEOG	$16,336	26	
1516 WILLOW LAWN DR				
RICHMOND VA 23230				
VIRGINIA STATE UNIVERSITY	FEDERAL PERKINS LOAN		193	$251,109
PO BOX 9031	FSEOG	$551,258	889	
PETERSBURG VA 23806	FWS	$490,215	598	
VIRGINIA UNION UNIVERSITY	FEDERAL PERKINS LOAN		177	$230,630
1500 NO LOMBARDY STREET	FSEOG	$275,127	444	
RICHMOND VA 23220	FWS	$609,460	743	
VIRGINIA WESLEYAN COLLEGE	FEDERAL PERKINS LOAN	$841	116	$151,775
WESLEYAN DRIVE	FSEOG	$130,535	211	
NORFOLK VA 23502	FWS	$144,399	176	

STATE OF VIRGINIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
VIRGINIA WESTERN COMMUNITY COLLEGE	FSEOG	$85,132	137	
PO BOX 14045	FWS	$82,042	100	
ROANOKE VA 24038				
WARDS CORNER BEAUTY ACADEMY	FEDERAL PERKINS LOAN	$3,654	11	$14,884
216 EAST LITTLE CREEK ROAD	FSEOG	$11,049	18	
NORFOLK VA 23505				
WASHINGTON & LEE UNIVERSITY	FEDERAL PERKINS LOAN	$17,913	312	$406,793
	FSEOG	$91,594	148	
LEXINGTON VA 24450	FWS	$140,387	171	
WYTHEVILLE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$17,913	81	$106,350
1000 EAST MAIN STREET	FSEOG	$197,788	319	
WYTHEVILLE VA 24382	FWS	$302,504	369	

STATE OF VIRGINIA	FEDERAL PERKINS LOAN	$2,974,535	19,021	NO. INSTITUTIONS 53
	FSEOG	$11,734,327	18,922	NO. INSTITUTIONS 87
	FWS	$12,463,713	15,197	NO. INSTITUTIONS 78

STATE OF WASHINGTON

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ACADEMY OF COSMETOLOGY	FSEOG	$6,953	11	
14352 LAKE CITY WAY				
SEATTLE WA 98125				
ART INSTITUTE OF SEATTLE	FEDERAL PERKINS LOAN	$50,833	218	$284,691
2323 ELLIOTT AVE	FSEOG	$215,042	347	
SEATTLE WA 98121	FWS	$56,669	69	
BATES TECHNICAL COLLEGE	FSEOG	$85,088	137	
1101 S YAKIMA AVE	FWS	$9,448	12	
TACOMA WA 98405				
BELLEVUE COMMUNITY COLLEGE	FSEOG	$92,063	148	
3000 LANDERHOLM CIRCLE SE	FWS	$154,686	189	
BELLEVUE WA 98007				
BIG BEND COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$31,239	77	$100,965
7662 CHANUTE ST	FSEOG	$27,116	44	
MOSES LAKE WA 98837	FWS	$26,387	32	
BJ'S BEAUTY AND BARBER COLLEGE	FSEOG	$5,568	9	
5237 S TACOMA WAY				
TACOMA WA 98409				
BUSINESS COMPUTER TRAINING INSTITUTE	FSEOG	$304,531	491	
6695 KIMBALL DRIVE				
GIG HARBOR WA 98335				
CENTRAL WASHINGTON UNIVERSITY	FEDERAL PERKINS LOAN		1,131	$1,470,965
209 BARGE HALL	FSEOG	$262,812	424	
ELLENSBURG WA 98926	FWS	$271,523	331	
CENTRALIA COLLEGE	FSEOG	$52,536	85	
600 WEST LOCUST	FWS	$115,351	141	
CENTRALIA WA 98531				
CINDERELLA BEAUTY SCHOOL INC	FEDERAL PERKINS LOAN		1	$2,444
620 NO CALLOW	FSEOG	$3,641	6	
BREMERTON WA 98312				
CITY UNIVERSITY	FSEOG	$45,415	73	
335-116TH AVE SE	FWS	$18,463	23	
BELLEVUE WA 98008				
CLARK COLLEGE	FEDERAL PERKINS LOAN	$7,856	75	$97,941
1800 EAST MCLOUGHLIN BLVD	FSEOG	$82,826	134	
VANCOUVER WA 98663	FWS	$98,001	120	

STATE OF WASHINGTON

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CLOVER PARK TECH COLLEGE 4500 STEILACOOM BLVD. SW TACOMA WA 98499	FSEOG FWS	$30,662 $17,598	49 21	
COLUMBIA BASIN COMMUNITY COLLEGE 2600 N 20TH AVENUE PASCO WA 99301	FEDERAL PERKINS LOAN FSEOG FWS	 $67,767 $45,266	21 109 55	$27,501
CORNISH COLLEGE OF THE ARTS 710 EAST ROY SEATTLE WA 98102	FEDERAL PERKINS LOAN FSEOG FWS	 $71,334 $93,073	77 115 114	$100,158
COURT REPORTING INST & AGENCY 929 N 130TH STREET SUITE 2 SEATTLE WA 98133	FSEOG FWS	$17,592 $7,367	28 9	
CROWN ACADEMY 8739 S HOSMER TACOMA WA 98444	FSEOG	$12,825	21	
DIVERS INSTITUTE OF TECHNOLOGY 4315 11TH AV NW PO BOX 70667 SEATTLE WA 98107	FEDERAL PERKINS LOAN FSEOG	$12,262 $32,869	75 53	$98,313
EASTERN WASHINGTON UNIVERSITY MS #142 CHENEY WA 99004	FEDERAL PERKINS LOAN FSEOG FWS	$106,202 $433,179 $412,759	971 699 503	$1,262,814
EDMONDS COMMUNITY COLLEGE 20000 68TH AVE WEST LYNNWOOD WA 98036	FSEOG FWS	$56,817 $104,097	92 127	
ETON TECHNICAL INSTITUTE 3649 FRONTAGE ROAD PORT ORCHARD WA 98366	FSEOG	$48,588	78	
EVERETT COMMUNITY COLLEGE 801 WETMORE EVERETT WA 98201	FSEOG FWS	$66,297 $97,771	107 119	
EVERETT PLAZA BEAUTY SCHOOL 607 SE EVERETT MALL WAY STE 6 EVERETT WA 98208	FSEOG	$4,554	7	
EVERGREEN STATE COLLEGE OLYMPIA WA 98505	FEDERAL PERKINS LOAN FSEOG FWS	$119,123 $237,673 $298,435	450 383 364	$586,245

STATE OF WASHINGTON

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
GENE JUAREZ ACADEMY OF BEAUTY	FSEOG	$7,315	12	
10715 8TH AVE NE				
SEATTLE WA 98125				
GLEN DOW ACADEMY OF HAIR DESIGN	FSEOG	$5,556	9	
WEST 309 RIVERSIDE AVENUE				
SPOKANE WA 99201				
GONZAGA UNIVERSITY	FEDERAL PERKINS LOAN	$518,080	1,458	$1,895,744
E 502 BOONF AVENUE	FSEOG	$428,508	691	
SPOKANE WA 99258	FWS	$586,973	716	
GRAYS HARBOR COLLEGE	FSEOG	$46,633	75	
1620 EDWARD P SMITH DR	FWS	$58,597	71	
ABERDEEN WA 98520				
GREEN RIVER COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$19,905	68	$88,773
12401 SO EAST 320TH STREET	FSEOG	$164,170	265	
AUBURN WA 98002	FWS	$254,893	311	
GREENWOOD BEAUTY SCHOOL	FEDERAL PERKINS LOAN		0	$1,179
8501 GREENWOOD AVE-NORTH	FSEOG	$1,642	3	
SEATTLE WA 98103				
HERITAGE COLLEGE	FEDERAL PERKINS LOAN	$12,732	89	$116,852
3240 FORT ROAD	FSEOG	$70,196	113	
TOPPENISH WA 98948	FWS	$104,555	128	
HIGHLINE COMMUNITY COLLEGE	FSEOG	$150,442	243	
2400 SO 240TH ST, PO BOX 98000	FWS	$127,864	156	
DES MOINES WA 98198				
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		141	$184,089
12720 GATEWAY DRIVE	FSEOG	$100,000	161	
SEATTLE WA 98168	FWS	$46,196	56	
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN		11	$14,500
NORTH 1050 ARGONNE ROAD	FSEOG	$40,000	65	
SPOKANE WA 99212	FWS	$14,579	18	
JOHN BASTYR COLLEGE	FEDERAL PERKINS LOAN	$30,878	65	$85,252
144 NE 54TH ST	FSEOG	$5,934	10	
SEATTLE WA 98105	FWS	$20,865	25	
LACEY BEAUTY COLLEGE	FEDERAL PERKINS LOAN		2	$3,544
909 SLEATER KINNEY RD STE 2	FSEOG	$8,536	14	
LACEY WA 98503				

STATE OF WASHINGTON

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
LAKE WASHINGTON TECHNICAL COLLEGE	FSEOG	$26,555	43	
11605-132 AVENUE NE	FWS	$11,536	14	
KIRKLAND WA 98034				
LOWER COLUMBIA COLLEGE	FSEOG	$72,824	117	
PO BOX 3010 1600 MAPLE ST	FWS	$96,681	118	
LONGVIEW WA 98632				
LUTHERAN BIBLE INSTITUTE OF SEATTLE	FSEOG	$16,897	27	
4221 228 SE PROVIDENCE HEIGHTS	FWS	$22,000	27	
ISSAQUAH WA 98027				
MOUNT VERNON BEAUTY SCHOOL	FSEOG	$6,057	10	
615 S 1ST STREET				
MOUNT VERNON WA 98273				
NORTH SEATTLE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$49,760	113	$147,761
9600 COLLEGE WAY NORTH	FSEOG	$113,449	183	
SEATTLE WA 98103	FWS	$167,487	204	
NORTHWEST COLLEGE ASSEMBLIES OF GOD	FEDERAL PERKINS LOAN	$15,181	156	$202,912
11102 NE 53RD PO BOX 579	FSEOG	$66,521	107	
KIRKLAND WA 98083	FWS	$36,426	44	
NORTHWEST INDIAN COLLEGE	FSEOG	$44,249	71	
2522 KWINA ROAD	FWS	$52,654	64	
BELLINGHAM WA 98226				
OLYMPIC COLLEGE	FSEOG	$78,435	127	
1600 CHESTER AVE	FWS	$170,797	208	
BREMERTON WA 98310				
PACIFIC LUTHERAN UNIVERSITY	FEDERAL PERKINS LOAN	$64,613	1,088	$1,414,903
PO BOX 2068	FSEOG	$507,286	818	
TACOMA WA 98447	FWS	$391,060	477	
PENINSULA COLLEGE	FSEOG	$26,804	43	
1502 E LAURIDSEN BLVD	FWS	$29,593	36	
PORT ANGELES WA 98362				
PERRY TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN	$9,952	75	$98,513
2011 WEST WASHINGTON AVE	FSEOG	$44,011	71	
YAKIMA WA 98903	FWS	$27,755	34	
PHILLIPS JR COLLEGE OF SPOKANE	FEDERAL PERKINS LOAN		31	$40,824
N 1101 FANCHER ROAD	FSEOG	$59,550	96	
SPOKANE WA 99212	FWS	$17,570	21	

STATE OF WASHINGTON

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
PIERCE COLLEGE	FEDERAL PERKINS LOAN		28	$36,418
9401 FARWEST DRIVE SW	FSEOG	$127,326	205	
TACOMA WA 98498	FWS	$121,544	148	
PUGET SOUND CHRISTIAN COLLEGE	FSEOG	$5,000	8	
410 FOURTH AVENUE NORTH	FWS	$10,153	12	
EDMONDS WA 98020				
RENTON TECHNICAL COLLEGE	FSEOG	$15,622	25	
3000 NE FOURTH ST	FWS	$12,458	15	
RENTON WA 98056				
RESOURCE CENTER FOR THE HANDICAPPED	FEDERAL PERKINS LOAN		3	$4,800
20150 45TH AVE NE	FSEOG	$5,568	9	
SEATTLE WA 98155	FWS	$2,000	2	
SAINT MARTIN'S COLLEGE	FEDERAL PERKINS LOAN	$15,999	200	$260,063
	FSEOG	$93,275	150	
LACEY WA 98503	FWS	$109,985	134	
SEATTLE CENTRAL COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$83,129	213	$276,968
1701 BROADWAY	FSEOG	$322,259	520	
SEATTLE WA 98122	FWS	$304,725	372	
SEATTLE PACIFIC UNIVERSITY	FEDERAL PERKINS LOAN	$9,407	788	$1,025,622
3307 THIRD AVE WEST	FSEOG	$600,486	969	
SEATTLE WA 98119	FWS	$473,853	578	
SEATTLE UNIVERSITY	FEDERAL PERKINS LOAN	$796	767	$997,942
12TH AND EAST COLUMBIA	FSEOG	$727,447	1,173	
SEATTLE WA 98122	FWS	$480,598	586	
SEATTLE VOCATIONAL INSTITUTE	FSEOG	$11,122	18	
315 22ND AVE S	FWS	$10,217	12	
SEATTLE WA 98144				
SHORELINE COMMUNITY COLLEGE	FSEOG	$117,639	190	
16101 GREENWOOD AVE NORTH	FWS	$97,344	119	
SEATTLE WA 98133				
SKAGIT VALLEY COLLEGE	FSEOG	$60,611	98	
2405 COLLEGE WAY	FWS	$59,407	72	
MOUNT VERNON WA 98273				
SOUTH PUGET SOUND COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$24,117	48	$63,647
2011 MOTTMAN RD SW	FSEOG	$35,000	56	
OLYMPIA WA 98512	FWS	$77,111	94	

STATE OF WASHINGTON

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
SOUTH SEATTLE COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		13	$18,081
6000 16 AVE SW	FSEOG	$72,647	117	
SEATTLE WA 98106	FWS	$132,052	161	
SPOKANE COMMUNITY COLLEGE	FSEOG	$189,367	305	
NORTH 1810 GREENE STREET	FWS	$230,519	281	
SPOKANE WA 99207				
SPOKANE FALLS COMMUNITY COLLEGE	FSEOG	$138,372	223	
W 3410 FT GEORGE WRIGHT DR	FWS	$248,629	303	
SPOKANE WA 99204				
TACOMA COMMUNITY COLLEGE	FSEOG	$108,876	176	
5900 SO 12TH STREET	FWS	$116,722	142	
TACOMA WA 98465				
TREND COLLEGE - LONGVIEW	FEDERAL PERKINS LOAN		88	$115,410
1260 COMMERCE	FSEOG	$15,737	25	
LONGVIEW WA 98632	FWS	$8,432	10	
TREND COLLEGE - SPOKANE	FEDERAL PERKINS LOAN	$165,588	903	$1,175,129
NORTH 214 WALL ST	FSEOG	$78,898	127	
SPOKANE WA 99201	FWS	$58,814	72	
TREND COLLEGE - TRI CITIES	FEDERAL PERKINS LOAN	$3,728	70	$91,196
3311 W CLEARWATER AVE STE 1201	FSEOG	$32,951	53	
KENNEWICK WA 99336	FWS	$8,747	11	
TREND COLLEGE-YAKIMA	FEDERAL PERKINS LOAN	$45,334	259	$337,495
112 PIERCE AVE	FSEOG	$38,628	62	
YAKIMA WA 98902	FWS	$21,547	26	
UNIVERSITY OF PUGET SOUND	FEDERAL PERKINS LOAN	$438,366	2,137	$2,778,138
1500 NO WARNER	FSEOG	$597,583	964	
TACOMA WA 98416	FWS	$661,712	807	
UNIVERSITY OF WASHINGTON	FEDERAL PERKINS LOAN	$1,142,380	5,816	$7,561,302
1400 NE CAMPUS PARKWAY-PE.20	FSEOG	$1,482,641	2,391	
SEATTLE WA 98195	FWS	$2,177,442	2,655	
WALLA WALLA COLLEGE	FEDERAL PERKINS LOAN	$17,063	540	$702,742
POST OFFICE DRAWER 1	FSEOG	$349,444	564	
COLLEGE PLACE WA 99324	FWS	$192,987	235	
WALLA WALLA COMMUNITY COLLEGE	FEDERAL PERKINS LOAN	$62,698	248	$322,654
500 TAUSICK WAY	FSEOG	$74,169	120	
WALLA WALLA WA 99362	FWS	$79,501	97	

STATE OF WASHINGTON

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WASHINGTON STATE UNIVERSITY	FEDERAL PERKINS LOAN		2,941	$3,823,349
FRENCH ADMIN BLDG - ROOM 240	FSEOG	$891,901	1,439	
PULLMAN WA 99164	FWS	$1,034,659	1,262	
WENATCHEE VALLEY COLLEGE	FSEOG	$54,635	88	
1300 FIFTH ST	FWS	$104,934	128	
WENATCHEE WA 98801				
WEST OLYMPIA BEAUTY COLLEGE	FSEOG	$5,458	9	
2106 W HARRISON WESTSIDE CIR	FWS	$5,113	6	
OLYMPIA WA 98502				
WESTERN WASHINGTON UNIVERSITY	FEDERAL PERKINS LOAN		1,296	$1,686,017
516 HIGH STREET	FSEOG	$524,224	846	
BELLINGHAM WA 98225	FWS	$443,997	541	
WHATCOM COMMUNITY COLLEGE	FSEOG	$48,691	79	
237 W KELLOGG RD	FWS	$32,047	39	
BELLINGHAM WA 98226				
WHITMAN COLLEGE	FEDERAL PERKINS LOAN	$81,820	459	$597,788
345 BOYER	FSEOG	$203,936	329	
WALLA WALLA WA 99362	FWS	$114,347	139	
WHITWORTH COLLEGE	FEDERAL PERKINS LOAN	$55,581	738	$960,138
	FSEOG	$328,359	530	
SPOKANE WA 99251	FWS	$295,692	361	
YAKIMA VALLEY COMMUNITY COLLEGE	FEDERAL PERKINS LOAN		61	$79,852
P O BOX 1647	FSEOG	$96,545	156	
YAKIMA WA 98907	FWS	$73,771	90	

STATE OF WASHINGTON	FEDERAL PERKINS LOAN	$3,194,622	18,164	NO. INSTITUTIONS	44
	FSEOG	$11,809,735	19,048	NO. INSTITUTIONS	80
	FWS	$11,866,034	14,467	NO. INSTITUTIONS	67

STATE OF WEST VIRGINIA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ALDERSON-BROADDUS COLLEGE			FEDERAL PERKINS LOAN	$11,979	279	$363,743
COLLEGE HILL			FSEOG	$178,584	288	
PHILIPPI	WV	26416	FWS	$159,321	194	
APPALACHIAN BIBLE COLLEGE			FSEOG	$8,723	14	
SAND BRANCH ROAD			FWS	$11,336	14	
BRADLEY	WV	25818				
BETHANY COLLEGE			FEDERAL PERKINS LOAN		362	$470,957
			FSEOG	$423,453	683	
BETHANY	WV	26032	FWS	$257,708	314	
BLUEFIELD STATE COLLEGE			FEDERAL PERKINS LOAN	$44,784	118	$154,411
219 ROCK STREET			FSEOG	$74,431	120	
BLUEFIELD	WV	24701	FWS	$115,651	141	
COLLEGE OF WEST VIRGINIA			FSEOG	$90,000	145	
PO BOX AG			FWS	$49,240	60	
BECKLEY	WV	25802				
CONCORD COLLEGE			FEDERAL PERKINS LOAN	$21,897	465	$605,057
VERMILLION ST BX 1000 D-120			FSEOG	$149,469	241	
ATHENS	WV	24712	FWS	$252,826	308	
DAVIS & ELKINS COLLEGE			FEDERAL PERKINS LOAN	$14,928	330	$429,806
100 CAMPUS DRIVE			FSEOG	$148,113	239	
ELKINS	WV	26241	FWS	$164,186	200	
FAIRMONT STATE COLLEGE			FEDERAL PERKINS LOAN	$6,966	390	$508,265
1201 LOCUST AVE			FSEOG	$123,430	199	
FAIRMONT	WV	26554	FWS	$169,062	206	
GLENVILLE STATE COLLEGE			FEDERAL PERKINS LOAN		381	$495,463
200 HIGH STREET			FSEOG	$87,590	141	
GLENVILLE	WV	26351	FWS	$99,894	122	
HUNTINGTON JR COLLEGE OF BUSINESS			FSEOG	$47,220	76	
900 FIFTH AVE						
HUNTINGTON	WV	25701				
HUNTINGTON SCHOOL OF BEAUTY CULTURE			FSEOG	$17,222	28	
412 EIGHT STREET						
HUNTINGTON	WV	25701				
INTERNATIONAL BEAUTY SCHOOL			FEDERAL PERKINS LOAN	$2,844	9	$12,991
329 S QUEEN ST			FSEOG	$5,492	9	
MARTINSBURG	WV	25401				

STATE OF WEST VIRGINIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MARSHALL UNIVERSITY	FEDERAL PERKINS LOAN	$149,280	874	$1,137,351
3RD AVE & HAL GREER BLVD	FSEOG	$214,040	345	
HUNTINGTON WV 25701	FWS	$508,324	620	
MOUNTAIN STATE COLLEGE	FEDERAL PERKINS LOAN	$76,304	124	$162,060
1508 SPRING STR	FSEOG	$36,338	59	
PARKERSBURG WV 26101	FWS	$25,274	31	
NATIONAL EDUCATION CENTER-NATIONAL INST OF TECH	FEDERAL PERKINS LOAN		74	$96,221
5514 BIG TYLER RD	FSEOG	$51,525	83	
CROSS LANES WV 25313				
OHIO VALLEY COLLEGE INC	FEDERAL PERKINS LOAN		69	$90,066
COLLEGE PARKWAY	FSEOG	$43,077	69	
PARKERSBURG WV 26101	FWS	$73,107	89	
POTOMAC STATE COLLEGE OF W VA U	FEDERAL PERKINS LOAN		80	$104,398
	FSEOG	$46,041	74	
KEYSER WV 26726	FWS	$67,153	82	
SALEM-TEIKYO UNIV	FEDERAL PERKINS LOAN	$42,403	250	$325,573
223 W MAIN ST	FSEOG	$239,639	387	
SALEM WV 26426	FWS	$303,683	370	
SCOTT COLLEGE OF COSMETOLOGY	FSEOG	$8,123	13	
1502 MARKET ST				
WHEELING WV 26003				
SHEPHERD COLLEGE	FEDERAL PERKINS LOAN		173	$226,114
	FSEOG	$59,111	95	
SHEPHERDSTOWN WV 25443	FWS	$90,164	110	
SOUTHERN WEST VIRGINIA CMTY COLLEGE	FEDERAL PERKINS LOAN		8	$11,280
DEMPSEY BRANCH RD PO BX 2900	FSEOG	$33,063	53	
LOGAN WV 25601	FWS	$57,753	70	
UNIVERSITY OF CHARLESTON	FEDERAL PERKINS LOAN	$13,862	143	$186,593
2300 MC CORKLE AVENUE SE	FSEOG	$100,000	161	
CHARLESTON WV 25304	FWS	$57,910	71	
W VA REHAB CENTER	FSEOG	$22,442	36	
PO BOX 1004 -BARRON DRIVE	FWS	$17,360	21	
INSTITUTE WV 25112				
WEBSTER COLLEGE	FEDERAL PERKINS LOAN	$17,090	76	$99,219
412 FAIRMONT AVE	FSEOG	$184,910	298	
FAIRMONT WV 26554	FWS	$65,704	80	

STATE OF WEST VIRGINIA

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WEST LIBERTY STATE COLLEGE			FEDERAL PERKINS LOAN	$6,216	535	$695,666
			FSEOG	$252,852	408	
WEST LIBERTY	WV	26074	FWS	$139,700	170	
WEST VIRGINIA BUS COLLEGE			FEDERAL PERKINS LOAN	$77,626	148	$193,012
215 W MAIN STREET			FSEOG	$65,392	105	
CLARKSBURG	WV	26301	FWS	$11,451	14	
WEST VIRGINIA CAREER COLL-CHARTN			FEDERAL PERKINS LOAN	$89,733	130	$169,733
1000 VIRGINIA STREET EAST			FSEOG	$95,692	154	
CHARLESTON	WV	25301	FWS	$26,265	32	
WEST VIRGINIA CAREER COLL-MORGTWN			FEDERAL PERKINS LOAN	$69,863	150	$196,103
148 WILLEY ST			FSEOG	$61,432	99	
MORGANTOWN	WV	26505	FWS	$32,719	40	
WEST VIRGINIA INSTITUTE OF TECH			FEDERAL PERKINS LOAN	$26,706	439	$571,814
BOX 51			FSEOG	$112,868	182	
MONTGOMERY	WV	25136	FWS	$222,938	272	
WEST VIRGINIA NORTHERN CMTY COLLEGE			FEDERAL PERKINS LOAN	$19,905	95	$124,467
COLLEGE SQUARE			FSEOG	$46,034	74	
WHEELING	WV	26003	FWS	$50,822	62	
WEST VIRGINIA SCHOOL OF OSTEO MED			FEDERAL PERKINS LOAN	$45,263	324	$422,324
400 N LEE STREET			FWS	$27,787	34	
LEWISBURG	WV	24901				
WEST VIRGINIA STATE COLLEGE			FEDERAL PERKINS LOAN		159	$206,735
PO BOX 1000			FSEOG	$157,978	255	
INSTITUTE	WV	25112	FWS	$198,819	242	
WEST VIRGINIA UNIV AT PARKERSBURG			FEDERAL PERKINS LOAN		38	$49,955
ROUTE 5 BOX 167A			FSEOG	$44,532	72	
PARKERSBURG	WV	26101	FWS	$59,075	72	
WEST VIRGINIA UNIVERSITY			FEDERAL PERKINS LOAN	$718,702	3,371	$4,383,389
			FSEOG	$630,907	1,018	
MORGANTOWN	WV	26506	FWS	$1,542,202	1,881	
WEST VIRGINIA WESLEYAN COLLEGE			FEDERAL PERKINS LOAN	$18,030	388	$504,900
59 COLLEGE AVE			FSEOG	$202,823	327	
BUCKHANNON	WV	26201	FWS	$216,255	264	
WHEELING COLLEGE			FEDERAL PERKINS LOAN		241	$314,564
316 WASHINGTON AVE			FSEOG	$143,041	231	
WHEELING	WV	26003	FWS	$125,093	153	

STATE OF WEST VIRGINIA FEDERAL PERKINS LOAN $1,474,381 8,638 NO. INSTITUTIONS 30

FSEOG	$4,205,587	6,781	NO. INSTITUTIONS 35
FWS	$5,198,782	6,339	NO. INSTITUTIONS 1

REPORT 70 - CONGRESSIONAL NOTIFICATION REPORT

STATE OF WISCONSIN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
ACME INSTITUTE OF TECHNOLOGY-INC	FSEOG	$15,847	26	
102 REVERE DRIVE				
MANITOWOC WI 54220				
ADVANCED INSTITUTE OF HAIR DESIGN	FSEOG	$4,890	8	
11010 WEST HAMPTON AVENUE				
MILWAUKEE WI 53219				
ALVERNO COLLEGE	FEDERAL PERKINS LOAN	$52,536	200	$261,019
3401 SO 39TH STREET	FSEOG	$285,924	461	
MILWAUKEE WI 53234	FWS	$85,731	105	
BELLIN COLLEGE OF NURSING	FSEOG	$10,605	17	
P O BOX 23400	FWS	$5,973	7	
GREEN BAY WI 54305				
BELOIT COLLEGE	FEDERAL PERKINS LOAN		322	$419,108
700 COLLEGE STREET	FSEOG	$185,945	300	
BELOIT WI 53511	FWS	$160,650	196	
BLACKHAWK TECHNICAL COLLEGE	FSEOG	$63,132	102	
6004 PRAIRIE RD CTY-TRK G	FWS	$41,929	51	
JANESVILLE WI 53547				
BUSINESS AND BANKING INSTITUTE	FSEOG	$11,584	19	
744 NORTH 4TH ST STE 530				
MILWAUKEE WI 53203				
CAPRI COSMETOLOGY COLLEGE	FSEOG	$5,671	9	
6414 ODANA ROAD	FWS	$555	1	
MADISON WI 53719				
CARDINAL STRITCH COLLEGE	FEDERAL PERKINS LOAN	$26,871	119	$155,086
6801 NORTH YATES RD	FSEOG	$112,047	181	
MILWAUKEE WI 53217	FWS	$62,676	76	
CARROLL COLLEGE	FEDERAL PERKINS LOAN	$180,360	760	$988,440
100 NORTH EAST AVE	FSEOG	$278,147	449	
WAUKESHA WI 53186	FWS	$163,143	199	
CARTHAGE COLLEGE	FEDERAL PERKINS LOAN	$99,521	291	$379,092
2001 ALFORD DRIVE	FSEOG	$186,953	302	
KENOSHA WI 53141	FWS	$118,403	144	
CHIPPEWA VALLEY TECHNICAL COLLEGE	FSEOG	$97,570	157	
620 WEST CLAIREMONT AVENUE	FWS	$110,520	135	
EAU CLAIRE WI 54701				

STATE OF WISCONSIN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CONCORDIA UNIVERSITY WISCONSIN	FSEOG	$112,584	182	
12800 N LAKE SHORE DR	FWS	$64,456	79	
MEQUON WI 53097				
EDGEWOOD COLLEGE	FEDERAL PERKINS LOAN	$39,808	113	$147,448
855 WOODROW STREET	FSEOG	$62,845	101	
MADISON WI 53711	FWS	$48,719	59	
FOX VALLEY TECHNICAL INSTITUTE	FSEOG	$108,008	174	
1825 N BLUEMOUND OR PO BOX2277	FWS	$158,645	193	
APPLETON WI 54913				
GATEWAY TECHNICAL COLLEGE	FSEOG	$110,000	177	
3520 30TH AVENUE	FWS	$50,000	61	
KENOSHA WI 53141				
ITT TECHNICAL INSTITUTE	FEDERAL PERKINS LOAN	$20,610	21	$27,480
6300 WEST LAYTON AVENUE	FSEOG	$30,000	48	
GREENFIELD WI 53220	FWS	$12,813	16	
LAC COURTE OREILLES OJIBWA COMMUNITY COLLEGE	FSEOG	$11,664	19	
RT 2 BOX 2357	FWS	$8,693	11	
HAYWARD WI 54843				
LAKELAND COLLEGE	FEDERAL PERKINS LOAN	$45,197	101	$131,503
BOX 359	FSEOG	$134,386	217	
SHEBOYGAN WI 53082	FWS	$130,845	160	
LAKESHORE TECHNICAL COLLEGE	FSEOG	$35,000	56	
1290 NORTH AVENUE	FWS	$35,443	43	
CLEVELAND WI 53015				
LAWRENCE UNIVERSITY	FEDERAL PERKINS LOAN	$29,856	406	$528,697
P.O. BOX 599	FSEOG	$208,236	336	
APPLETON WI 54912	FWS	$158,975	194	
MADISON AREA TECHNICAL COLLEGE	FSEOG	$252,931	408	
3550 ANDERSON STREET	FWS	$161,042	196	
MADISON WI 53704				
MADISON JR COLLEGE OF BUSINESS	FSEOG	$19,005	31	
1110 SPRING HARBOR DRIVE				
MADISON WI 53705				
MARIAN COLLEGE OF FOND DU LAC	FEDERAL PERKINS LOAN	$59,713	163	$212,012
45 SO NATIONAL AVE	FSEOG	$100,459	162	
FOND DU LAC WI 54935	FWS	$58,346	71	

STATE OF WISCONSIN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MARQUETTE UNIVERSITY	FEDERAL PERKINS LOAN	$935,632	3,147	$4,091,430
1212 W WISCONSIN AVENUE	FSEOG	$1,011,626	1,632	
MILWAUKEE WI 53233	FWS	$928,732	1,133	
MIDSTATE TECHNICAL COLLEGE	FSEOG	$43,891	71	
500 32ND STREET NORTH	FWS	$42,160	51	
WISCONSIN RAPIDS WI 54494				
MILWAUKEE AREA TECHNICAL COLLEGE	FSEOG	$295,739	477	
700 WEST STATE STREET	FWS	$369,335	450	
MILWAUKEE WI 53233				
MILWAUKEE INSTITUTE OF ART AND DESIGN	FSEOG	$53,107	86	
273 EAST ERIE STREET	FWS	$25,745	31	
MILWAUKEE WI 53202				
MILWAUKEE SCHOOL OF ENGINEERING	FEDERAL PERKINS LOAN	$57,472	192	$250,197
1025 NORTH BROADWAY	FSEOG	$175,000	282	
MILWAUKEE WI 53201	FWS	$123,413	151	
MORAINE PARK VOCATIONAL TECHNICAL ADULT EDUCATIO	FSEOG	$42,344	68	
235 NO NATIONAL AVE	FWS	$46,602	57	
FOND DU LAC WI 54935				
MOUNT MARY COLLEGE	FEDERAL PERKINS LOAN	$33,339	105	$137,358
2900 NO MENOMONEE RIVER PKWY	FSEOG	$120,453	194	
MILWAUKEE WI 53222	FWS	$50,925	62	
MOUNT SENARIO COLLEGE	FEDERAL PERKINS LOAN	$34,832	135	$176,559
1500 W COLLEGE AVE	FSEOG	$96,082	155	
LADYSMITH WI 54848	FWS	$95,186	116	
NICOLET AREA TECHNICAL COLLEGE	FSEOG	$46,576	75	
BOX 518	FWS	$99,710	122	
RHINELANDER WI 54501				
NORTHCENTRAL TECHNICAL COLLEGE	FEDERAL PERKINS LOAN	$32,842	68	$88,874
1000 W CAMPUS DRIVE	FSEOG	$117,557	190	
WAUSAU WI 54401	FWS	$134,509	164	
NORTHEAST WISCONSIN TECHNICAL COLLEGE	FSEOG	$125,613	203	
2740 WEST MASON ST	FWS	$93,539	114	
GREEN BAY WI 54307				
NORTHLAND COLLEGE	FEDERAL PERKINS LOAN	$101,183	263	$342,111
1411 ELLIS AVENUE	FSEOG	$113,652	183	
ASHLAND WI 54806	FWS	$80,688	98	

STATE OF WISCONSIN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NORTHWESTERN COLLEGE	FEDERAL PERKINS LOAN		5	$7,283
1300 WESTERN AVENUE	FSEOG	$8,575	14	
WATERTOWN WI 53094	FWS	$10,669	13	
RIPON COLLEGE	FEDERAL PERKINS LOAN	$50,352	377	$490,394
300 SEWARD STREET	FSEOG	$175,428	283	
RIPON WI 54971	FWS	$114,397	140	
SAINT NORBERT COLLEGE	FEDERAL PERKINS LOAN	$124,400	451	$587,020
	FSEOG	$218,943	353	
DE PERE WI 54115	FWS	$176,568	215	
SCIENTIFIC COLLEGE OF BEAUTY/BARBERING	FSEOG	$1,370	2	
310 WESTGATE MALL				
MADISON WI 53711				
SILVER LAKE COL OF THE HOLY FAMILY	FSEOG	$70,911	114	
2406 SOUTH ALVERNO	FWS	$33,030	40	
MANITOWOC WI 54220				
SOUTHWEST WISCONSIN TECHNICAL COLLEGE	FSEOG	$46,179	74	
HWY 18 EAST	FWS	$58,679	72	
FENNIMORE WI 53809				
STATE COLLEGE OF BTY CULTURE OF MILWAUKEE	FSEOG	$11,858	19	
7430 HARWOOD AVENUE				
WAUWATOSA WI 53213				
STATE COLLEGES OF BTY CULTURE-WAUSA	FSEOG	$16,639	27	
527 1/2 WASHINGTON STREET				
WAUSAU WI 54403				
STRATTON COLLEGE	FSEOG	$99,197	160	
1300 N JACKSON ST	FWS	$46,283	56	
MILWAUKEE WI 53202				
THE MEDICAL COLLEGE OF WISCONSIN INC	FEDERAL PERKINS LOAN	$211,978	453	$589,737
8701 WATERTOWN PLANK ROAD				
MILWAUKEE WI 53226				
TRANS AMERICAN SCHOOL OF BROADCASTING	FSEOG	$6,137	10	
ONE POINT PLACE STE 1				
MADISON WI 53719				
UNIVERSITY OF WISC-STEVENS POINT	FEDERAL PERKINS LOAN	$582,349	1,687	$2,193,829
2100 MAIN STREET	FSEOG	$671,784	1,084	
STEVENS POINT WI 54481	FWS	$911,847	1,112	

STATE OF WISCONSIN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF WISC-STOUT	FEDERAL PERKINS LOAN	$427,608	1,740	$2,262,027
	FSEOG	$492,962	795	
MENOMONIE WI 54751	FWS	$604,948	738	
UNIVERSITY OF WISCONSIN-EAU CLAIRE	FEDERAL PERKINS LOAN	$471,869	1,786	$2,322,600
PARK & GARFIELD AVES	FSEOG	$736,017	1,187	
EAU CLAIRE WI 54701	FWS	$975,194	1,189	
UNIVERSITY OF WISCONSIN-LA CROSSE	FEDERAL PERKINS LOAN	$213,723	1,005	$1,306,655
1725 STATE STREET	FSEOG	$378,334	610	
LA CROSSE WI 54601	FWS	$413,339	504	
UNIVERSITY OF WISCONSIN-MADISON AND GREEN BAY	FEDERAL PERKINS LOAN		8,639	$11,230,891
432 NO MURRAY STREET	FSEOG	$2,974,388	4,797	
MADISON WI 53706	FWS	$2,309,820	2,817	
UNIVERSITY OF WISCONSIN-MILWAUKEE	FEDERAL PERKINS LOAN	$354,741	2,079	$2,703,141
P.O. BOX 469	FSEOG	$1,722,151	2,778	
MILWAUKEE WI 53201	FWS	$774,228	944	
UNIVERSITY OF WISCONSIN-OSHKOSH	FEDERAL PERKINS LOAN		1,000	$1,300,205
800 ALGOMA BLVD	FSEOG	$407,938	658	
OSHKOSH WI 54901	FWS	$554,003	676	
UNIVERSITY OF WISCONSIN-PARKSIDE	FEDERAL PERKINS LOAN	$81,674	289	$376,636
900 WOOD RD	FSEOG	$433,119	699	
KENOSHA WI 53141	FWS	$151,195	184	
UNIVERSITY OF WISCONSIN-PLATTEVILLE	FEDERAL PERKINS LOAN	$61,792	679	$883,404
ONE UNIVERSITY PLAZA	FSEOG	$316,468	510	
PLATTEVILLE WI 53818	FWS	$560,214	683	
UNIVERSITY OF WISCONSIN-RIVER FALLS	FEDERAL PERKINS LOAN	$184,113	941	$1,223,960
	FSEOG	$361,422	583	
RIVER FALLS WI 54022	FWS	$363,611	443	
UNIVERSITY OF WISCONSIN-SUPERIOR	FEDERAL PERKINS LOAN		266	$346,771
1800 GRAND AVENUE	FSEOG	$218,738	353	
SUPERIOR WI 54880	FWS	$231,677	283	
UNIVERSITY OF WISCONSIN-WHITEWATER	FEDERAL PERKINS LOAN	$225,028	1,370	$1,782,109
800 WEST MAIN STREET	FSEOG	$552,888	892	
WHITEWATER WI 53190	FWS	$475,731	580	
VITERBO COLLEGE	FEDERAL PERKINS LOAN	$49,760	191	$248,961
815 SO 9TH STREET	FSEOG	$165,266	267	
LA CROSSE WI 54601	FWS	$108,325	132	

STATE OF WISCONSIN

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
WAUKESHA COUNTY TECHNICAL COLLEGE	FSEOG	$58,434	94	
800 MAIN STREET	FWS	$43,939	54	
PEWAUKEE WI 53072				
WESTERN WISCONSIN TECHNICAL COLLEGE	FSEOG	$100,000	161	
304 N SIXTH STREET	FWS	$125,151	153	
LA CROSSE WI 54601				
WISC COLLEGE OF COSMETOLOGY	FSEOG	$10,515	17	
417 PINE STREET				
GREEN BAY WI 54301				
WISCONSIN INDIANHEAD TECHNICAL COLLEGE	FSEOG	$98,338	159	
505 PINE RDG DR HCR 69 BOX 10B	FWS	$103,033	126	
SHELL LAKE WI 54871				
WISCONSIN LUTHERAN COLLEGE	FSEOG	$20,311	33	
8800 WEST BLUEMOUND ROAD	FWS	$11,405	14	
MILWAUKEE WI 53226				
WISCONSIN SCHOOL OF ELECTRONICS	FEDERAL PERKINS LOAN	$27,053	70	$91,264
1227 N SHERMAN AVENUE	FSEOG	$43,435	70	
MADISON WI 53704	FWS	$19,732	24	

STATE OF WISCONSIN	FEDERAL PERKINS LOAN	$4,816,212	19,202	NO. INSTITUTIONS	34
	FSEOG	$15,102,818	24,361	NO. INSTITUTIONS	65
	FWS	$12,905,119	15,738	NO. INSTITUTIONS	56

STATE OF WYOMING

INSTITUTION			PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
CASPER COLLEGE			FEDERAL PERKINS LOAN		0	$1,000
125 COLLEGE DRIVE			FSEOG	$55,439	89	
CASPER	WY	82601	FWS	$47,225	58	
CENTRAL WYOMING COLLEGE			FSEOG	$23,862	38	
2660 PECK AVE			FWS	$21,573	26	
RIVERTON	WY	82501				
CHEYENNE AERO TECH			FEDERAL PERKINS LOAN		123	$160,953
1204 AIRPORT PARKWAY			FSEOG	$55,600	90	
CHEYENNE	WY	82001	FWS	$13,340	16	
EASTERN WYOMING COLLEGE			FSEOG	$17,113	28	
3200 WEST C STREET			FWS	$22,372	27	
TORRINGTON	WY	82240				
LARAMIE COUNTY COMMUNITY COLLEGE			FSEOG	$30,403	49	
1400 EAST COLLEGE DR			FWS	$25,636	31	
CHEYENNE	WY	82007				
NORTHWEST COMMUNITY COLLEGE			FSEOG	$23,072	37	
231 WEST 6TH ST			FWS	$53,952	66	
POWELL	WY	82435				
SHERIDAN COLLEGE			FSEOG	$33,590	54	
			FWS	$58,356	71	
SHERIDAN	WY	82801				
UNIVERSITY OF WYOMING			FEDERAL PERKINS LOAN		1,126	$1,464,894
BOX 3335 UNIVERSITY STN			FSEOG	$371,204	599	
LARAMIE	WY	82071	FWS	$412,421	503	
WESTERN WYOMING COMMUNITY COLLEGE			FEDERAL PERKINS LOAN	$4,976	26	$34,766
2500 COLLEGE DR P O BOX 428			FSEOG	$24,114	39	
ROCK SPRINGS	WY	82901	FWS	$12,642	15	
WYOMING TECHNICAL INSTITUTE			FEDERAL PERKINS LOAN		669	$870,224
4373 N 3RD STREET			FSEOG	$250,000	403	
LARAMIE	WY	82070	FWS	$87,752	107	

STATE OF WYOMING	FEDERAL PERKINS LOAN	$4,976	26	NO. INSTITUTIONS	5
	FSEOG	$884,397	1,426	NO. INSTITUTIONS	10
	FWS	$755,269	920	NO. INSTITUTIONS	10

STATE OF FED. MICRONESIA

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
COLLEGE OF MICRONESIA-FSM PO BOX 159 KOLONIA POHNPEI FM 96941	FSEOG FWS	$50,000 $158,825	81 194	

STATE OF FED. MICRONESIA	FEDERAL PERKINS LOAN	$0	0	NO. INSTITUTIONS	0
	FSEOG	$50,000	81	NO. INSTITUTIONS	1
	FWS	$158,825	194	NO. INSTITUTIONS	1

STATE OF GUAM

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF GUAM UOG STATION MANGILAO GU 96913	FSEOG	$39,477	64	
	FWS	$402,301	491	

STATE OF GUAM					
	FEDERAL PERKINS LOAN	$0	0	NO. INSTITUTIONS	0
	FSEOG	$39,477	64	NO. INSTITUTIONS	1
	FWS	$402,301	491	NO. INSTITUTIONS	1

STATE OF MARSHALL ISLANDS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
COLLEGE OF THE MARSHALL ISLANDS PO BOX 1258 MAJURO MARSHALL ISLAND MH 96960	FSEOG FWS	\$30,429 \$25,321	49 31	

STATE OF MARSHALL ISLANDS	FEDERAL PERKINS LOAN	\$0	0	NO. INSTITUTIONS 0
	FSEOG	\$30,429	49	NO. INSTITUTIONS 1
	FWS	\$25,321	31	NO. INSTITUTIONS 1

STATE OF NO. MARIANA ISL

INSTITUTION	PROGRAM	FEOERAL FUNOS	ESTIMATED NO. STUDENT AWAROS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
NORTHERN MARIANAS COLLEGE	FSEOG	$18,384	30	
PO BOX 1250	FWS	$12,366	15	
SAIPAN MP 96950				

STATE OF NO. MARIANA ISL	FEDERAL PERKINS LOAN	$0	0	NO. INSTITUTIONS	0
	FSEOG	$18,384	30	NO. INSTITUTIONS	1
	FWS	$12,366	15	NO. INSTITUTIONS	1

STATE OF PALAU

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
MICRONESIAN OCCUPATIONAL COLLEGE POST OFFICE BOX 9 KOROR PW 96940	FSEOG FWS	$30,278 $116,480	49 142	

STATE OF PALAU	FEDERAL PERKINS LOAN	$0	0	NO. INSTITUTIONS	0
	FSEOG	$30,278	49	NO. INSTITUTIONS	1
	FWS	$116,480	142	NO. INSTITUTIONS	1

STATE OF VIRGIN ISLANDS

INSTITUTION	PROGRAM	FEDERAL FUNDS	ESTIMATED NO. STUDENT AWARDS	AUTHORIZED FEDERAL PERKINS LOAN LEVEL OF EXPENDITURES
UNIVERSITY OF THE VIRGIN ISLANDS	FEDERAL PERKINS LOAN		12	$16,339
ST THOMAS	FSEOG	$39,872	64	
VIRGIN ISLANDS VI 00802	FWS	$55,205	67	

STATE OF VIRGIN ISLANDS	FEDERAL PERKINS LOAN	$0	0	NO. INSTITUTIONS 1
	FSEOG	$39,872	64	NO. INSTITUTIONS 1
	FWS	$55,205	67	NO. INSTITUTIONS 1
U.S. TOTALS	FEDERAL PERKINS LOAN	$157,107,442	812,180	NO. INSTITUTIONS 2,479
	FSEOG	$577,596,272	931,603	NO. INSTITUTIONS 4,038
	FWS	$612,958,362	747,485	NO. INSTITUTIONS 3,433

Mr. OBEY. If that resource transfer were to be undertaken, the funds that were added to the Pell grant program, they would not necessarily go to the same students, would they?

Secretary RILEY. That is right.

Mr. OBEY. Would you explain why?

DIFFERENCES BETWEEN PELL GRANTS AND CAMPUS-BASED AID

Secretary RILEY. Again, the Pell grant goes to students according to a formula based on certain things like the family earnings or whatever.

The campus-based programs are different kinds of programs geared to a particular institution's use of those funds. For example, work-study is a very fine program that connects working while in school with getting funds to help them put together their financial aid package, and those are different kinds of programs. Students have had to put together combinations of things, as a general rule, and these are tremendously helpful in that combination.

I might add that under the President's proposal for a Middle-class Bill of Rights, the education, training and reemployment part, the ETR part, calls for a grant for people to get skills training and also probably involve an increase in the Pell grant. So the Pell grant, of course, is a very significant part of the package, and we support that. The combination, though, is very important.

Mr. OBEY. Isn't it also true that several of these programs that would be eliminated in fact provide assistance to students who could be characterized as somewhat more middle class and somewhat less coming from the poorest families in the country?

Secretary RILEY. That is right. Pell is based on very low income.

Mr. OBEY. I make that point simply to point out that we get a lot of lectures from people about how the middle class winds up getting stuck paying a lot of the bills for persons below them on the economic ladder and watch with some awe as persons high up on the economic ladder can take care of themselves with ease and that this kind of recommendation, as a practical effect, would add to that burden on the middle class.

PERKINS LOANS

Is it also not true that if we eliminated the Perkins loan program and shifted half of that into Pell that we would in fact be providing a one-time Pell grant—that that money would, in fact, be used once by Pell grant recipients whereas Perkins loan capital is lent several times over to assist many students?

Secretary RILEY. That is right. Perkins is a capital fund with the money revolving. So I think that is exactly right.

Mr. OBEY. Thank you, Mr. Secretary.

Mr. PORTER. I would say to my colleague from Wisconsin that the provision he is referring to is not in the Republican Contract. That is part of the Kasich amendment to the 1995 fiscal year budget. And, obviously, the struggle right now is between what the Budget Committee can tell the Appropriations Committee to do, but that is within our jurisdiction.

Mr. OBEY. I would say in response that that specific recommendation was cited by the Republican leadership in their describing of where the savings would come from under the Contract.

Mr. PORTER. It is not in the Contract.

Mr. OBEY. Does that mean I am not supposed to take Mr. Gingrich at his word?

Mr. PORTER. No.

OPINION POLLS

Mr. Secretary, you began your testimony by citing polls and saying that while people were for a balanced budget amendment that they were also for education funding. I might suggest to you that if you ask them whether they are for cutting social security they will say no, medicare—practically anything except waste, fraud, abuse, pork and maybe not welfare.

I believe very strongly that if we had a law that said neither you nor I nor any Member at any time in office can look at a public opinion poll, we probably would have much, much better government.

Unfortunately, we cannot give people what they want because what they want is low taxes and high services. Perhaps part of our deficit problem is that we have been giving people what they want in polls for a long time now without any responsibility for the bottom line.

We are here in the Appropriations Committee. These are rescission hearings, and we have to find some way to make the dollars match up with our desires.

I would also say to the Secretary that you might be surprised I voted against Goals 2000, not because I didn't think it was a good idea but because it was $400 million of spending per year with no revenue source and no cut in spending anywhere else. It simply added on to our plate in this subcommittee to figure out a way to fund. We have to come to grips with the budget, and we have to come to grips with spending as it currently is.

And while I understand very clearly why you are unable to comment on one side of the equation and can come to us and say what is good but cannot come to us at this time and say exactly what is bad, we do need your guidance in looking at the bottom line and determining what really works for people and what doesn't.

1995 APPROPRIATION

You mentioned, in passing, 34 programs in the fiscal year 1995 budget that the President suggested we eliminate at a savings of $600 million. Can I assume from what you said that the President will be including those same 34 programs in his 1996 budget, or should I not assume that?

Secretary RILEY. Well, I don't think that I am at liberty to say that you can assume that. The fact is though, as you say, that they were submitted for zeroing out last year.

Mr. PORTER. You have about—what—240 programs under the Department's jurisdiction? Roughly? Give or take five or so?

Secretary RILEY. Two hundred and forty, yes.

Mr. PORTER. Sally Christensen said some of those programs were created within the last 10 or 12 years.

Ms. CHRISTENSEN. That is correct.

BLOCK GRANTS

Mr. PORTER. So we are adding to them exponentially, and I realize the blame lies with the Congress.

Will your budget give us some guidance as to what we can do with 240 programs in terms of block granting them, eliminating those that really are so narrow that we can't afford to serve such narrow constituencies or don't work? Have you really done work on this to give us some guidance?

Secretary RILEY. Yes. We will certainly do that—and consolidation of programs. We don't like the large number of programs to operate ourselves. We have tried to work in that regard. And so I think you will see that in our budget proposals that there will be suggestions for consolidations, and we would welcome our staff working with your staff or with you all to go into that process and examine programs.

1996 PRESIDENT'S BUDGET

Mr. PORTER. Mr. Secretary, we understand that there may be some slippage in the budget arrival. February 6th, as you mention in your testimony, is still the date. Do you hear that there might be slippage or not?

Secretary RILEY. I haven't heard of any. No, sir.

Mr. PORTER. We are hoping that the President will be true to his promise and provide guidance to us by that date and not put it off longer. We would like to have it in terms of our deliberations in what we need to accomplish.

CHAPTER 1

Quickly, with regard to Chapter 1, are you at liberty to tell me what you think we ought to do in terms of Chapter 1?

Because in the last cycle we decided that we spent this money in a very inefficient way. Many schools in my district get little pieces of it. It doesn't mean much in their budgets. They have told me that it is not relevant to them. It ought to be spent in places where it is really needed; yet when Congress adopted this, we grandfathered the old formula. And I don't think we provided any additional dollars outside the level of grandfathering so that we did any targeting at all. Have you given us guidance in the budget or can you now as to how we can better spend Chapter 1 money?

Secretary RILEY. As you know Mr. Chairman, we recommended and requested significant targeting of those funds for the very poor areas. And some targeting was achieved in that process. There was a long, deliberative process in the House and the Senate.

So we recommended more targeting, and we got some. That is kind of where we are now. We were pleased to get some, but we were disappointed that we didn't get more.

Mr. PORTER. Thank you, Mr. Secretary.

My time is up. Mr. Stokes, I yield to you.

Mr. STOKES. Thank you very much, Mr. Chairman. Welcome, Mr. Secretary, it is a pleasure always to welcome you before our subcommittee. Let me start by asking you whether or not——

Mr. HOYER. Would you yield to me one second?

Mr. STOKES. Certainly.

Mr. HOYER. Mr. Secretary, I was late and I have got to leave early because Chairman Lightfoot has scheduled a hearing on Treasury Postal on which I am Ranking Member. I have read your statement and look forward to working with you. I apologize for having to leave early. Thank you.

Secretary RILEY. Thank you, sir.

UNFUNDED MANDATES

Mr. STOKES. Mr. Secretary, currently pending here in the Congress is a matter of unfunded mandate legislation. How does unfunded mandate legislation affect your Department, if at all?

Secretary RILEY. Well, the issue, of course, is one that I was very interested in as a Governor, and I am interested in it now. It does not affect our Department very much at all.

Concerning funds that we distribute, usually the determination of whether you receive those funds or not then carries with it some responsibilities. You do not generally have to receive the funds. An awful lot of them are competitive grants that we deal with, so it really is not something that affects our Department very much at all, Congressman.

Mr. STOKES. I note that——

Secretary RILEY. IDEA, excuse me, is one you do hear a right good bit about. The disabled students issue is one you hear as a requirement of the Federal Government, and we only pay some 8 percent of it, I think, and it was intended to pay up to 40 percent or something, and that is cited as an unfunded mandate more frequently. But a State does not have to participate in IDEA, and if they don't participate in it, of course, then they come without all of that. But the Supreme Court has determined that where a State Constitution requires the State to educate all children that it also means disabled children should have appropriate free public education, just like children who are not disabled. So a State has that responsibility. So even though that could be called by some, an unfunded mandate, really it is a State obligation, and I don't see it as that, if you see what I mean. They would have to pay it all if they didn't take the funds.

ELIMINATION OF THE DEPARTMENT

Mr. STOKES. As we consider the whole question of rescissions, the whole question of downsizing as it relates to your Department, I wonder if you would take just a moment or two to elaborate just a bit further.

On your statement on page 8 where you mention that 44 percent of all of the people on welfare rolls are high school dropouts, 82 percent of all the people in the Nation's prisons and jails are high school dropouts, you tell us on the same page that the surest way to create an angry 16-year-old, illiterate dropout is to give that young person a watered-down curriculum from first grade on. This tells him in no uncertain terms, young student, you aren't good enough to learn anything hard, so why even try.

I just wonder, have we reached the point in this country in terms of educating the total American populace that we can afford now to sacrifice the Department of Education, the bedrock of educating Americans as a place for us to look for severe cuts?

Secretary RILEY. Well, Congressman, I certainly agree with you that this is a time when education is the most important thing for this country. Every problem practically that will be dealt with by the Federal Government and every other Government is impacted by education—good education, positively; poor education, negatively.

The idea of the welfare problems, violence, and crime problems, the idea that Title I that we were talking about, formerly Chapter 1, which deals with disadvantaged kids before the reauthorization last year had kind of a watered-down curriculum for poor kids. That was built into the system, and we recommended that that be done away with, and you accepted that recommendation and passed, in the reauthorization, that all children in this country have the same high standards. All of that is part of the concept of Goals 2000, and I think it is one of the most important things that has happened over the years in a long time.

People don't know a whole lot about it or whatever, but we are talking about from kindergarten forward, all children in this country, rich, poor, whatever, disabled kids having higher standards, all kids having higher standards, expecting more of them, and then giving them more to make something of themselves. So I think that is very, very important that the watered-down curriculum be done away with. It will take some time as that moves into the process, but it is going to be a significant improvement.

Mr. STOKES. Thank you, Mr. Secretary. Thank you, Mr. Chairman.

Mr. PORTER. Mr. Bonilla.

Mr. BONILLA. Thank you, Mr. Chairman. Mr. Secretary, it is always good to see you. Thank you for being with us here today. I feel sometimes listening to and reading your testimony that I ought to call you Governor instead of Mr. Secretary.

After reading your testimony about a limited role in education and your firm belief in the 10th amendment, I think calling you Governor this morning might be a better description. I particularly like a line here that I am not an advocate of a national exam or an intrusion of the Federal Government into State and local decisionmaking. I don't think there is anything that we could agree on more than that particular statement that you made.

I want to let you know also that we appreciate your willingness to offer suggestions to eliminate and consolidate programs and we appreciate your cooperation in working with us as you have in the past. I want to ask you a few questions about lobbying organizations, first of all, and specifically your opinion of one group.

During the 103rd Congress I received a 0 rating from a group that should want to help children, and I kind of wear that zero as a badge of honor, but sitting on this Subcommittee I was shocked that I got a zero. I could understand a 7 or a 12 or something like this, but to be given no credit for serving on this subcommittee was intriguing to me and to some of my colleagues, so I looked into what votes they thought were important, and I want to ask you which ones you thought have a direct or indirect impact on students, and if you will permit me, I am going to read the entire list before I ask you to comment.

H.R. 1804, Goals 2000, I think we can all agree that that has a direct or indirect effect on education. H.R. 1804, again, an Armey amendment on school choice, another one related to education, H.R. 1804, final passage, then there is the Family Medical Leave Act, an emergency supplemental bill, the motor voter bill, H.R. 5, striker replacement, the national service bill, the Penny-Kasich budget, the Penny-Kasich budget again, and the Brady bill, and last but not least, NAFTA, whatever that might mean to those of us on this committee. So for 12 votes we have three definites and one maybe, leaving eight items that have relatively nothing to do with direct education of our children.

When the NEA was asked why they didn't count work on this subcommittee, they stated that their members considered this an easy vote. Well, this year this will be anything but easy, and that will be learned by all very quickly.

My question is do you think the NEA represents improving education for our children or do you think their major purpose is to extend their members' rights and look after members' labor rights and I should instead be asking Secretary Reich this question?

VIEWS OF THE NEA

Secretary RILEY. Well, my view, Congressman, is that all teachers are important, and if we are going to have education reform in this country, if we are going to have an improved education system, teachers have to be part of it. We can't reform over here and have teachers over there. The same with principals, the same with parents.

I believe that that is important for teachers, regardless of what organization they belong to or how they associate themselves.

The kinds of questions that you are involved with, several of those don't seem to me to be too much related to education, but someone else evidently is deciding that. But I do say that it doesn't matter to me whether a teacher is in an organization or not. I try to involve all teachers. I think teachers are very important, and we are into teaching and learning, regardless of organizations, as they may exist.

Mr. BONILLA. Does the NEA receive any funds from the Federal Government directly or indirectly from your Department?

Secretary RILEY. We don't know of any, but we will check on it and let you know if there are any.

Mr. BONILLA. I would appreciate a response at a later date on that very much.

[The information follows:]

DEPARTMENT OF EDUCATION AWARDS TO THE N.E.A.

The Department's automated grants and contracts recordkeeping system was implemented in 1988. Records in this system indicate that the Department has awarded two grants to the National Education Association.

The national chapter of the NEA in Washington, D.C. received a grant beginning in 1989 for a total of $292,710 under the Secretary's Fund for Innovation in Education.

The grant provided funding for the NEA's Mastery in Learning project; an initiative involving 26 schools developing research-based innovations. The project developed and disseminated research about educational reforms on approximately 12 selected topics through the use of telecommunications technology. Various reports and syntheses were developed under the project.

In addition, the NEA's Health Information Network in Morrow, GA received a grant beginning in 1991 for a total of $164,568 under the Secretary's Fund for Innovation in Education for Comprehensive School Health.

The grant funded the delivery of inservice training to educators who are "member-leaders" of the NEA. Training included such topics as model health education curricula, development of student health skills, indicators of substance abuse, potential teen suicide and emotional problems, involvement of parents and community agencies in comprehensive school health education programs, and creating a healthier school environment. The project also disseminated information nationally through the NEA communications network.

Mr. BONILLA. On page 4 of your testimony you stated not to put the newest programs on the chopping block simply because they are the newest. Is it safe to say that come February 6th the budget will eliminate some of the old outdated programs in favor of the newer ones?

Do you think your budget will eliminate more than were created in H.R. 6 to start out with? I believe the current law was 46 and after H.R. 6 the number is 63 programs, costing an additional $1.2 billion if fully funded.

RESCINDING FUNDS FROM NEW PROGRAMS

Secretary RILEY. Well, the reason that I want to point out the new programs is because I have, in reading some of the articles about the difficulty in cutting, and so forth noticed that some people were looking at new programs. That is a very legitimate thing to do, but I wanted to point out that these new programs in education are carefully thought out, bipartisan, a very significant change in the way we do business. And I was hopeful that being new would not be a liability on these important programs, like School-to-Work and Goals 2000, and certainly, as I indicated to the Chairman, when we come forward with our budget, it is my expectation, then, to deal with all of the programs that we think should be zeroed out, either in rescission or in next year's budget.

Mr. BONILLA. Mr. Secretary, thank you.

Mr. Chairman.

Mr. PORTER. Mrs. Lowey.

STUDENT AID

Mrs. LOWEY. Thank you, Mr. Chairman. I join my colleagues in welcoming you. We thank you for appearing before us today. I would like to follow up on a question asked by Mr. Obey. I just was looking at a report from the GAO which you might not have seen because it was just released this morning. I would like to quote from it.

It says "we developed options to reduce the impact on the budget of the Pell Grant Program, although we caution again that these options may have some adverse impact on students' access to postsecondary education. These options include reducing the maximum annual Pell grant to each student by $100 and eliminating grants to part-time students."

In my district, and I imagine it is the same everywhere else, it is the middle-class students that are really feeling squeezed. In fact, the resentment just rose in intensity towards others in the community because they say, hey, what about us? So many of these student aid programs are really the way that middle-class students can gain access to their higher education.

Perhaps you could comment for us on what you think the adverse impact would be in following through on these recommendations to cut these programs? Again, they are options that were presented by the GAO.

Secretary RILEY. Well, as discussed with Congressman Obey, we feel, having the flexibility at an institution of being able to put together a package for a young person to be able to have access to higher education is extremely important, and for the lower income families, there are programs that clearly apply. And, of course, they have the Pell grant advantage and also the opportunity for student loans, more of an opportunity because that formula also is based on income. The campus-based programs really give, then, the institution an opportunity to help many of the lower to middle income families put together a package that, either through student work or other parts of those programs, they can make things work out. We think it is extremely important to balance all of that out.

Mrs. LOWEY. Thank you very much. Now, following up on that, I know that you share many of our commitments to making sure we crack down on fraud and abuse in the Student Loan Program. As you know, I have been a strong advocate since my days on the authorizing committee of SPRE, the State Postsecondary Review Program. There has been some difficulty in the start-up of that program, as you well know.

Some of the States are more out front than others in implementing the program. What is very important about this program is that it is the kind of program that demonstrates cooperation on the local level. It is really the means through which the Federal Government can establish a partnership with the State and local governments on implementing these cost-saving methods.

Can you discuss the implementation of SPRE, where it is, how we can move more quickly to save dollars?

STATE POSTSECONDARY REVIEW PROGRAM

Secretary RILEY. Yes. The State Postsecondary Review Program, the so-called SPREs, are a critical part, I think, of the overall Student Aid Program integrity and institutional gatekeeping system that the Higher Education Amendments of 1992 strengthened. Tremendous differences are happening out there in terms of defaults and it is meaning an awful lot to students, I think, and certainly the Federal budget.

I believe the program does represent the kind of partnership that is important. As you know, the program had an appropriation of $20 million that Congress provided for 1995, and it will be used to finalize State planning activities as well as to actually begin the reviews of postsecondary institutions.

I would say as far as the status now, all States have designated a SPRE agency, all States have consulted with their postsecondary institutions and developed SPRE operational plans. I am pleased that I will sign today the first three letters approving SPRE standards for review of institutions—your State, New York, was one of the very first ones, and has shown a tremendous interest in this regard, and it will be one of these three.

I expect to approve the standards of 16 more States, that are just about ready, within 30 days, and another 20 or so shortly thereafter, so we have everything in place, and we will be closing that out over the next several weeks. By next summer I expect that all States will have their standards in place and all will be in the business of reviewing institutions.

Mrs. LOWEY. Thank you very much, and I look forward to working with you, Mr. Secretary. I believe my time has expired.

Secretary RILEY. Thank you.

Mr. PORTER. We will continue and simply go five minutes for each of us.

Mr. Secretary, you have been a Governor and are very familiar with local government. Does the Federal Government have a responsibility to help pay for the costs of military children educated in local schools where the military base provides no taxes to support those schools? Is that an obligation of the Federal Government, do you believe?

EDUCATING MILITARY CHILDREN

Secretary RILEY. Yes, sir, and it has been accepted as one through our Impact Aid programs.

Mr. PORTER. In the last budget of this administration, your Department presumably or at least OMB and the White House included that as one of the programs that they would provide no funding, whatsoever.

Can I assume from your response you have just given that that is not one of the programs that the budget will suggest as reducing or eliminating?

Secretary RILEY. Mr. Chairman, I don't think we can give a final answer on that again, as with other items. As you well know, the different types of Impact Aid, we had the b Impact Aid was what we had as a zeroed-out item, and I think that though the process has been worked around, and it was certainly a satisfactory resolution, it seemed to me, over recent months. But we have got to revisit everything, I am sure, and I don't want to get out in front of the President's budget.

Mr. PORTER. Maybe you could tell me what you expect would happen if we did zero out the program entirely.

Secretary RILEY. I don't think there is any consideration of zeroing the program out in its entirety, and I don't think that has ever——

Mr. PORTER. Maybe the Department isn't, but maybe others are. Can you comment upon what you think would happen if there were no funds provided to those schools, especially those having a heavy burden of educating military children?

Secretary RILEY. Well, it would be a serious burden on the local school districts and the States, and you may well have a series of lawsuits or whatever to determine that obligation as to whether or not it should be provided, but I have not considered total elimination of Impact Aid ever.

Mr. PORTER. Are you or any member of your staff presently aware of the nexus of the lawsuits that have been filed in the past under this program where schools have attempted not to educate children of military parents?

Secretary RILEY. I am not. We will check it out.

Mr. PORTER. Can you submit for the record an analysis of those lawsuits, have your counsel do that, and determine whether in any of them there was a decision made by a Federal court that a child has a right not only to a public education, as you have mentioned throughout your testimony, but a right for the Federal Government to provide at least a portion of the costs of that education where they are paying no local taxes.

Secretary RILEY. We will certainly do that. I would be interested to do it myself.

[The information follows:]

The Department has prepared a review of relevant case law at the committee's request:

IMPACT AID CASE LAW

Does a federally connected nonresident child have a right to a public education?

The courts have generally upheld a federally connected nonresident child's right to a public education on a variety of grounds including: double-taxation theories; assurances given in return for receiving Impact Aid P.L. 81-874 or P.L. 81-815 money; and civil rights claims. The common theme among these cases is that nondomiciliary children living in areas affected by Federal activities such as military bases are entitled to the same education as those children who are domiciliaries of the State. The principle case is:

United States v. Onslow County Board of Education, 728 F.2d 628 (4th Cir. 1984). Due to a reduction in P.L. 81-874 Impact Aid assistance, the Onslow County School Board enacted a resolution that allowed it to charge tuition fees to nondomiciliary school children enrolled in the Onslow County public schools. The resolution was enacted pursuant to a North Carolina State statute that permitted school boards to take such actions.

Analysis of this statute lead the court to conclude that the tuition fee was simply an "ill-disguised replacement for those taxes that North Carolina cannot impose on military personnel who are nondomiciliaries". Id. at 636. The court also found that the concept of double-taxation of military personnel runs afoul of the Soldiers' and Sailors' Civil Relief Act of 1940, 50 U.S.C.App. sec. 501 et seq., which was implemented for the purpose of "relieving military personnel from multiple state taxation." Id. at 635.

In addition, the Onslow court and the court in Lemon v. Bossier Parish School Board, 240 F. Supp. 709, 714 (W.D. La. 1965), found that public schools had been constructed in the districts with Federal Impact Aid School Construction (P.L. 81-815) funds. In exchange for those funds, the districts had assured an equal education for federally connected and resident children alike. Both courts held that the contractual assurances would be binding at least as long as the facilities constructed with the funds for which the assurances were given were used.

Another basis for a federally connected child's right to an education is also found in Lemon v. Bossier Parish School Board, 240 F. Supp. at 715 (W.D. La. 1965), where the court also held that under the Civil Rights Act of 1964, the school district's receipt of Impact Aid P.L. 81-874 money obligated the district to provide the education for which the payments were received, without racial discrimination.

Is the Federal Government obligated to provide at least a portion of the education cost for federally connected nondomiciliary children?

None of the case law indicates that there is a Federal obligation to provide financial assistance for federally connected nondomiciliary children. However, assistance for such children is provided by the Impact Aid statute, whose underlying purpose is to provide funds as a supplement to local funds but not as a substitute for the State funding of education. Over the years, individual States have attempted to limit the amount of State aid to school districts receiving Impact Aid assistance by enacting legislation that reduces the State contributions to these districts. Though the Courts in these cases found no obligation on the part of the Federal Government to provide such assistance, they did invalidate these attempts by the States as violative of the Supremacy clause, relying primarily upon the purpose of the statute, as supported by its legislative history:

> "Fifteen States offset the amount of Public Law 874 funds received by their school districts. This is in direct contravention to congressional intent. Impact Aid funds are intended to compensate for loss of tax revenues due to Federal connection, not to substitute for State funds the districts would otherwise receive."

Douglas Independent School District No. 3 v. Jorgenson, 293 F. Supp. 849, 853 (D.S.D. 1968) citing House Committee Report No. 1814, Aug. 5, 1966. See also Carlsbad Union District of San Diego County v. Rafferty, 300 F.Supp. 434, 438 (S.D. Cal. 1969), aff'd. 429 F.2d 337 (9th Cir. 1970); Triplett v. Tiemann, 302 F. Supp. 1244, 1245 (D. Neb. 1969); Shepheard v. Godwin, 280 F.Supp 869, 876 (E.D. Va. 1968; Douglas Independent School District No.3 v. Jorgenson, 293 F.Supp. 849, 853 (D.S.D. 1968); Hergenreter v. Hayden, 295 F. Supp. 251 (D.Kan. 1968).

Finally, in Arline v. School Board of Nassau County, 772 F.2d 759 (11th Cir. 1985), a case brought under the Rehabilitation Act of 1973, the defendants argued that Impact Aid was not Federal assistance in an attempt to avoid the Rehabilitation Act's enforcement provisions. In what should probably be viewed as dictum, the court rejected this argument and stated that the "indisputable fact is that the federal government's exemption from local taxes left it with *no obligation* to give impact aid. Its choice to assist local entities that happen to bear particular heavy burdens because of this exemption renders its assistance no less a subsidy than any other form of aid it dispenses."

Mr. PORTER. Thank you, Mr. Secretary.
Mr. Stokes.

COMPETITIVENESS

Mr. STOKES. Thank you very much, Mr. Chairman. Mr. Secretary, one of my concerns with reference to rescissions, downsizing, and other things of that sort is the effect on education in terms of our current involvement in globalization.

I am particularly concerned at a time when we have just enacted NAFTA and the GATT treaty. This past weekend in Cleveland, Ohio, the Department of Commerce had a world trade conference with all of the representatives from eastern and central Europe. With the heavy concentration now on the fact that we function as a world economy, as opposed to a localized economy, where do we stand in competitiveness and educationally with other countries.

This past year, I recall information on the fact that American students, in terms of international educational competitiveness, did not fare that well in relationship to other countries. In your testimony, you tell us that in the last 20 years alone 40 million Americans have gone to school on Federal student loans, and that even some Members of this Committee went through college with the support of Federal student loans.

Can you elaborate a little bit on those issues?

Secretary RILEY. Congressman, I think the question certainly is really what the future of this country hinges upon, and I think instead of having the threat of world war with the former Soviet Union, the threat of economic competition is really what is going to move things in the future, and we are part of that, and the main part of it.

NAFTA and GATT I think will turn out to be tremendous advances for the country if, and that is an important if, if we are able to solve the problem of making sure that our young people have a very strong education. And if we don't, then NAFTA will turn out not to be a good thing. GATT will not be a good thing. That is dependent on our people having a good education.

So in terms of international comparisons, I study those and look at them frequently, but, of course, I am much more interested in measuring improvement. I think that really is the key test, to look at where we were last year and where we are this year in terms of math and science or reading or whatever.

The recent international tests several months ago indicated that in reading I think our students are probably above average in comparison to other competitive countries. In math and science we are below them in comparisons, and, of course, that is very, very important in this competitive world.

I would say this about science, though, and math, that in the 1980s we made significant improvement, and it just shows you how, when you pay attention to something, and through the programs dealing especially with math and science and through the coming from Sputnik forward and getting into all of the effort to center in on that, we pulled up what I would describe as almost a grade level in terms of math and science during the 1980s, which is a tremendous enhancement of the education level.

So I think it shows that when we center in on something, and target something and focus in on things that we can make a difference, but I think it is the very most important thing from a national security standpoint, from every economic standpoint, from the human development standpoint in this country.

Mr. STOKES. Thank you, Mr. Secretary. Thank you, Mr. Chairman.

Mr. PORTER. Mr. Bonilla.

Mr. BONILLA. Thanks, Mr. Chairman.

UNFUNDED MANDATES

Mr. Secretary, you state that the Goals 2000 application is only four pages long, and that is good to hear because we need shorter applications, but in a speech back in October Chairman Goodling stated that the Federal Government provides only 6 percent of funding for K through 12, but our mandates and regulations probably directly control 30 to 40 percent of those expenditures or the criteria in schools.

Would you agree or disagree with Chairman Goodling's assessment of those percentages?

Secretary RILEY. Well, if you look at something like IDEA and you can see, as I discussed earlier, that does put it out of focus somewhat, I think, Congressman, to be fair about it, because I think States have to provide that under the interpretation of the Supreme Court anyhow. They have to provide education, appropriate free education for disabled kids, and the Federal Government part, though that is in IDEA, if they don't take that money, they don't take that 8 percent of the cost for them. They don't have to. They don't have to comply with IDEA, but then they fall back under the Constitution interpretation that if they are going to provide free public education for all children, they have to provide it for disabled children. So I think it skews those numbers, is the point I am making. I understand the point.

Oftentimes efforts are made to leverage funds to try to properly use funds that would in some ways leverage funds for a particular purpose, and IDEA is probably a good example of that. So I think the numbers, I am sure if Mr. Goodling said them, are correct in terms of what he had, but they can be skewed when you look at the various situations involved.

COMMUNITY ACTION TOOLKIT

Mr. BONILLA. I only have one last question. It is about something called the Community Action Toolkit, which is available from the Department for $37 is my understanding, and I would like your comments on that.

My understanding is that it provides camera-ready copy for local publications, prewritten letters to editors and speeches endorsing the National Education Program, a troubleshooting guide that tells how to identify opponents, case histories of how opponents can be co-opted in order to implement the desired curriculum changes and step-by-step plans for manufacturing community support.

My question is, is this an appropriate use, in your opinion, of the Federal Government's funds showing the public how to, in essence, lobby for programs?

Secretary RILEY. Well, I do think what we are trying to do in many ways is get people involved in public education, and we certainly are doing that actively, through parent involvement and family involvement. We are working with church groups and others to try to get as many people involved in their public schools to impart their values, their wishes and so forth on the schools. And I do think it is proper for us to try to do that and to give just ordinary people information on how, then, to get involved in their school and to impact their school's activities.

Mr. BONILLA. So then the goal, then, is to just have local involvement not so much a particular agenda; is that the message?

Secretary RILEY. Well, I will have to look into the Toolkit. I know of it, but it might have some purpose to try to get people involved in Goals 2000 activity, and I don't know if that falls into your characterization or not.

Mr. BONILLA. There is no question, I don't think anyone would disagree that any involvement in the community, parental or civic, otherwise, business leaders would be a good thing. The only question would be is it a particular agenda that comes from Washington, in essence, as opposed to just getting people locally involved in their school boards and the curriculum as they should be?

Secretary RILEY. Well, I think this particular Toolkit, then, would be used by local people, and it would be really a money-saving thing for them so they wouldn't have to go through all of the advertising expenses of how to get people involved in their schools, and I am very strong on that and talk about it everywhere I go. Business people, business leaders, all the business organizations, as you know, support Goals 2000 in a very strong way and they are very much involved in acquiring things like this in different areas, in giving people the wherewithal to empower them to get involved in the schools.

I will provide specific details about the toolkit for the record.

Mr. BONILLA. Just to reemphasize, if it is pushing a particular agenda, it would be something that would greatly concern me, but if it is simply to have people involved, I think most people would agree just wholeheartedly that it would be a good thing, but at the local level or at the State level versus carrying any agenda from up here. I just finish with that. Thank you, Mr. Chairman.

[The information follows:]

THE COMMUNITY ACTION TOOLKIT

The Community Action Toolkit is a product of the National Education Goals Panel, a bipartisan group of Governors, State legislators, Members of Congress and the Administration. Under law, the Goals Panel is charged with helping to build a nationwide, bipartisan consensus for the reforms necessary to achieve the National Education Goals established by the Nation's Governors and President Bush in 1990. The National Education Goals Panel is an independent executive branch agency.

The Toolkit features guide books, resources materials and a collection of community case studies developed in response to requests for more information on the National Education Goals and the movement to set high standards for all students. The Panel developed the Toolkit with the support and cooperation of citizens, educators and organizational leaders nationwide. Comment was solicited and revisions incorporated from individuals and interest groups ranging the political spectrum. The Goals Panel relied upon evaluations, feedback and discussion groups in over ten cities--places such as Chattanooga, Chicago, Omaha and Williamsburg--with different demographics and educational concerns. Over and over, reviewers stressed that the Toolkit would be very helpful in stimulating informed, grassroots, discussion and motivating citizens to get involved and act on their top educational priorities.

The Toolkit is available for all citizens to purchase and use and does not promote a particular approach or point of view. It is aimed at improving education community-by-community involving broad public participation and by using the voluntary National Education Goals as the framework. The Toolkit is available free of charge on Internet and available for purchase from GPO.

Mr. PORTER. Mrs. Lowey.

COORDINATION OF SERVICES

Mrs. LOWEY. Thank you, Mr. Chairman. I have been an active supporter of coordination between schools and health and social service providers in our communities, and I was very pleased to see that the authorization of the elementary and secondary education did contain language modeled after link up for learning.

In the absence of comprehensive health care reform, it seems to me that these programs could provide an important source of health and social services for uninsured children. There is universal agreement that if a youngster comes to school, he is not ready to learn without the support network, and that ties into your parent involvement theme that you were talking about around the country, too. They are not ready to learn.

Could you discuss how the Department plans to work with communities to insure that coordinated service projects address the children's full range of needs? How are the communities designing these programs? Are you coordinating with other agencies in the implementation of these programs, and is there an effort to promote better health programs as part of this whole initiative?

Secretary RILEY. Well, of course, the programs are related, and they are related to education, so many health programs and others really are for local decisions, and not from here. However, I think 5 percent of the ESEA funds can be used, as you referred to, as glue money to coordinate efforts that the local people want to do themselves.

I really think that is a proper role for us under the Elementary and Secondary Act, and I think generally where local people are into it, it works very well and is a help to them, but that interest and support and strength have to come from the local folks.

Mrs. LOWEY. Well, I agree because that is where the responsibility is, but I do believe, and I am glad you reiterated that there is a role for the Federal Government to coordinate to provide information, to help pull it all together.

FAMILY INVOLVEMENT INITIATIVE

Could you expand on your family involvement campaign? We all do a lot of talking about how youngsters can't really get educated unless the family gets involved, unless the community gets involved. I have been a proponent of the private sector I Have A Dream campaign, for example, whereby we understand when there isn't a parent actively involved in the education, a surrogate parent can play a very important role, not just providing the money for the education, but by the encouragement, the guidance, et cetera. Could you comment further on this?

Secretary RILEY. I would be happy to. I mentioned it briefly. The research tells us, and we are very careful about that, that probably family involvement in a child's education is as important and effective as anything that the schools or anybody else does. Therefore, if we are to reach goals, if we are to make the bar higher and enable children to get over it, all children, then we have got to do a better job of having families involved in their children's education.

We have gone at that in a number of directions. First of all, the family involvement initiative, we went to organizations that have a special interest in that area. Over 100 organizations have come together in this initiative, and they are all working together to try to get families in their various groups more involved with their children's education and to help them learn how to do it and know how to do it, how to get to know the teacher and whatever. Then, and I mentioned religious groupings. We had 34, I think, major religious groups that have come together. I have met with these leaders a number of times, people who have very different ideas on some of the value issues, moral issues, how to handle them, but they have come together, and I am very pleased and proud of that, with almost an excitement, saying that they will go to their groups and try to help their parents become involved with their own children's education, and, of course, that is all education—public, private, and parochial. It doesn't matter.

We are trying to get all parents involved in their children's education, and I have been very, very pleased at the very strong response and reaction that we have received from parents, from leaders in business and communities all around this country, and especially religious leaders, so that is an ongoing thing, and we expect it to expand.

Mrs. LOWEY. Thank you, Mr. Secretary.

Mr. PORTER. Mr. Miller.

Mr. MILLER. Excuse me for missing the early part of your presentation, Mr. Secretary. I apologize for another conflict. I met you when I was on the Education and Labor Committee the past two years on a couple of different times, and our goal is always the same. We all have a similar goal of quality education for all Americans and such, but the question always gets down to what is the role of the Federal Government, and I see where Vice President Gore and his National Performance Review is going to be addressing the issue of what is the proper role of the Federal Government. And over the past, since 1960s as the Federal role in elementary secondary education has increased, we have increased and increased and increased it, but I think we are at the stage now where we have to see what is that role.

There are several questions in this question. I want you to define what you think the Federal role should be. We need to revisit the issue. It gets back to the money issue and the question of balancing the budget and then all the different programs we have. I want to ask you a couple questions, but what is the role?

Have we expanded the role too far? Do we need to step back and say wait a minute, we have spent billions and billions of dollars since the 1960s. Have we really accomplished that much? Do we need to more narrowly define our role?

FEDERAL ROLE

Secretary RILEY. Well, as you know, Congressman Goodling's committee had hearings last week, and that was more or less the subject, so we discussed that in quite some detail, and as I said in my statement and you have heard me say it before is I think that education is a State responsibility, and a local function, but it is clearly a national priority. I think that is true coming from over a hundred years ago when the Federal Government first got into land grant colleges and over the years the Supreme Court has made it very clear that it is a proper role carefully defined for the Federal Government to constitutionally be involved in education. And I think that Goals 2000, which works hand in glove, as you know, with School-to-Work—they fit together, high standards for academic and for occupational skills, is a very good explanation of how I think the Federal role should be developed in the future, and we have worked a lot, all of us have, in defining that.

It is a role of the Federal Government saying, first of all, that high standards are important for all children. We don't want to reach for mediocrity. We want to reach for higher standards. All of the goals generally developed by the Governors are important for this Nation, and so we are going to put resources in to help States and local schools reach these high standards and reach these goals, which include everything from safety and drug-free schools to parent involvement to disciplined schools to standards. I think that is a very, very good definition of where we should go.

Mr. MILLER. That includes almost everything, then.

Secretary RILEY. Well——

Mr. MILLER. You are talking about discipline and everything else, you are talking about——

Secretary RILEY. You are talking about all the national goals.

Mr. MILLER. Then our money should go in all directions. I am concerned we are using a shotgun rather than a rifle.

Secretary RILEY. But Goals 2000 doesn't say that the money should go in all those directions. Goals 2000 says these are national goals. You on the State and local level decide how to use these funds, and as I said in my statement, some States—Kentucky, for example, use their money for parent involvement.

CATEGORICAL PROGRAMS

Mr. MILLER. How about the 240 categorical programs you currently administer, assuming Goals 2000 is a good program, but what about the other programs that have been developed since the 1960s?

Secretary RILEY. It is my view that where there is a national interest and a national priority, and if you look at something like disabled children or like disadvantaged children and the inequity that is very clear throughout the country, that Title I, formerly Chapter 1 deals with, that I think determined by the Congress to be a national interest, is a very proper Federal role.

I do think, though, that all of those programs should be moved in the direction of Goals 2000, and that is what we did in the reauthorization of the Elementary and Secondary Act. There is much more flexibility, the decisionmaking on the local and State level, the waiver power. In fact, there are six States that will develop and control their own waivers, as you know, under the so-called Ed Flex Plan, and we think that will then expand. That is a demonstration plan, but of these 240 programs, as we have discussed before you arrived, we are looking at consolidation of some of those programs.

We agree with that, and the elimination of some, and then also giving the local and State people more flexibility to have their own shaping of their own education programs.

REGULATIONS

Mr. MILLER. But I remember one of the controversial issues in Goals 2000 was the Opportunity-to-Learn standards. I know it was optional. That was under elementary and secondary also, but there is regulation after regulation in there that the States have to do something. They have to develop opportunity. They don't have to enforce it, I agree.

I remember one issue, one amendment that I was involved in that got into those bills was a child bringing a gun to school issue. It was a Federal regulation that the States now and the school boards have to administer because of the Federal Government. I don't know how many of those there are. That little gun issue is a very minor issue. You might agree with me on that one, but how many more are there like that that is causing the State legislatures and school boards to come up there, the list of regulations, to develop optimum learning standards. I know it was controversial with you, too.

Do we even have a list of those regulations that we could start reducing? We are going to go through the unfunded mandate issue, voting on maybe this week or certainly the first part of next week. That is the type of thing that has an unfunded mandate on the States.

Secretary RILEY. We are developing principles for adopting regulations, which we think is the right way to go, and those principles will narrow regulations down significantly. There will be fewer of them. There will be less intrusion. We would be happy to share some of that with you because we are really doing a lot of work on developing carefully these various principles for adopting regulations, and we are reducing regulations.

Goals 2000 has zero regulations. School-to-Work might have to have one or two just because of the way the law is written, and we are very much in tune with reducing the unnecessary regulatory part of what the Federal role is.

Mr. MILLER. Will you be proposing legislation to reduce regulations on elementary and secondary? Are you going to develop some type of legislation that would reduce things like guns in school type issues? Is that your intent?

Secretary RILEY. Well, we have——

Mr. MILLER. Could you give us a list of regulations to consolidate?

Secretary RILEY. What we plan to do, and I would be happy to discuss that with you, is to develop these principles. We would be happy to share with you. We think that is a good way to go, and it might be something that the Congress would want to look at to develop principles themselves in talking about a moratorium.

I really think certain principles to adopt regarding regulations is the right way to go, and I would suggest that as a possible modus operandi. But we would be happy to work with you in that regard. I think we absolutely share the view that we want to reduce the unnecessary burden of regulations.

Mr. MILLER. Just to conclude—I grant Mr. Goodling's committee is the one that will be addressing it, but if you can come up with a list of proposals to, in effect, reduce regulations on local schools, it would be fantastic. Thank you.

Secretary RILEY. We will. Thank you, sir.

[The information follows:]

The Department has made significant strides in reducing regulatory burdens on schools. Included for the record is a description of those efforts:

THE DEPARTMENT'S EFFORTS TO REDUCE REGULATORY BURDENS ON SCHOOLS

We agree that in the past the Department of Education had a categorical, top down approach that imposed too many burdens and restrictions on States and schools. Under this Administration, the Department is committed to increasing flexibility and reducing unneccessary burdens on schools -- both by statutory measures and by new approaches to regulation.

Statutory Eliminations, Consolidations and Streamlining

The Department's budget, which will be submitted to Congress next week, contains a variety recommendations which will address the issue of regulations. The Department has made such proposals in the past and is committed to continuing efforts to streamline its operations.

In addition, in our new legislation, we have significantly increased flexibility and reduced redtape for schools, districts and States. For example, the Improving America's Schools Act (IASA), the reauthorization of the elementary and secondary education, eliminates burdensome Title I testing and reporting requirements. It significantly expands (from 8,000 to 20,000) the number of schools eligible to become "schoolwide" programs which are freed from most Federal requirements and allowed to combine most of their Federal funds to support schoolwide reform. It also allows States and districts to submit one consolidated plan for a number of separate programs and to combine administrative funds. New waiver authorities in Improving America's Schools Act, in the Goals 2000: Educate America Act and in the School-To-Work Opportunities Act, allow States and districts to request relief from statutory provisions or regulations that impede their ability to help all children reach challenging academic standards.

Reducing Regulations

The Department of Education is committed to regulating only when absolutely necessary, and then in the most flexible, most equitable, least burdensome way possible. We will regulate only to improve the quality and equality of service to our customers, learners of all ages.

This approach to regulation is premised on our recognition that the best way to serve our ultimate customers, students, is to build a strong and balanced partnership among local, State and Federal Governments, with authority and responsibility at the levels closest to the customers.

The Department has developed a set of simple, direct, yet pathbreaking, criteria for when and how to regulate. These criteria are as follows:

- **ED will regulate only when essential to serve the needs of customers by promoting quality and equality of opportunity in education.**
- **ED will not regulate** where there is no demonstrated problem.

- o **ED will not regulate** if the problem can be solved adequately without regulating (e.g., through local decisions, or through non-regulatory guidance by ED).
- o **ED will not regulate** if the entities or situations to be regulated are so different from each other that a uniform solution would do more harm than good.
- o **ED will not regulate** in the face of ambiguity alone unless such ambiguity will create a real problem if not resolved through a legally binding interpretation. (Multiple possible approaches to carrying out a statutory provision do not in themselves warrant regulatory clarification, although there may be times when a regulation could promote greater flexibility than the statutory provision makes apparent.)

If a regulation is necessary:

- o Regulate no more than the minimum necessary to solve the identified problem.
- o Minimize burden and promote multiple approaches to meeting the requirements of the law.
- o Permit federally-funded activities to be integrated with State and local reform activities.
- o Assess the costs and benefits of the regulation and ensure that the benefits justify the costs.
- o To the extent feasible, establish performance objectives, rather than specify the manner of compliance that regulated parties must adopt.
- o To the extent feasible, allow flexibility so that institutional forces and incentives achieve the desired result.

We are applying these common sense criteria to all our programs. The result will be far fewer, shorter, less prescriptive regulations than usually are or previously have been promulgated for a major Federal program.

The Goals 2000: Educate America Act is being implemented with NO regulations. The School-to-Work Opportunities Act will be implemented with no or extremely minor regulations.

The new Improving America's Schools Act (which is the reauthorization of the Elementary and Secondary Education Act) will have significantly fewer regulations than did the prior law. For example, we expect that NO regulations will be needed to implement key waiver, professional development, safe and drug free schools, and innovation provisions of the law. Title I will be implemented with minimal regulations -- most of which are being developed through a statutorily-mandated negotiated rule-making process. In the same spirit, the statutorily-required proposed rules for the Equity in Athletics Disclosure Act, a "sunshine" provision for participation and financial information on women's and men's intercollegiate sports passed as part of IASA, add no requirements beyond the statute.

We have made a good start in establishing and following our customer commitment and regulatory philosophy. The real test lies in diffusing and institutionalizing these values throughout the department's programs, at every level, so that changes are palpable and permanent for customers and actually enhance excellence and access in American education.

We have already taken concrete steps to reinvent regulations and respond to customer needs. Examples include:

*** STREAMLINED GOALS 2000 APPLICATION PROCESS**

The Hammer Award was conferred on the Department team that designed the 4 page State planning grant application and implemented Goals 2000 without any regulations.

*** EXPANDED PRE-NPRM PUBLIC PARTICIPATION**

Public participation in advance of publication of proposed rules has been valuable for us. The department has held pre-NPRM meetings around the country on bilingual education, vocational rehabilitation, and student aid regulatory improvements, and in Washington with a wide range of groups interested in Title I provisions and the Equity in Athletics Disclosure Act.

*** PRODUCED CREATIVE STUDENT AID BURDEN REDUCTION PACKAGE**

This fall the Secretary published a series of student financial aid regulations designed to reduce burdens on students, families, and schools of participating in Federal grant and loan programs. Some of the changes were small but meaningful: eliminating signature requirements and verification forms; dropping requirements for schools to file forms available on computer. Some reflect more regulatory creativity, such as dropping a requirement that all schools maintain a reserve to cover refunds to students, in favor of a more effective letter of credit requirement applicable only to schools with a history of problems making refunds.

Mr. PORTER. Mr. Stokes.

Mr. STOKES. Thank you, Mr. Chairman, just a couple of questions.

CONSOLIDATION OF PROGRAMS TARGETED TO MINORITIES

Mr. Secretary, I anticipate some testimony later today with reference to programs that could be consolidated. One of the areas that will be proposed deals with assistance for minority disadvantaged students.

Over a number of years, in recognition of all the socioeconomic and racial reasons that exist, Congress has enacted, particularly on this Subcommittee, and has appropriated funding for a number of programs that relate to the inequity that you talked about a few moments ago, when you talked with Mr. Bonilla about educational programs.

I think it is important for us to hear from you in terms of the importance of programs that are targeted towards minorities, as we look at areas in which we can either cut, downsize or consolidate. We need to hear from you in terms of the importance of these types of programs.

Secretary RILEY. Well, Congressman, the issue of the historic unfairness for some minorities is clear, and the justification of trying to correct those mistakes of the past has been very effective. They have not been perfect, I am sure, but they have made a difference. There was, of course, a clear gap between black students and white students that we are pleased has closed in quite a significant way, I think. There is still a gap, but it has closed in a significant way, and——

Mr. STOKES. I don't think you mean closed, it has narrowed?

Secretary RILEY. It has narrowed.

Mr. STOKES. But, it hasn't closed?

Secretary RILEY. It hasn't closed. It has narrowed significantly, though. No, it has not closed. So we think that there is clear evidence that those programs have worked, and are working, and many of them in a very significant way.

Mr. STOKES. Have you had an opportunity in the Department to evaluate those type of programs?

Secretary RILEY. Yes, sir, we have a regular evaluation process, and programs are evaluated. For example, Chapter 1, which is for disadvantaged kids, is not one of the specific programs dealing with minorities, but our evaluations have brought about a lot of the changes in Chapter 1 that this Congress has passed, which we think makes it a much stronger, more effective disadvantaged program. These changes include the whole school approach, doing away with the watered-down curriculum, as we discussed earlier, raising high standards, all of the things that really, I think, made a big difference, more flexibility in how to use the funds. And the TRIO programs, there is very strong support for them all around the country, and keen interest in them, and we think that the programs serve a very important purpose.

Mr. STOKES. Thank you, Mr. Secretary.

Mr. PORTER. Mr. Riggs.

Mr. RIGGS. Thank you, Mr. Chairman, good morning.

Good morning, Mr. Secretary. I have to apologize. I, too, had unavoidable conflicts, shuttling back and forth between too many meetings.

Secretary RILEY. I got to wear you out last week, so I get two shots.

Mr. RIGGS. It is nice to see you again and visit with you again. Please forgive my tardiness many of our cabinet witnesses have been talking about the long-term deficit reduction that is going to materialize from the Clinton tax and budget plan, and, in fact, I think in recent days the President has taken to pointing out or claiming a deficit savings for the average American family in the neighborhood of $11,000 per family.

I am curious, how much has your department contributed to the long-term deficit reduction plan and these purported savings for the average American family?

DEFICIT REDUCTION

Secretary RILEY. Well, I think we have contributed quite a bit. I said earlier, and I am sure I said it in Congressman Goodling's Committee, that we have reduced our employee numbers. When we became a department, back when it was an education office and several related offices, there were around 7,700 employees when it was made a department. Then we today have around 5,000 employees. So we have come down significantly in number of employees.

We then have—unfortunately in some eyes—in that last 15 years become responsible for a whole lot more programs, so we are doing more with less, and I think that is very clear. The big saving that we really have impacted, I think, significantly the deficit situation is in the Direct Lending Program.

There are enormous savings there, it is a better system for the student and for the school, we think, because it is streamlined. It does away with all of the middle parts of it, and it is handled mechanically, electronically—generally, the transfer of funds and so forth. But the estimate of $4.3 billion to be saved over the five-year period is on schedule, and we will save at least that much, perhaps more, maybe a lot more. But once that program is fully in place, dependent on how it ends up being, we think it will save between one and two billion dollars a year. And you look at our little department with 5,000 employees, the cost of running these some 240 programs, we will save more in what we do with direct lending, probably twice as much as the entire cost of our entire Department.

Mr. RIGGS. Let me follow up on that. You mentioned earlier that you are making, and I appreciate this fact, a concerted effort to reduce regulations and to provide States and ultimately local school boards with maximum flexibility, but couldn't we go about that in a better fashion by, as you heard Governor Thompson of Wisconsin suggest last week, really block granting back to the States as much responsibility and as much revenue as possible?

Wouldn't that ultimately be the best way to go, particularly in the name of reducing the Federal budget deficit?

BLOCK GRANTS

Secretary RILEY. Well, I think, you know, any suggestion while we are in this process, we are certainly willing to talk with you about, and to help in any way we can to provide information. The fact is we think that Goals 2000 and School-to-Work are very good models for how that can best be done as we move into the future. They have broad objectives, broad goals, and they have State and local flexibility, almost total flexibility in how they develop their standards, how they develop their testing, how they develop their curriculum or whatever. That is totally State and local control, no Federal control over that.

Goals 2000 requires them also to have assessment linked to their standards, so there is an accountability feature that is real accountability. Testing and so forth is real accountability. So we think that is probably the model in which to go, and we have tried, then, to move the Elementary and Secondary Act in that direction, having more flexibility, more waivers, more opportunities for State and local decisionmaking, more whole-school approach instead of single-student approach and that kind of thing. So we are trying to move in that direction, and I think that is the way to go.

Mr. RIGGS. Well, I want to pursue this line of questioning, but I don't want to abuse my privilege, so I will withhold until the next round of questioning.

Mr. PORTER. We will come right back to you. Mrs. Lowey.

Mrs. LOWEY. Thank you, Mr. Chairman. I continue to be concerned about the violence, not only in our neighborhoods, but in our schools. In particular, there was a death in one of our local schools, a child was shot just this fall. In the reauthorization of the Elementary and Secondary Education Act it consolidated the Safe Schools Program and the Drug-Free School Program.

Can you tell us how the communities are making use of this program and how the consolidation of the two programs work at the local level.

SAFE AND DRUG-FREE SCHOOLS PROGRAM

Secretary RILEY. Well, we think that the idea of moving together the Drug-Free and the Safe Schools Programs is very wise direction, to put resources together that really serve a mutual purpose. So I am very pleased at that, and you are going to see between five and six hundred million dollars in resources for that particular purpose.

As we go around the country and I see a lot of folks in schools, that issue is talked about more than any other. And it is not one that is in just one location or in another, it is just about uniformly a serious consideration. I tell people, still, schools are probably the safest place in any community, and they are a reflection, though, of community problems and are bringing them on to the school grounds. But I strongly believe that if we are to have high standards for all children that we have got to have safe and drug-free schools. And I think that is just as basic as it can be, and so we think that anything that is done in that direction to support that effort is the right move. I think by putting the two together we are going to make a difference that will be noticed.

Mrs. LOWEY. I think all of us would agree that all of the problems of our society converge on the school system. While this program is not going to solve all the problems, we do have to work together on the local level and use all the resources at our disposal to do something about the increasing violence in our school. The kids can't learn unless the schools are safe, so I would be very interested in following the evaluation of the implementation of these programs.

I am also very interested in your magnet school programs because certainly in my district—and I am sure in other districts around the country—we have seen some very creative implementation and utilization of the funds for this program. The school districts are granted a significant amount of flexibility to tailor their efforts to the needs of the community, and I think that is why it has been so very successful.

I would be interested to know what lessons we have learned from the magnet school programs in their evaluation that might be transferrable to the overall education reform effort. They are doing such exciting and creative things and you wonder why you can't get some of these things implemented in the other schools.

MAGNET SCHOOLS

Secretary RILEY. Well, that is a very true observation, and you can say the same for advance placement courses and gifted and talented courses, and what we would like to see, and we think that Goals 2000 moves us in that direction in a dramatic way.

As for all classes in every course, I don't care if it is third grade reading or whatever, it should have the same kind of creative, engaging, exciting appeal to learning and to reaching high standards that many of the magnet programs have. They are centering in on something that young people are especially interested in and it is going beyond the basic skills plus. It is exciting to young people to do that, to get into something they like and to really learn a lot about it.

So I strongly support magnet schools and that is another area that, when we go to visit schools around the country, is very popular because they seem to work well, but they are done differently in every area. That is a good example of how flexibility works. They tailor them to their own needs.

Mrs. LOWEY. I think personally we have so much to learn from the magnet schools. I guess it brings me back to the question I always ask, how do you legislate excellence, excellence in teaching both in the classroom and in the overall supervisory effort, so I hope we can learn from these things and transfer them to our overall education effort.

Secretary RILEY. First, if we are going to reach for excellence, we have to define excellence and that is what standards are all about. I think just about anybody who deals in education circles around this country would say that to define what we are seeking to reach is the first stage, and I believe once the 50 States have their standards developed, then you are going to see an awful lot begin to happen.

Mr. PORTER. I would remind members of the subcommittee that we have outside witnesses, including the GAO between the hours of 11:00 and 12:00. Mr. Secretary, with your indulgence, because Mr. Riggs was tied up and because we allotted additional time to Mr. Miller, I yield my final five minutes to Mr. Riggs.

Mr. RIGGS. Thank you, Mr. Chairman. That is very gracious of you.

Mr. Secretary, I want to say, again, it sometimes is, I think, a shame with all due respect and deference to your high office that we ask you to proceed first because I think in certain respects it would be better if we could hear from some of the outside witnesses who I think bring to the table suggestions to help us in our task, which is not only looking for current fiscal year rescissions, but to in concert with the authorizing committee look at ways that we can streamline and reduce bureaucracy and at the same time provide a high quality of services to the taxpayers.

The GAO and our other witnesses have made very specific recommendations and I would ask for the record that your Department respond to those specific suggestions officially in writing so that we can weigh that response alongside those specific recommendations.

[The information follows:]

RESPONSE TO THE TESTIMONY OF OUTSIDE WITNESSES

Mr. Riggs asked the Department to respond to the testimony of outside witnesses in writing. Many of the assertions and recommendations made by Mr. Hansen, Ms. Tucker and Ms. Morra were addressed by the Secretary in his testimony before the Appropriations Subcommittee on January 18, 1995, and before the Education and Economic Opportunity Committee on January 12, 1995. The Department, however, appreciates the opportunity to respond formally to the testimony of each Outside Witness.

WILLIAM HANSEN, FORMER DEPARTMENT OF EDUCATION OFFICIAL

The Department agrees with much of Mr. Hansen's testimony, particularly his comments on the importance of the Federal role in ensuring equal access and promoting educational excellence, the importance of parental involvement, and the need for Congress and the Department to ask tough questions about whether the Nation's investment in education is benefiting taxpayers and the national interest.

Another area in which the Department agrees with Mr. Hansen is his focus on the importance of reducing the number of programs the Department administers. In the 1995 budget, the President proposed to eliminate 34 programs for a total savings of more than $600 million. Congress agreed to 14 of these eliminations, for a savings of $82 million, but then added 18 new programs at a cost of $200 million. The Department will continue to propose programs for elimination that duplicate other programs, have already achieved their purpose, or should be consolidated into broader, more manageable authorities.

The Secretary has often stated his agreement with the proposition stated by Mr. Hansen about the importance of ensuring greater State and local control of education. Under this Administration the Department of Education has moved away from the categorical, top down approach that characterized the Department's previous efforts. Instead, we are emphasizing accountability for results and maximum flexibility for States, school districts and schools in how to achieve them. All our new programs -- the Goals 2000: Educate America Act, the School-to-Work Opportunities Act, the redesigned Improving America's Schools Act -- are defined by this new vision.

There are, however, a number of critical areas in which the Department disagrees with Mr. Hansen.

First, Mr. Hansen states that the cost to States and school districts of administering Federal programs outweighs their benefits. Our analyses would lead to a different conclusion. According to the GAO, at the State level, States retain only about 6% of Federal education funds for administrative costs. At the local level, spending on Federal program Administration tends to be lower than the costs of administering non-categorical programs supported through State and local revenues. For example, according to the National Assessment of Chapter 1, only 4 percent of local Chapter 1 budgets went to support salaries for Chapter 1-funded administrators.

Second, Mr. Hansen states that the Department has taken a high-handed regulatory effort with States, school districts and college campuses. However, Secretary Riley has developed a clear regulatory philosophy that is aimed at reducing regulation. The Department will regulate only when absolutely necessary, and then only to solve an identified problem. As a result, the Department is implementing the Goals 2000:Educate America Act and School-to-Work without regulations. The new Improving America's Schools Act will have significantly fewer regulations than did the prior law. The student financial aid regulations published last year were designed to reduce burdens on students, families and schools.

Third, Mr. Hansen expresses concern that the Department is hiring 600 employees to manage the direct student loan program and claims that the program is inconsistent with streamlining and privatization efforts and should be eliminated or capped. The number of Department staff working on the Direct Student Loan Program was overstated. At this time, the Department has about 250 employees administering this program and the transition from the Federal Family Educational Loan Program (FFEL). Nearly 100 more employees will be hired before the end of September, bringing the total staff to 346 employees. Although additional hiring will take place during 1996 and 1997 for the Direct Student Loan Program, the total staffing level will be 520. About half of these will be reassigned from FFEL. We can handle a program of the magnitude of the Direct Student Loan Program because we rely heavily on contractors to service the loans. This new staff will enable the Department to successfully implement the Direct Student Loan program -- thus saving taxpayers at least $6.8 billion and saving students $2 billion from 1995 to 2000.

The Federal Direct Student Loan program offers a simpler, more flexible system for delivering loans to students and servicing borrowers in repayment, while reducing the overall cost to the Federal Government for administering the student loan program. The Federal Direct Student Loan program is a partnership between the public and private sectors and relies on the competitive forces of the private sector -- unlike the guaranteed loan program. Under the Direct Student Loan program, private companies are selected to service Direct Loans through a competitive process, and their rates are set based on market forces. This differs from the guaranteed loan program in which there is no real competition, the rates set by banks and guarantors are set by statute and the private sector takes no risks but gets all the profits.

Capping or eliminating the Direct Student Loan program would prevent schools and students from participation in direct lending. At this point the market is speaking in strong support for direct lending. The applications have exceeded the demand each year and more are coming in. Capping the program would mean a loss in projected savings for taxpayers. By not allowing the program to progress beyond the current schools, anticipated savings would not be realized.

Finally, Mr. Hansen suggests that new programs such as Goals 2000 in which first year funds have not yet been released should be given prime consideration for partial or total rescission. Secretary Riley has stated his disagreement with the premise that new programs should be eliminated simply because funds for these initiatives have not been released. Newly authorized programs such as Goals 2000 and School-to-Work place a strong emphasis on accountability for results, and maximum feasibility in how to achieve them. These programs promise resources to

States and communities to develop and implement comprehensive education reforms aimed at helping students meet high standards. It would be unfortunate if the Department was forced to abandon these efforts in midstream. Like the students the Department tries to educate, our Nation's schools and colleges need continuity and stability as they push forward toward high standards.

ALLYSON TUCKER, HERITAGE FOUNDATION

Ms. Tucker's testimony contains numerous inaccuracies and misrepresentations. Several of her assertions merit particular response.

First, she recommends that Congress reexamine major pieces of education legislation that were enacted by bi-partisan majorities in the last Congress.

In the case of Goals 2000, she asserts that Goals 2000 creates large bureaucracies that impose new mandates on States and school districts and will not improve local schools. It is true that Goals 2000 establishes in law three independent boards: the National Education Goals Panel; the National Education Standards and Improvement Council; and a National Skill Standards Board. However, each of these is comprised of nonfederal employees--State and local officials, business leaders, parents, and educators, serving in volunteer positions and supported by a total staff of less than 30 people and a budget of less than $10 million. One of the boards, the National Education Goals Panel, already existed. The Goals 2000 Act contains no mandates and no Federal takeovers. In fact, it explicitly prohibits Federal control of curriculum, instruction, or allocation of resources. The Department is issuing no regulations for the program. Although participation is purely voluntary, over 45 States and territories are already participating.

In the case of the Improving America's Schools Act, the reauthorization of the Elementary and Secondary Schools Act, she argues that much of the funding goes to fund bureaucracies and should be cut. The IASA is the Federal Government's major contribution to improving elementary and secondary education in this nation. As noted above, the assertion that a significant percent of Federal education funding goes to support bureaucracies is not supported by the evidence. The new IASA takes great strides forward to further reduce administrative burdens and costs. The new IASA fosters a new partnership with States and communities to help all students learn to challenging standards. Broad waiver provisions, schoolwide approaches, greater local decision-making, reduced testing and reporting requirements, charter schools, and a greater investment in teams of teachers, parents and school and community leaders working to find innovative solutions are elements of this new partnership.

Ms. Tucker also suggests that Title I of IASA should be eliminated and the savings used to support private school vouchers. While the Department supports expanded choice within the public school system through charter schools, private management of public schools and public school choice, Secretary Riley has stated his opposition to private school vouchers. The purpose of any school improvement idea should be to invite effective innovation in more schools. Private school vouchers are an expensive experiment that detract from our fundamental mission in education -- ensuring that the vast number of schools attended by the majority of America's students are upgraded so that many more children have challenging and effective instruction.

In the case of the Federal Direct Student Loan Program, she argues that the program should be capped because of its complexity and cost. As noted above in our response to Mr. Hansen, the new program has simplified loans for students and for schools and is saving taxpayers billions of dollars. Capping or eliminating the Direct Student Loan program would interfere with market forces, which are strongly supporting direct lending and would mean a loss in projected savings for taxpayers.

LINDA MORRA, GENERAL ACCOUNTING OFFICE

A number of "options" were identified for possible budget savings. Many of these options have been proposed before by this Administration including the elimination of 34 programs in fiscal year 1994. The President's Budget which will be released on February 6, 1995, will discuss proposed programs for elimination that duplicate other programs, have already achieved their purpose, or should be consolidated into broader, more manageable authorities. At that time, the Department will be happy to respond to any actual recommendations that the General Accounting Office or the Committee may put forward.

Several of the options listed by GAO, however, would thwart the Department's efforts to improve educational opportunity for all students. As GAO recognized in Ms. Morra's testimony, some of the options they proposed for further consideration "...may have some adverse impact on students' access to postsecondary education" and "...may cause greater problems later as needy children face a potential future of joblessness and lower incomes".

Two of the options that are offered by GAO for consideration merit particular responses since these options are actual recommendations that have been made by the House leadership in the background documents that accompany the "Contract with America". These two options are the elimination of campus-based student aid and of in-school interest subsidies for student loans. The Secretary has stated his strong disagreement with these recommendations.

Campus-based aid programs including the Supplemental Opportunity Grant (SEOG) and the Federal Work-Study program (FWS) are typically used in combination with one another or with Pell grants and loans to offer a financial aid package tailored to the needs and circumstances of the student. Middle-income students would be particularly hard hit by the elimination of these programs.

The elimination of the in-school interest subsidy would also increase the cost of college for middle-income students. Currently, middle- and low-income students who have subsidized loans are not required to pay interest on student loans while they are enrolled in school and for a six month grace period after they leave school. The Federal Government makes these payments to the lenders only for "subsidized" Stafford (both FFEL and Direct Loan) loans which are means-tested. Without the subsidy, the outstanding loan balance of a student who borrows for college would be between 15 and 50 percent greater than a student whose loan was subsidized depending on the size of the loan and the length of time the student attends school. For an illustration of the benefits of in-school interest subsidies, see attached example.

Two Examples of Additional Student Loan Debt
Due to Eliminating the In-School Interest Subsidy

Borrowers who participate in the Stafford (subsidized) Loan program are not required to pay the interest due on their loans while they are enrolled on at least a half-time basis.

These two examples illustrate the benefit the in-school interest subsidy provides a subbsidized Stafford Loan borrower.

Assumptions:
- Maximum borrower interest rate (8.25%)
- Annual maximum amounts are borrowed
- Attending a semester institution (2 loan disbursements—each equal to ½ of the loan—per academic year)
- Unpaid interest is not capitalized until the repayment period begins.

Example #1: Four Year Undergraduate Student

Undergraduate Year in School	Amount Borrowed	Accrued Interest
Freshman	$2,625	$171
Sophomore	3,500	445
Junior	5,500	864
Senior	5,500	966
Totals: At Graduation When Repayment Begins	 $17,125 17,125	 $2,446 3,150

This student borrowed $17,125. If the interest was not paid during the in-school and grace periods, this amount—$3,150—would be added to the principal amount of the loan at the time repayment begins, six months after graduation. That is, the debt increased by more than 18% (the amount outstanding at beginning of repayment—$17,125 plus $3,150—is 18.4% more than the principal amount borrowed).

Because the unpaid interest would be capitalized when repayment begins, the monthly payment obligation (for a fixed-payment, ten-year amortization) would also increase by about 18 percent or $39 (from $210 to $249).

Example #2: Two Additional Years in Graduate School

Graduate Year in School	Amount Borrowed	Accrued Interest
First	$10,000	$2,066
Second	10,000	2,126
Undergraduate Totals	17,125	2,798 1/
Totals At Graduation When Repayment Begins	 $37,125 37,125	 $6,990 8,518

This student's total amount borrowed is $37,125. If the interest was not paid during the in-school and grace periods, this amount—$8,518 (which includes unpaid interest charges as an undergraduate)—would be added to the principal amount of the loan at the time repayment begins, six months after graduation. That is, the debt increased by almost 23% (the amount outstanding at beginning of repayment—$37,125 plus $8,518—is 22.9% more than the principal amount borrowed).

Because the unpaid interest would be capitalized when repayment begins, the monthly payment obligation (for a fixed-payment, ten-year amortization) would also increase by about 23 percent or $105 (from $455 to $560).

1/ The difference ($352) between this amount and the accrued interest at graduation in Example #1 ($2,446) is the additional interest that accures between the end of the undergraduate period of study and the beginning of the graduate period of study.

Mr. RIGGS. I want to look for ways that we can cut bureaucracy and save money. You have touted repeatedly last week in the authorizing committee, this morning here the Goals 2000 Program and yet we are going to hear shortly from witnesses that Goals 2000, indeed, creates additional bureaucracy.

What specific ways can we, in your view, cut bureaucracy and save money? Will you assist us in the task of preparing a current fiscal year rescissions package?

RESCISSION PACKAGE

Secretary RILEY. Well, I certainly will do anything in terms of assistance that we can do and my staff also and we would welcome that opportunity to work with you on that. We will work in that effort.

As I indicated, Congressman, the fact that we submitted 34 programs to be zeroed out last year, I think is a reflection of how we really desire to try to reduce programs. I think it is important for us to look at consolidations and look at all other ways that we can, indeed, reduce the bureaucracy, and especially the effort in terms of regulations, which, as I proposed, is to develop principles for regulations, which I think is a way to deal with that. So we would welcome the opportunity to work with you in that regard.

MEANS-TESTING

Mr. RIGGS. One other question, and that is regarding the notion of means-testing educational entitlements. As you well know, I will single out for a moment the Chapter 1 categorical aid program for economically disadvantaged students. That has become a vested entitlement certainly for State and local school bureaucracies.

Should we look at means-testing educational entitlements across the board and including the various student loan programs?

Secretary RILEY. Well, of course, many of the student loan programs are means-tested. The student financial aid programs are geared to family income and numbers of children and the cost of college, et cetera. The Pell grant, of course, is very much means-tested.

The other programs, I would personally feel that it is not a good idea to means-test all of those programs. I do think that an awful lot of the strain in higher education is on people who are on the bottom half of the middle-income range, that find themselves having a very, very difficult time with college costs, and I think having the option to have a balance on the part of the institution to help those students put together a financial package is worthwhile.

Mr. RIGGS. Thank you, Mr. Chairman.

Mr. PORTER. I would ask the Secretary if he has time for us to continue with some more minutes of questioning by Members who have just arrived.

Secretary RILEY. Yes, sir.

Mr. PORTER. I would yield five minutes to Mr. Istook and to Mr. Wicker.

DOWNSIZING THE DEPARTMENT

Mr. ISTOOK. Thank you, Mr. Chairman. I wanted to address some information I have received regarding the size of the Department. Of course, under the Reinventing Government initiatives there were directives issued on holding the line, not expanding the size of different departments and agencies.

Is it correct that the Department of Education has sought and perhaps received a waiver from OMB to be able to hire additional staff?

Secretary RILEY. Yes, sir, that is right. I pointed out, Congressman, before you arrived, that when our Department was made a department and it ceased being an Office of Education under HEW and related offices, there were some 7,700 people in that office, and now it is around 5,000.

Mr. ISTOOK. I wanted to address within the last 12 months that you have sought and received a waiver from OMB.

Secretary RILEY. Yes.

Mr. ISTOOK. When was that sought?

Secretary RILEY. The reason was the addition of the direct lending responsibility, which is enormous and is a tremendous cost saving to the Government, some $4.3 billion over a five-year period. But it does require us to, of course, handle those billions and billions of dollars for direct lending and to have adequate staff to do it. That was the basic reason for it.

Mr. ISTOOK. I asked when it was sought. Do you know when that was, when it was sought and received?

Secretary RILEY. Approximately July 1993 I am told.

Mr. ISTOOK. I would appreciate receiving a copy of the information that was submitted to OMB and the information that came back regarding that request.

[The information follows:]

The information regarding the request for a hiring waiver, exempting the President's Executive Order, and the approval of that request by the Office of Management and Budget, is attached:

UNITED STATES DEPARTMENT OF EDUCATION

THE DEPUTY SECRETARY

August 6, 1993

Honorable Philip Lader
Deputy Director for Management
Office of Management and Budget
Washington, DC 20503

Request for Hiring Waiver
see pp. 11 and 12

Dear Phil:

I want to thank you for agreeing to a separate session to address management issues in the Department of Education, as part of your 1995 management and budget review process.

We appreciated the opportunity on July 8 to discuss with you our overall priorities in education. At the same time, in view of the importance that both the Secretary and I place on the management of the Department, as well as the numerous efforts we now have underway, we felt that this area merited its own discussion.

In preparation for the meeting, I thought it would be helpful to pull together an overview of some of our ongoing management activities, including the issues raised in your June 30 letter to all agencies. Attached are (1) a summary list and brief description of each of our key initiatives and improvements that are now underway, and (2) a briefing book that includes more comprehensive information about a number of these areas. The following pages highlight some of our more significant actions and priorities.

Overall Leadership

Improving the overall management of the Department of Education is one of our top priorities. If we expect to reform the American education system, we must begin "at home" and ensure that the Department can be an example to the rest of the Nation of a model government agency--one that provides national leadership and assistance to States and communities as they seek to achieve the National Education Goals.

We were amazed by the problems that faced us when we arrived in the Department--the shortfall in the Pell Grant program, the administration of the complex student loan programs, the lack of adequate staff and resources for monitoring programs, the outmoded technology for basic staff functions, and the overall low morale of the staff of the Department. We were also dismayed to learn of the myriad problems that had been identified by the Office of Management and Budget, the General Accounting Office, the Inspector General, and Department employees. Many of these problems have begun to be addressed in our 1994 budget and legislative proposals, but we also need to focus on those issues that can be addressed without additional spending.

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Therefore, we have been most enthused over the Vice President's initiative to reinvent the Federal Government. He visited our Department on July 19 and led a stimulating discussion in a town meeting format with our employees; and we have been working with his Reinvention Team assigned to our Department.

Most of our senior policy officers have been confirmed by the Senate and are now on board, and we hope to have action soon on the remaining nominations. We have been extremely pleased with our team of career senior officials who served in Acting Assistant Secretary capacities over the first six months of transition. During this period, we held biweekly staff meetings with both the incoming and the acting senior officers to ensure that all offices were kept up to date on current issues, and both policy officers and career staff have been involved daily in activities undertaken by the Secretary, the Under Secretary, and myself.

We held a weekend management retreat to build a spirit of teamwork among policy and career officials and to encourage a free flow of ideas on how best to address management problems within the Department. We have also held a series of meetings on 1995 budget and legislative planning, including a one-day overview session with all senior officers, followed by individual meetings with each of our program offices and the Secretary, the Under Secretary, and myself.

We have taken advantage of all these opportunities to articulate our major education priorities, such as reforming the American elementary and secondary school system through Goals 2000, reauthorizing the Elementary and Secondary Education Act and the programs of the Office of Educational Research and Improvement in a way that reinforces the reform themes in Goals 2000, phasing in a Direct Student Loan program, and providing school-to-work transition programs for high school youth who do not plan to attend college. In fact, the Secretary, as recently as July 16, issued a memorandum to all Department employees setting forth his goals and priorities.

We have also communicated to the staff the importance we place on a number of specific areas such as collaboration and cooperation with other government agencies, creating in partnership with States and communities a comprehensive reform movement focused on high standards and goals, applying educational technology to improve teaching and learning, simplifying and adding flexibility to our programs, incorporating civil rights policies in all Department programs and activities, and developing a new set of performance measures to improve program management and accountability. We have established numerous work groups in which both our political and career officials have worked side by side as we have developed our legislative and other education initiatives.

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Strategic Planning and Decisionmaking

Management initiatives will be a top priority during our Administration; but we also want to help ensure that they continue after we leave. Thus, we are setting into place a formal structure that will institutionalize our efforts within the Department.

First, I have established an Executive Management Committee to oversee the Department's management and strategic planning issues. The Committee is chaired by the Deputy Secretary and consists of six of the Department's senior political leaders.

Second, I have set up a Reinvention Coordinating Council to initiate and advise the Executive Management Committee on the Department's specific efforts at "reinventing government" and quality improvement. Its membership includes an equal number of Senate-confirmed political appointees and senior career employees. The Council has been meeting at least weekly, and some of its activities to date have included setting up a framework for effective implementation of the Goals 2000 legislation, coordinating and overseeing the work of all cross-cutting Department committees and work groups, and working with the Vice President's Reinvention Team by providing briefing sessions and materials and suggesting input to their issue papers.

And third, we are implementing a Strategic Planning Process within the Department as part of our reinvention effort. We have asked each office to develop a statement of its mission and goals, within the context of both the overall mission of the Department and the Administration's education priorities. We have established additional deadlines for the development of objectives, measurement indicators, and strategies for achieving the objectives. A critical part of the process will involve a rigorous dialogue with all Department staff and follow-up training so that they can improve their own management and operations, and can appreciate how their individual responsibilities fit into our overall Department priorities. This focused effort, of course, will be an integral part of our commitment to making the Department a model Federal agency.

Culture Changes at the Department

Our Department can be only as good as its individual employees. We must provide for our staff a positive environment in which they understand the mission of the Department and how their everyday activities contribute towards that mission, are motivated to perform at their full capabilities and are recognized and rewarded for their accomplishments, are kept well informed through good communication channels, receive adequate support services to perform their functions, and have a real sense of satisfaction in their jobs. The Secretary and I have taken a number of actions that demonstrate this commitment. For example:

- The Secretary and I, as one of our first actions upon arriving at the Department, personally visited the offices and work areas of employees located in the Department's several buildings, and we hosted a reception for employees in our office.

- We informed employees early in the Administration of the Secretary's strong support of the Department's mission statement: To ensure equal access to education and to promote educational excellence throughout the Nation. We have displayed this statement in buildings and offices around the Department, and have had it printed on Department stationery and employees' biweekly payroll slips.

- Staff around the Department are working closely with a number of other Federal agencies, including OMB, as we pursue various initiatives--for instance, we are collaborating with the Department of Labor on School-to-Work Transition and on Goals 2000; with the Departments of Health and Human Services and Housing and Urban Development on violence prevention in the schools; with the Department of Health and Human Services on Head Start; with the Department of Treasury on our Direct Student Loan proposal; and with several agencies on our Satellite Town Meetings which emphasize model approaches to achieving the National Education Goals.

- The Secretary has taken actions to address concerns identified in a survey of Department employees. A number of improvement actions are of a short-term nature, and we are studying more long-term and permanent solutions. We will conduct a second employee survey later this year.

- The Secretary has personally recognized a number of employees who have provided exceptional service to the Department. A more complete review of the Department's recognition system is underway.

- We have formed an ad hoc task force to address the need for improvements in the Department's recruitment of minority individuals, especially Hispanics.

- We have placed a high priority on training funds. Our 1994 budget requests $3.6 million, a 26 percent increase over 1993, for employee training activities.

- We have initiated a Department newsletter to provide information about individual employees as well as ongoing policy and management initiatives.

Improvement for Department's Programs and Clientele

If we are to be effective in our leadership role of encouraging States and communities to reform the American education system, we must be constantly sensitive to their needs as we administer our program dollars from Washington. Several ongoing initiatives are directed towards this overall effort.

First, in the area of program monitoring we want to shift our emphasis from compliance to performance--from one that focuses on narrow reporting requirements and audit-type compliance to one that provides a broader technical assistance role and can help States and localities improve student outcomes. Federal monitoring and audits of programs at the State, local district, and school levels have historically focused on compliance with process requirements rather than on program performance. Yet, what ultimately matters are program outcomes; for example, "Are students meeting math and science standards?" Through the Goals 2000 legislation, we are moving to provide States and local districts with greater flexibility in exchange for accountability for results. By providing assistance and information on "what works" in education and by emphasizing prevention efforts at the beginning of a grant period, we hope to reduce significantly noncompliance and the need for narrow and process-oriented audits and reports.

A prime opportunity to put into practice this program management strategy will be our implementation of the Goals 2000 initiative. We have formed a cross-Department team, under the guidance of the Reinvention Coordinating Council, to involve all offices in the Department, both in the specific implementation of the new legislative authorities, and in accomplishing the legislation's education reform objectives through existing authorities and resources as well. If we expect States and localities to reform their entire education systems, our own practices at the Federal level must model these same changes. This is not just a matter of leadership by example; the actions and the culture of State and local education bureaucracies are shaped by Federal requirements and by our own bureaucratic operations. Therefore, we must integrate the resources in the Department, and from other Federal agencies, to support coherent State and local efforts to achieve the National Education Goals. We will be exploring innovative ways of achieving this objective, and we welcome your suggestions and help.

A preliminary review of program evaluations indicates that the Department collects a great deal of information through program performance reports that is not often used to improve performance. Through our Performance Measures Reinvention Laboratory, we plan to determine what information is useful in accomplishing program goals and objectives, and to develop better ways to channel information to decision makers. To assist us in this effort, we are utilizing the services of the National

Academy of Public Administration, which has extensive experience in developing performance measures.

We have also convened an Evaluation Review Panel of outside experts to examine the quality and usefulness of Department evaluations, advise us on our evaluation strategies, and review our success in developing performance measures and in using those measures to inform program improvement and policy. We are also conducting a users' survey on the quality and usefulness of policy and evaluation studies.

Another issue that we will continue to pursue is that of program consolidations and terminations. We now administer some 230 separately authorized education assistance programs, ranging from large formula grants such as Chapter 1 Assistance for Disadvantaged Children and Student Financial Aid, to smaller non-formula programs such as Foreign Language Assistance, Cooperative Education, International Education, and Law Related Education.

A good number of these programs either duplicate other Federal programs, have already achieved their purposes, or generally do not warrant a Federal role. Their administrative costs at all levels are enormous--each of them requires its own regulations, notices of competitions, applications development, review and approval of awards, budget negotiations, monitoring of progress, and reports and audits of projects. Of the Department's 230 programs, 160 are competed nationally, and for these 245 separate competitions are being held in 1993 alone.

We proposed, as part of our 1994 budget, the elimination of 24 of these programs for which the 1993 appropriation totaled almost $214 million. Based on congressional action to date, prospects are dim for eliminating most or all of these. However, we will continue to pursue this objective through both the budget and the legislative processes.

Financial Management Improvements

OMB recently approved our proposal to consolidate policy, legislative development, and budget in the Office of the Under Secretary headed by Mike Smith, and to establish the Chief Financial Officer as a separate organization. This should ensure greater attention to financial management issues than under the old organization where these matters were often overshadowed by budget concerns. Internal operations will be strengthened by including the Grants and Contracts Service under the Chief Financial Officer, thus facilitating the Department's inclusion of grants and contracts functions in its core financial system. The new organization will be led by Don Wurtz, who brings us a wealth of experience and knowledge from his service at GAO.

The Quality Implementation Team for Financial Management has developed and updated a Financial Management Strategic Plan with participation from all Department offices. The Team has also issued a Departmental Directive on Financial Management incorporating the policies and procedures necessary to fulfill our responsibilities under the Chief Financial Officers Act; and is developing a Financial Management Training Program for Department personnel.

To address the high-risk area of audit follow-up, the Management Audit Committee, chaired by the Deputy Secretary, meets regularly to resolve the most troublesome audit issues and to facilitate the Department's handling of audit resolution. Because too much time has been spent on resolving minimal or questionable audit findings, we plan to focus our efforts on audits with the highest potential payoffs. We also plan to reduce paperwork burden on States and localities; to provide greater access to waivers from burdensome requirements; and to propose amendment of the Single Audit Act that would limit requirements for single audits.

We have continued our redesign of the core financial management systems to ensure that data from accounting, grants, contracts, payments, and other systems are integrated into one system, and to better accommodate input from "feeder systems" such as the Impact Aid and student aid systems. Our staff have worked closely with OMB staff in this undertaking; and we have included funds for this project in the President's 1994 budget.

We have also taken major steps to improve our performance in the area of cash management, including instituting quality controls under the Prompt Pay Act and developing system changes to comply with the Cash Management Improvement Act. In fact, we recently achieved a 96 percent compliance rate with prompt payment requirements.

In addition, as required by the Chief Financial Officers Act, we have issued financial statements within established deadlines for our construction and student loan programs.

Regulations

We are pursuing a number of improvements in the Department's rulemaking so that we can respond more effectively to the needs of our customers. For instance:

- We are convening policy groups on major regulations to identify and resolve regulatory policy issues early in the process. For major legislative initiatives such as the Goals 2000 bill, we are beginning work on the regulations before the bill is enacted.

- Through the elementary and secondary education reauthorization process, we are seeking ways to reduce unnecessary regulatory burden on States and school districts. For example, we expect to propose a reduction of the poverty threshold for use of Chapter 1 funds to conduct "schoolwide projects" and to make it possible for schools to use funds from a variety of Federal sources to support those projects; schoolwide projects allow schools to use Federal funds for overall improvement of their educational program instead of singling out, serving, and maintaining separate program and administrative records for individual children.

We also plan to propose expansion of the notion, first enunciated in the President's bill, of allowing local educational agencies regulatory relief, through waivers, in exchange for a commitment to strive for ambitious educational objectives.

Over the next 2 years, we will seek similar opportunities to reform the requirements laid out in such statutes as the Library Services and Construction Act and the Individuals with Disabilities Education Act, which are now coming up for reauthorization.

- We are taking various steps to expedite the regulations process and make the regulations easier to understand at the local level.

- We have established a quality improvement team to explore strategies to minimize or avoid delays in implementing discretionary grant programs and the award of new grants as a result of rulemaking requirements. The team is obtaining input from the Department's customers as part of this effort.

- As you know, the Department is participating in a pilot project with OMB to identify regulations that do not warrant OMB review. We believe that the great majority of our regulations fall in this category and that significant improvements in the timeliness of our regulations can be made. This change will also permit better deployment of both Department and OMB staff.

- We have developed draft legislation to repeal the rulemaking procedures that apply only to this Department.

- We continue to refine and improve the annual Combined Application Notice (CAN) and an annual update (the "mini-CAN"), which inform our customers in advance of all grant competitions planned for the coming year.

Information Technology

The GAO and the Congress have criticized the Department for its inadequate information technology resources and lack of strategic planning and decisionmaking in this area.

In response, we have developed and shared with OMB Strategic and Tactical Plans for Information Technology Resources. In line with these plans, we have requested resources in the 1994 President's budget to expand the Local Area Network throughout headquarters and the regions, and to purchase and replace outdated personal computers and other office automation equipment. We have also established an Information Management Committee to address GAO and internal criticism of data collection and dissemination.

Contracting for Services

A review of the Department's contracts, as part of an OMB government-wide survey submitted in July 1993, indicated that there were no major problem areas and that the Department indeed receives the services for which it contracts.

Of much more significance, however, is the importance of the contracting function to the Department in carrying out its responsibilities, and we must keep this in mind in any government-wide review or policy development on the use of contracts. For instance:

- The Department is highly dependent on contractors for student aid processing, debt collection, financial management, computer assistance, data surveys and assessments, and studies and analyses.

- Even with the increased staff that we will require for the Direct Loan program, we will have to increase our use of contracts for loans servicing, alternative origination of loans where institutions cannot perform this function, systems development and maintenance, and debt collection.

- We have considered the option of using a federally funded research and development center to complement staff for such activities as the National Center for Education Statistics and Direct Student Loans. While we are not currently advocating this approach, it could enable us to carry out necessary programs and activities within severe FTE restrictions.

Student Aid Management Improvements

While our Direct Loan proposal is our most significant effort in the area of student aid management, we also have underway a number of management improvements for the existing grant and loan programs.

To strengthen the student financial aid "gatekeeping process", we have consolidated our internal responsibility for accreditation, eligibility, and certification functions that determine which schools can participate in these programs. In addition, as a result of the Secretary's efforts to obtain congressional funding approval, we are now implementing the new State Postsecondary Review program which will increase States' roles in the review and certification of postsecondary institutions.

The default rate on guaranteed student loans has declined from 22.4 percent in 1991 to 17.5 percent in 1992 as a result of a number of regulatory and legislative initiatives. For instance, one regulation requires schools with a default rate over 20 percent to implement default management plans approved by the Secretary, and recent legislation eliminates entirely the eligibility of schools with the highest default rates. Over the last 2 years, 218 schools with high default rates have withdrawn or been eliminated from eligibility, while many others have enhanced their counseling, job placement, and other activities to avoid defaults.

We have expedited our implementation of the National Student Loan Data System, the first national data base on recipients of student aid, which will prevent those who have defaulted on loans or reached maximum award levels from receiving additional loans or Pell Grants. This new system will be operational in 1994.

Another improvement that we are pursuing is the design and development of a "computer platform" to strengthen the management and oversight of our student aid processing contracts. This initiative would require a $30 million investment in 1995, but would achieve up to $100 million in savings over 10 years.

The Department is the leader within the Federal Government in debt collections. Our most effective tool has been the match of default records with Internal Revenue Service files, allowing tax refunds to be offset by the amount of debt owed. This now brings in about $500 million each year. We are also implementing our new statutory authority to garnish defaulters' wages, and we have made debt collection an area for a "reinvention laboratory" to further increase our effectiveness.

Implementation of Direct Student Loan Program

Our proposal to phase in a Direct Student Loan Program is at the forefront of our initiatives in postsecondary education. It will streamline the process and reduce costs for students; it will provide them new repayment options, including fixed, graduated, extended, and income-contingent plans; and it will save the taxpayers $4.3 billion over the first 5 fiscal years and $2 billion each year thereafter.

We already had taken many steps to implement the Direct Loan Demonstration on a timely basis. All implementation activities are on schedule, including the publication of regulations, the selection of the first 250 schools, and the awarding of support contracts. Under the Reconciliation agreement, the Demonstration

Program will be replaced by the first year of the phase-in to Direct Loans. Because we had anticipated this contingency in our planning for the demonstration, we are prepared to make adjustments in our contract plans and get up to 5 percent of total loan volume in 1994, instead of the 4 percent called for in the Demonstration. We are also gearing up now for the required sharp jump in volume the second year to 40 percent of the total loan volume. This is a dramatic shift that will be occurring at the same time banks, guarantee agencies, and secondary markets are adjusting to the many new provisions affecting their participation in the old guaranteed student loan program.

In 1994, we will need $260 million and 267 FTE to administer the program; in 1995 this will increase to $345 million and 293 FTE. These resources will be needed for such activities as monitoring contract support, developing data systems, training institutional staff and monitoring programs, and overseeing guarantee agencies during their phase-out from the guaranteed program. The funds have been included in the Reconciliation bill under a mandatory authority. The necessary staff cannot be hired without a change in the Department's FTE ceiling. The sharp increase in loan volume and the need to manage a significantly changed guaranteed student loan program in 1995 makes it even more critical that the Department receive the requested FTE. Despite criticism from our opponents of our ability to administer this program, the Administration has achieved a tremendous legislative victory. It is imperative we be given the resources to deliver this program effectively to the Nation's students.

Implementation of this program offers the best and most visible opportunity to improve dramatically the public image of the Department. This will be one of the biggest challenges our Administration will encounter in education in the coming years, and we must do it right!

Staffing Needs in the Department

We are committed to contributing to the savings in full-time-equivalent (FTE) employment and administrative expenses as directed in the President's Executive Orders. However, particularly because of the Direct Loan program, but also because of other new legislative responsibilities arising from our initiatives in Goals 2000, Safe Schools, and School to Work, we will need an increase to our current ceiling.

Our 1994 President's budget reflects a reduction of 74 FTE, from 4,910 in 1993 to 4,836. The 1995 target declines another 74 FTE. Given the need to employ staff for our new responsibilities, we are considering ways of reallocating staff from lower- to higher-priority areas and through management improvements such as implementing a Department-wide strategic planning process. However, because of a low rate of attrition and the need to fill technical and policy-making leadership positions with persons with appropriate skills, there is no way we can achieve the planned reductions without extensive, involuntary Reductions-in-Force of up 15 percent of the current staff. A large RIF at this point would make it extremely unlikely that we could effectively undertake our new responsibilities and improve the management of the Department.

You should be aware that we inherited a Department that had been deprived of necessary administrative resources for some time. Since 1981 the number of education programs administered by the Department has increased over 50 percent, from 150 to 230, while its FTE has decreased nearly 30 percent, from 6,883 to 4,910. Recent reports from the Congress, the Office of the Inspector General, and the General Accounting Office have highlighted the lack of adequate staff in the Department to manage its ever-increasing workload and the critical need for improvements in such areas as managing the student aid programs and monitoring the Department's 230 programs in general.

In addition to implementing the Direct Student Loan program in 1994, we will need to manage implementation of the Administration's initiatives such as Goals 2000, the Safe Schools Act, and the School-to-Work Transition program. <u>We will need an exemption from the Executive Orders to handle these new responsibilities</u>. We are willing to take some actions to reduce our staffing in other, ongoing activities, but we would like your assistance in providing additional incentives to employees to spur attrition and to enhance retraining and reassignment opportunities. For example, we would like to obtain early-out retirement and voluntary separation pay, similar to the arrangements being used by the Defense Department and Central Intelligence Agency. We would also like to explore ways of giving staff incentives for taking on new, lower-graded responsibilities without losing all pay advantages.

Meeting the <u>training and development needs of our staff</u> is a high priority. We recognize that implementing the President's Executive Orders on reducing Federal staff will require better utilization of the remaining staff. An increased emphasis on training will be essential if we are to develop staff skills in a variety of areas such as financial management and quality management. Thus, we have requested a 26 percent increase for training and skills development in the 1994 President's budget, within the overall reduced level for administrative costs required by the Executive Order.

In addition, the employee survey revealed a concern about the lack of adequate support for training. In response, we set up a task force to study the use of training funds and to make recommendations to ensure adequate support for training across the Department. To date, the task force has compiled and analyzed data on funding and hours of training per employee for each office and has developed initial recommendations on ways to ensure that training remains a high priority.

We will also engage in efforts to increase the efficiency and cost effectiveness of training through the use of inhouse staff as trainers in an ED Faculty Program, through using technology to deliver training to employee workstations over the Local Area Network, and through streamlining the training registration and procurement process using our new automated TRAINS (Training Registration and Information System) system.

To maintain our commitment to hire individuals with disabilities, the Secretary has also requested from OMB an adjustment to our FTE ceiling to accommodate readers, interpreters, and personal assistants for these individuals since the Executive Orders continue a requirement that these support staff persons are to be counted against our ceiling. Even though our Department is one of the smallest Federal agencies, we employ 18 of these support staff or 10 percent of the government-wide total of 181. We must continue to meet the special needs of this valuable sector of our workforce.

I would note one final issue related to our overall management: the status of the renovation project for our headquarters building. Employees in FB-6 are scheduled for a temporary move, in early 1994, to FB-10 to accommodate the renovation which is now set to begin in June 1994. This renovation will also enable us to consolidate headquarters employees with staff in the Office of Educational Research and Improvement who are currently located on New Jersey Avenue. The addition of Direct Student Loan staff will raise further questions about the Department's space needs. We also have inadequate space situations in a number of our regional offices that need immediate attention.

High-Risk Areas

A final issue raised in your June 30 letter related to the adequacy of our plans to address the current high-risk areas, including an assessment of which areas might be removed from the list over the near term.

Of the Department's five items, two should probably remain on the list at the current time--Student Aid Program Management and Financial Management. Although we have made significant progress in each of these areas as I have described elsewhere in my letter, we still need more time to pursue further improvement efforts.

We feel that the remaining three areas can be removed from the list. The Post-Audit Activity area is being addressed adequately by our Management Audit Committee and the Federal Managers' Financial Integrity Act process. The Program Compliance, Performance, and Improvement Monitoring area is now one of our top priorities, and our Performance Measures Reinvention Lab will significantly improve this function. And in the ADP Security area, the required security reviews are now being performed.

Page 14 - Honorable Philip Lader

Conclusion

We have a very ambitious agenda before us--both to implement effectively our new initiatives and to improve vastly the administration of our existing programs. If we are to accomplish this agenda, we must truly reinvent the Department of Education so that we not only inspire confidence within the Congress and the education community, but also give the American people the kind of leadership they deserve and use our limited funds to leverage the greatest results in education.

We approach our task with great expectations and much enthusiasm. But we need your help. We look forward to working with you over the coming months as we move forward to meet these exciting challenges.

Sincerely,

Madeleine

Madeleine M. Kunin

Enclosures

83-460 907

DEPARTMENT OF EDUCATION

SUMMARY LIST AND DESCRIPTION OF MANAGEMENT INITIATIVES

Overall Leadership: The Secretary and Deputy Secretary have made improving overall management a top priority, addressing some of the inherited problems through President Clinton's 1994 budget; undertaking regular staff meetings with both political appointees and senior career staff; holding a weekend management retreat to build a spirit of teamwork; conducting a series of meetings on 1995 budget and legislative planning; articulating and communicating to all staff their major education priorities and strategies; and establishing numerous work groups in which both political and career employees work side by side to develop legislative and other initiatives.

Strategic Planning and Decisionmaking: Three formal structures have been established--an Executive Management Committee to oversee management and strategic planning; a Reinvention Coordinating Council to initiate and advise on efforts at "reinventing government" and quality improvement; and a Strategic Planning Process to enable each office to develop and effectively implement its mission and goals.

Culture Changes at the Department: The Secretary and Deputy Secretary have undertaken such activities as visiting and recognizing employees; disseminating the Department's mission statement; encouraging collaboration with other agencies on various initiatives; responding to the Employee Survey; forming an ad hoc committee to address the needs for improvement in the recruitment of minorities, particularly Hispanics; and emphasizing training for employees.

Improvement for Department's Programs and Clientele: Several initiatives focus on the needs of States and communities, including emphasizing in program monitoring a broad technical assistance role that can help States and localities improve student outcomes; integrating Department resources to support State efforts to achieve the National Education Goals; convening a panel of outside experts to advise on ED evaluations and the development of performance measures; and continuing to pursue efforts to consolidate or terminate programs.

Financial Management Improvements: Activities include creating a new Office of the Under Secretary to consolidate policy, legislative development, and budget, and a new organization of the Chief Financial Officer, including the Grants and Contract Service, to focus greater attention on financial management issues; developing a Financial Management Strategic Plan; enhancing the Management Audit Committee by focusing on audits with the highest potential payoff;

continuing to redesign the core financial management system; and improving our performance in cash management and financial statements.

Regulations: ED is pursuing improvements so that customers' needs can be more effectively met, including convening policy groups to identify and resolve problems early, reducing unnecessary regulatory burden, expediting the regulatory process and making regulations easier to understand, and streamlining rulemaking procedures.

Information Technology: The Department has developed a Strategic and Tactical Plan to improve ED's information technology resources and strategic planning and decisionmaking in this area; has requested funds to expand the LAN and to purchase new office automation equipment; and has established a committee to address data collection and dissemination issues.

Contracting: A review indicated no major problems; contracting is a critical function to ED in such areas as processing student aid applications and administering a Direct Student Loan Program.

Student Aid Management Improvements: A number of improvements for the current grant and loan programs are underway, including strengthening the student financial aid "gatekeeping process", expediting the National Student Loan Data System, and enhancing debt collections.

Implementation of Direct Loan Program: The new program will be phased in gradually and prudently to ensure a smooth transition, beginning in FY 1994; all implementation activities are on schedule.

Staffing Needs in the Department: Efforts are being made to achieve the savings in FTE as directed in the President's Executive Orders; at the same time, an FTE ceiling adjustment is needed to hire the additional staff for the Direct Student Loan Program and such key Administration initiatives as Goals 2000, the Safe Schools Act, and the School-to-Work Transition program, and for the support staff necessary to maintain the Administration's commitment to hire individuals with disabilities. Training is also a high priority.

High Risk Areas: Five ED areas, identified by the Department, are currently on OMB's high risk list. Sufficient progress has been made to warrant removing three items from the list --Post-Audit Activity; Program Compliance, Performance, and Improvement; and ADP Security. The remaining two--Student Aid Program Management and Financial Management--should probably remain on the list pending further improvement efforts.

UNITED STATES DEPARTMENT OF EDUCATION

THE SECRETARY

November 22, 1993

Honorable Leon Panetta
Director
Office of Management and Budget
Washington, DC 20503

Dear Leon:

I am writing to express my grave concerns over the potential impact on the Department of Education of an across-the-board application of the President's plan to streamline the bureaucracy. I am also transmitting with this letter my preliminary plan for a reduction in full-time equivalent (FTE) employment in the Department--a plan that reflects the extent to which, in my judgment, we can responsibly meet the requirements as outlined in your October 8 letter and other recent guidance.

As I have indicated to you previously, one of my highest priorities is to improve the management and the effectiveness of the Department in carrying out its dual mission of access and excellence. In just a few short months, our Administration has made a great start in education. We won a major victory with the enactment of the new Direct Student Loan Program and its promised $4.3 billion savings over the next five years and $2 billion a year after 1998; and we have gained considerable momentum in our other initiatives such as Goals 2000, School-to-Work, and the Elementary and Secondary Education Act reauthorization. We must be ready to carry out these challenges with diligence, effectiveness, and more positive leadership if we are to maintain our credibility with the American people. But we will not be able to do so without a major commitment to the management of this Department.

I am still astounded by the magnitude of the problems that faced us when we arrived--the troublesome administration of the complex student loan programs, the Pell Grant funding shortfall and the lack of control over the quality of institutions as pointed out by Senator Nunn in his recent hearings, inadequate resources for monitoring programs, the outmoded technology for basic staff functions, and the overall low morale of the Department's staff. In fact, we were inundated with reports on these problems from the Office of Management and Budget, the General Accounting Office, the Inspector General, and the Department's employees themselves. I have become increasingly concerned about the Department's ability to respond to these issues. In fact, over the past two weeks, I have personally made some further changes myself to the enclosed FTE plan.

Page 2 - Honorable Leon Panetta

The current management situation in the Department did not occur overnight. Since 1981, the Department's staff has declined by 30 percent, while the number of programs has grown by 60 percent. I have attached to this letter a graph that illustrates this dramatic impact. Even more importantly, these programs have become increasingly complex, more far-reaching in their services, and more visible in the eyes of the American people.

Neither can we expect to correct the situation overnight. While we all agree that merely adding numbers of staff is not the only answer, we cannot deny that an adequate level of qualified staff is certainly a critical part of the solution. We will vigorously pursue all efforts to increase the productivity of the Department through strategic planning and other management improvements so that we can, in effect, "do more with less."

My preliminary FTE plan would enable us to implement the new Direct Student Loan Program, manage the phase-out of the $60 billion guaranteed student loan portfolio, address deficiencies in the management of the $6 billion Pell Grant program, and implement our new initiatives in elementary and secondary education that address the National Education Goals. The plan reflects recommendations of the Vice President's National Performance Review for reducing staff, such as the early retirement incentive, consolidating and eliminating programs, and regional office restructuring. It builds on good management practices such as reallocating and retraining staff within the Department, consolidating and streamlining administrative functions, improving financial management activities, tightening our "gatekeeping" for schools that participate in Student Aid programs, and strengthening our monitoring of all Department programs.

In summary, my plan:

- Reduces the Department in total from its ceiling of 5,023 FTE in 1993 to 4,917 FTE in 1999.

- Provides staff for simultaneous management of Direct Student Loans and guaranteed student loans and upgrading the quality of other student aid programs by increasing the ceiling of 1,047 FTE in 1993 to 1,259 by 1999, including 26 FTE in offices other than the Office of Postsecondary Education.

- Reflects an 8 percent decrease, from the 1993 ceiling of 3,976 FTE to 3,658 FTE, for other staff within the Department, while still enabling us to implement other education initiatives of the Administration.

The enclosed plan includes a narrative overview of the assumptions and action steps on which the plan is based, an analysis of the FTE numbers by Office within the Department, and a section that describes the magnitude of the Department's workload in the recent past and in the foreseeable future.

In conclusion, Leon, I simply cannot recommend anything less for this agency. Too much is at stake. I very much appreciate the overall need to streamline the Federal bureaucracy, and we can and will do our fair share in this effort. But I would be remiss in carrying out my responsibilities were I to acquiesce in a plan that would surely jeopardize our stewardship role and the savings of billions of Federal dollars.

I urge your favorable consideration of my plan and the exemption for this Department from the overall 12 percent decrease. I will be happy to discuss this in more detail with you or to provide whatever additional information you might need.

Yours sincerely,

Dick

Richard W. Riley

Enclosures

cc: Alice Rivlin
Philip Lader
Isabel Sawhill

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

THE DIRECTOR

December 23, 1993

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND MAJOR AGENCIES

FROM: Leon E. Panetta
Robert E. Rubin

SUBJECT: Final Presidential Decisions on the FY 1995 Budget

The President has made final decisions on the FY 1995 Budget. This budget meets the commitments of this Administration to fiscal integrity and national priorities. The choices made have been extraordinarily difficult due to the necessity of presenting a budget within the constraints of a 5-year hard freeze on outlays. Despite these constraints, the President has increased funding for his key investment programs by approximately 18 percent. However, in order to make this possible, the FY 1995 Budget will require significant sacrifice in many other program areas.

We have attempted to make the development of this budget as open and collaborative a process as possible. We deeply appreciate your cooperation in this difficult challenge. Your participation and the close working relationship between staffs have been invaluable. Now that the President has completed his meetings with you and decided upon the composition of the budget, we will need your continued support, and that of your staffs, to complete the process of compiling the President's budget.

Attached to this memorandum are the approved funding and staffing levels for your departments and details on the composition of the budget. Your staff should immediately begin to work with OMB staff to translate the President's decisions into the data needed to support the FY 1995 Budget. Agencies can directly input budget data, and must do so by no later than January 7th. Therefore, it is imperative that agency staff begin this work promptly.

We stress that this is the President's budget, and it is inappropriate to discuss either the detailed numbers or the policy choices with the media or others outside the Administration until the budget is released. If you have questions concerning the decisions, please direct them to the OMB Program Associate Director responsible for your agency.

Attachment

EDUCATION DEPARTMENT
(dollars in millions)

		1994	1995	1996	1997	1998	1999
DISCRETIONARY TOTALS							
	BA	24,163	26,078	26,385	26,542	26,746	26,930
	O	24,533	24,046	25,775	26,267	26,521	26,721
INVESTMENTS WITHIN THE TOTAL							
Goals 2000	BA	105	700	1,000	1,000	1,000	1,000
	O	13	154	618	929	994	1,000
Title I (Comp. ed. account)	BA	6,924	7,579	7,821	8,064	8,309	8,554
	O	6,800	6,927	7,474	7,788	8,040	8,284
School to Work	BA	50	150	200	200	165	110
	O	6	52	135	188	195	165
Safe & Drug Free Schools	BA	487	660	660	580	580	580
	O	632	536	623	647	596	582
Pell shortfall	BA	180	118	0	0	0	0

1995 BA includes Pell shortfall BA of $118 million.

	1994	1995	1996	1997	1998
FULL TIME EQUIVALENTS	5,090	5,151	---	---	---

A waiver is provided in fiscal years 1994 and 1995 from the FTE levels called for in the Executive Order up to the level in the Secretary's plan, based on his commitment to use the increase primarily for student loan administration.

Mr. ISTOOK. Is the request and the scope of the grant totally limited to the lending program?

Secretary RILEY. Other than direct loans and Guaranteed Student Loan Programs, we have cut staff, I am told.

Mr. ISTOOK. But my question was whether the request and the grant from OMB to exempt you from these restrictions was limited to the Direct Student Lending Program or whether it was broader.

Secretary RILEY. Direct loans and guaranteed student loans; only in that area.

DEPARTMENT HIRING

Mr. ISTOOK. At the same time as you are adding people for the Direct Student Loan Program you have had different ones taking early retirement, the buyout with the $25,000 per person provision, and that has been 400 or so people within your department taking advantage of that early buyout?

Secretary RILEY. That is about right, yes, sir.

Mr. ISTOOK. So at the same time as you are letting some people take early retirement you are adding others. Doesn't that seem contradictory, that you are letting them take early retirement and paying them as part of downsizing when you are not really downsizing?

Secretary RILEY. Of course, the advantage to that, to the Federal Government, people come in at lower grades and we are careful about skilled people. If someone goes out on the top and another comes in at the bottom, there is a tremendous savings to the Government.

Mr. ISTOOK. Which sometimes depends upon whether they really do go out at the top and come in at the bottom. Do you know how many people have been added after the elections or added under the Ramspeck Act?

Secretary RILEY. I don't know that. We can supply that information.

[The information follows:]

Since November 3, 1994, the Department has hired 143 employees. Over 40 percent of those hired were in the Office of Postsecondary Education for implementation of the Direct Loans program.

Within this total, the Department has hired 7 employees subject to the provision of the Ramspeck Act. The salaries of these employees prior to coming to the Department totalled $577,361. The salaries of these employees after their appointments to positions in the Department now total $491,980.

DEPARTMENT BUYOUTS

Mr. ISTOOK. If you could provide me with the information regarding the people who have taken the early retirement and what their respective salaries and categories were and their numbers and the cost of that and then also the number of people that have been added contemporaneously due to the Direct Student Loan Program or others and what their respective pay grades, the breakdown, how many in this pay grade and how many in that and the cost of those—I would like to be able to do a meaningful comparison on that information as well as the Ramspeck additions.

I would be interested to know what pay grades they have come in at compared to what their pay grades were in their prior employment.

[The information follows:]

The Department has prepared the following charts for the Committee's information:

DEPARTMENT EMPLOYEES WHO TOOK BUYOUTS

Between May 1994 and January 1995, 431 employees took the buyouts offered by the Department. The total number of employees taking the buyouts was within the number approved by the Office of Management and Budget and therefore did not affect the Department's established Full-time Equivalent (FTE) ceilings for either 1995 or 1996. The first buyout in May 1994 was offered to all employees; the second buyout in November was limited to supervisors and managers, GS-13 and above. The third buyout in January 1995 was limited to employees, GS-14 and above. The distribution by grade levels of the employees who took buyouts follows.

Grade Level	Employees Who Took Buyouts
GS-15	48
GS-14	66
GS-13	87
GS-12	90
GS-11	29
GS-10	1
GS-9	31
GS-8	12
GS-7	27
GS-6	12
GS-5	12
GS-4	4
GS-3	0
GS-2	0
GS-1	0
Administrative Law Judge	1
Admin. Determined Salary Levels	1
ES-Senior Executive Service	10
Temporary/Intermittent	0
TOTAL	431

The salaries and benefits of all employees who took buyouts were $29,743,194. The total costs of $13,884,088 for the buyouts are listed below.

Incentive Payments	Lump Sum Leave Costs	9% Payments for Early Retirement
$9,645,836	$3,281,443	$956,809

DEPARTMENT EMPLOYEES HIRED AFTER THE BUYOUT

Since May 1994, when the first buyout was offered to employees, the Department has hired 569 employees. Some of these were part-time or summer employees. The Full-time Equivalent (FTE) would be lower. The distribution of these staff by grade levels follows.

Grade Level	Employees Hired After the Buyout
GS-15	14
GS-14	15
GS-13	25
GS-12	31
GS-11	27
GS-10	0
GS-9	36
GS-8	0
GS-7	169
GS-6	8
GS-5	20
GS-4	96
GS-3	39
GS-2	20
GS-1	12
Admin. Determined Salary Levels	10
ES-Senior Executive Service	7
Temporary/Intermittent	40
TOTAL	569

The estimated annual salaries and benefits costs for the employees hired between May 1994 and January 7, 1995 are $20,719,860. The annual salaries and benefits of those employees who took the buyouts was $29,743,194, for a net savings to the Department of $9,023,334.

HIRING FOR DIRECT LOANS

Secretary RILEY. The Direct Loans Program is in full operation. It depends on where we end up. We expect to save more for the Federal Government in our one department with 5,000 people probably to more than twice pay for our entire department. That is a new program.

Mr. ISTOOK. Have you completed that hiring or are you still doing additional hiring because of the Direct Lending Program and how many additional hires do you expect to have in those areas?

Secretary RILEY. I think we are winding down on that, but there are some. We are still hiring people, and reassigning some people from GSL, the old program to the new program, and training them for the new program. So there is some transfer, but we will supply all that information.

[The information follows:]

Currently there are 248 Full-Time Equivalents (FTE) administering the Direct Loans program and the transition for the Federal Family Education Loans (FFEL) program. The Department plans to hire an additional 98 FTE during 1995 to reach the 1995 ceiling of 346 FTE. Additional hiring as well as the redirection of staff from FFEL will take place in 1996. The total authorized in 1996 for this program is 496 FTE.

Mr. PORTER. Mr. Wicker.

STUDENT LOAN DEFAULT RATES

Mr. WICKER. Mr. Secretary, I apologize that I have not been here for your entire testimony. I was in another meeting. I don't think you have touched on the default rate on student loans. I understand the Department announced that the default rate has been dropping; is that correct?

Secretary RILEY. That is correct, yes, sir. It reached a peak, I think, of around 22 percent and it has, the most recent is 15 percent. So it has gone down very, very significantly, and in terms of putting that into dollars, from a high point of $3.6 billion down to $2 billion.

Mr. WICKER. $2 billion in this fiscal year you estimate will be paid out of taxpayer funds to cover default of student loans?

Secretary RILEY. Last year, yes.

Mr. WICKER. And the high point was over $3 billion; what year was that?

Secretary RILEY. 1991. Congressman, I don't mean we have stopped working on that. We are continuing to bring that down. It is still too high, but we are pleased that it is moving in the right direction.

Mr. WICKER. What initiatives do you have to bring that down?

Secretary RILEY. The 1992 higher education reauthorization had the triad, which had three levels of gatekeeping and also a supervisory analysis of that whole situation is being done by our Department and the groups that we had discussion about earlier—the State groups and the accreditation groups. So that is in process. It is very difficult. We are having tremendous cooperation, but it is working and it is moving in the right direction.

Mr. WICKER. Thank you, Mr. Secretary. Let me just ask you, I am sure you are aware that the Congress is going to be considering a rescission bill.

Can you tell me how much, what percentage of your FY '95 budget your department has already spent?

FORWARD FUNDING

Secretary RILEY. Well, let me—I had a lot of discussion earlier and—let me ask you to look over my statement after the hearing. But the issue of forward funding fits into that as a real problem for us in terms of looking at that issue.

Almost all of our programs connected with the schools are forward funded, so we have spent very little of our annual budget, because the funds really flow usually from April to July for the next year. The schools are all planning for the use of those funds—and contracts made and so forth, but actually they don't flow until they are funded—so most of our funds go out, or very soon start going out, but have not gone out yet.

Mr. WICKER. And——

Secretary RILEY. And I ask you to be sensitive to that, if you would, because that is a decision that was made to forward fund education, and I would certainly hope that we aren't treated differently because we are forward funded. That would be a very significant problem to the local schools all around the country if the forward funding was not acknowledged right along with everything else, because I know everybody is hunting for money now, but there is a reason for forward funding and that is the schools planning and making arrangements for their next year early.

Mr. WICKER. Do you have any information about how many employees in your department have actual classroom teaching experience? Can you get that for me?

EMPLOYEES WITH TEACHING EXPERIENCE

Secretary RILEY. I don't know. We can find out. That is an interesting question.

[The following information was obtained through an informal survey of Department Staff.]

DEPARTMENT EMPLOYEES WITH TEACHING EXPERIENCE

A quick, informal survey of Department staff revealed that at least 25 percent (close to 1,200 employees) have actual classroom teaching experience.

- These people are concentrated in areas of the Department where their classroom experience is most relevant and critical--teaching assistance, plan review, monitoring, and policy development of programs that give aid to the Nation's elementary and high schools. For example, about one-half of the staff working in the areas with the greatest direct impact on the nation's schools have had actual classroom experience.

- The percentage is much lower for staff in areas such as the Offices of the Inspector General and the Chief Financial Officer, where emphasis is placed on auditing skills and financial expertise.

- Almost one-quarter of Department employees are in the student financial assistance area, and many of these people have extensive experience at the postsecondary level in handling student financial aid and other areas of college administration. We have also responded to criticism of our management of the student financial aid programs by bringing on more staff with financial management expertise.

- About 40 of our employees currently take advantage of an opportunity for hands-on experience with students through their volunteer work at the Department's adopted school, Amidon Elementary in the District of Columbia. Of course, many more employees play an active role in the public schools attended by their own children, either as volunteers or as PTA members.

Estimates by principal operating component (POC) of Department staff members with classroom teaching experience are as follows:

POC	Staff on Board	Estimated Staff with Teaching Experience	%
Office of the Secretary	108	15	14
Office of the Deputy Secretary	19	9	47
Office of the Under Secretary	149	58	39
Office of the Chief Financial Officer	313	40	13
Office of Legislation & Congressional Affairs	25	5	20
Office of the General Counsel	114	26	23
Office of Management	298	34	11
Office of Intergovernmental & Interagency Affairs	106	47	44
Office for Civil Rights	782	225	29
Office of the Inspector General	342	49	14
Office of Elementary & Secondary Education	194	98	50
Office of Postsecondary Education	1,304	196	15
Office of Vocational and Adult Education	116	50	43
Office of Educational Research and Improvement	360	114	32
Office the Bilingual Education and Minority Languages Affairs	43	15	35
Office of Special Education and Rehabilitation Services	359	166	46
Advisory Councils	6	4	66
Office of Indian Education	34	12	35
TOTAL	4,672	1,163	25

Secretary RILEY. My capable staff says a lot. I would say this: One thing that I wanted to do when I came in was to have in my central office a classroom teacher and I asked a person whom I knew, who was a South Carolinian, a National Teacher of the Year, and was a person who was in Vietnam—she is half Vietnamese and half German. She was an orphan in Saigon and picked up and brought to this country by an American and raised in a family in Florida and is one of the most outstanding teachers that I have seen or known anything about.

She became Teacher of the Year in South Carolina and went on to be Teacher of the Year of the country. Her name is Terry Dozier. She has had enormous response from teachers all over America, and it is in line with the question you asked to make sure we are emphasizing teaching and the contact between teachers is very important to us.

Mr. PORTER. Mr. Istook has requested a 15-second question, and without objection that will be the final question.

ANNUITIES FOR RETIRED EMPLOYEES

Mr. ISTOOK. Thank you. Mr. Riley, I wanted to mention in addition to the information you are getting me for those persons who have retired, I would like to know what is the amount the government is paying them for retirement benefits, whether direct or fringe. I want to take into account the total cost of what we are paying those people, plus the salaries of the new people that came on board when we were supposed to be downsizing to have the full analysis.

Secretary RILEY. We will supply that for you.

[The information follows:]

The estimated annuity costs for the employees who retired under the Buyout program will be approximately $13 milion for the first full year. This includes both the direct payments to the annuitants and the related fringe benefits of health and life insurance. These costs are paid by the trust fund established by the Office of Personnel Management. Because the employees in the Civil Service Retirement System would eventually obtain some of these benefits, the cost should not be viewed as additional expenses. In fact, adjusted on a net present value basis and to account for a reduced service period, the reduced annuity costs could ultimately save the government money.

Mr. PORTER. Mr. Secretary, we very much appreciate your coming to testify and the members of your staff. We have learned, as we always do, a great deal in the course of the hearing and look forward to working with you when we see the President's budget to discuss the further question of rescissions. Thank you very much.

Secretary RILEY. Thank you Mr. Chairman.

[The following questions were submitted to be answered for the record.]

Mr. Porter. Provide a list of the programs that were originally consolidated into the Chapter 2 block grant in the early 1980s.

Secretary Riley. The following list includes all antecedent programs to the Education block grant (Education Consolidation and Improvement Act, Chapter 2).

1. Alcohol and Drug Abuse Education
2. Basic Skills Improvement
3. National Diffusion Program
4. Educational Television Programming
5. Cities in Schools
6. PUSH for Excellence
7. Metric Education
8. Arts in Education
9. Consumers' Education
10. Telecommunications Demonstrations
11. International Understanding
12. School Libraries and Instructional Resources
13. Improving Local Educational Practice
14. Strengthening State Education Agency Management
15. Basic Grants to LEAs
16. Special Projects and Programs
17. Grants to Non-profit Organizations
18. Magnet Schools, Neutral Sites, and Pairing Grants
19. Educational Television Programming
20. Evaluation
21. Community Schools
22. Gifted and Talented
23. Ethnic Heritage
24. Pre-college Science Teacher Training
25. Teacher Corps
26. Teacher Centers

Mr. Porter. Provide the most recent data available on State overmatching in the State Student Incentive Grant Program.

Secretary Riley. States must meet two requirements for matching the funds provided under the State Student Incentive Grant program:

-- at least a dollar-for-dollar match of the Federal funds provided;
-- a three year average maintenance-of-effort requirement.

In 1992-93, 41 States exceeded these two requirements, or overmatched, by more than $1,000. The total overmatching in the program totaled approximately $560 million.

Mr. Porter. What volume of loans could still be made in the next fiscal year if there were not additional Perkins capital contributions.

Secretary Riley. We estimate that over $794 million would available for new Perkins loans in 1996 if no additional appropriated funds were provided for capital contributions.

Mr. Porter. How many public libraries exist in the U.S.? How many of these libraries receive funding from the library services program? What is the average size of this grant?

Secretary Riley. The most recent edition of *Public Libraries in the United States* (National Center for Education Statistics, 1992) reports that there are 8,946 public libraries in the United States. These public libraries have 15,872 branch and central outlets, not counting bookmobiles.

We do not have data regarding the exact number of these libraries that receive funding under the Library Services and Construction Act (LSCA). Under LSCA, three programs, Public Library Services, Public Library Construction, and Interlibrary Cooperation provide formula grants to 55 State library administrative agencies. State library administrative agencies then make subgrants, some of which go to individual public libraries, but many of which go to systems or networks of libraries, or they use funds directly to benefit all of the public libraries in the respective State. Because States do not report the number of public libraries benefiting from subgrants or State activities, we do not know how many public libraries receive LSCA funds. In 1993, the most recent year for which we have data, States reported making 2,790 subgrants, which means that at least that number of public libraries received LSCA funds.

We also do not have data from States to support an estimate of the average size of an award to a public library. However, based on anecdotal information from State librarians and monitoring visits, we estimate that the subgrants that go to individual public libraries average about $25,000. The size of subgrant awards varies greatly, from less than $1,000 to more than $100,000, and awards for some construction projects are substantially larger.

Mr. Porter. What is the estimated level of need nationwide for elementary and secondary school renovation and construction?

Secretary Riley. The Department has not conducted surveys in this area for some years. However, the General Accounting Office has completed a study of school construction and renovation needs, which Senator Mosely-Braun will release on February 1.

According to GAO, American schools would require an estimated $112 billion to repair or upgrade facilities to good overall condition. About one-third of schools, attended by some 14 million students, need extensive repair or replacement of one or more buildings. Among the remaining two-thirds of schools, most also have problems with at least one major building feature or environmental condition.

The Department has not yet had the opportunity to review the research methodology underlying the GAO estimates. Thus I cannot comment as to their validity.

Mr. Porter. What are your current estimates for 1995-1996 Pell grant program participation and what is the cost of this participation at the current maximum grant?

Secretary Riley. We estimate that there will be 3,858,000 Pell Grant recipients in 1995-96 at a cost of $5,990 million.

Mr. Porter. How much Pell grant funding currently goes to students who do not have either a high school diploma or an equivalency diploma?

Secretary Riley. Based on data from the 1990 National Postsecondary Student Aid Study, we estimate that 5 percent of Pell Grant funding goes to students who do not have a high school diploma or its equivalent.

Mr. Porter. What is the extent of State overmatching in the vocational education basic State Grant program?

Secretary Riley. Because the Perkins Act no longer requires a State "match" (except for administration), the Department does not collect data on "overmatching" in the basic State grants program. However, based on data collected informally during site reviews, we believe that States and localities, on average, match Federal dollars at a rate of nine or ten to one. In some cases the extent of overmatching may be as high as twenty to one.

Mr. Porter. Describe your current timeline for the State postsecondary review program. How many State plans will be approved by quarter in fiscal year 1995 and 1996? How many are currently approved? How many reviews are projected to be conducted by quarter in 1995. and 1996?

Secretary Riley. All 50 States have signed agreements with the Department to administer the program and implementation is well underway. At present, I have approved the standards for three States. I anticipate approving about another 20 State standards in the next few months. Of course, our schedule of approval is contingent upon when the remaining States actually forward their plans to the Department for approval. The schedule by quarter for both approval of standards and State reviews of institutions is listed below.

	FY 1995			
Fiscal quarter	1st	2nd	3rd	4th
Approval of Standards	0	23	12	12
State Reviews	0	5	115	180
	FY 1996			
Fiscal quarter	1st	2nd	3rd	4th
Approval of Standards	4	0	6	0
State Reviews	150	200	250	300

Mr. Dickey. Can you tell me or provide me with a chart that indicates the level of funding over the past two years that has been allocated for rural and urban areas for the Tech-Prep program?

Secretary Riley. These data are not available. Under the Tech-Prep program, States receive Federal funds by formula, but then they can distribute those funds within the State by either formula or discretionary means. We do not require States yo chart the distribution between urban and rural areas as part of their data collection activities.

Mr. Dickey. Last year you informed this committee that funds for the Safe and Drug-Free Programs were to support an improved program that would link schools and communities in the development and implementation of comprehensive prevention strategies. Can you inform me exactly what a prevention strategy is as defined by this program? Can you provide me with any statistics that can prove the effectiveness of this program?

Secretary Riley. Under the recently reauthorized program, local educational agencies have tremendous flexibility in spending their Safe and Drug-Free Schools and Communities program funds, provided that they adopt and carry out a comprehensive drug and violence prevention program that is designed for all students and employees to: (1) prevent the use, possession, and distribution of tobacco, alcohol, and illegal drugs by students and to prevent the illegal use, possession, and distribution of such substances by employees; (2) prevent violence and promote school safety; (3) create a disciplined environment conducive to learning; and (4) include activities to promote the involvement of parents and coordination with community groups and agencies.

The Safe and Drug-Free Schools and Communities Act defines the term "drug and violence prevention" as follows:

> With respect to drugs: prevention, early intervention, rehabilitation referral, or education related to the illegal use of alcohol and the use of controlled, illegal, addictive, or harmful substances, including inhalants and anabolic steroids;
>
> Prevention, early intervention, smoking cessation activities, or education, related to the use of tobacco by children and youth eligible for services under this title; and
>
> With respect to violence: the promotion of school safety, such that students and school personnel are free from violent and disruptive acts, including sexual harassment and abuse, and victimization associated with prejudice and intolerance, on school premises, going to and from school, and at school-sponsored activities, through the creation and maintenance of a school environment that is free of weapons and fosters individual responsibility and respect for the rights of others.

Under the program, local educational agencies will develop their programs in consultation with a local or regional advisory council that includes representatives of local government, business, parents, students, teachers, appropriate State agencies, private schools, the medical profession, law enforcement, community-based organizations, and other groups with interest and expertise in drug and violence prevention.

Statistics alone cannot prove the effectiveness of these programs, because so many other factors affect students' attitudes and behavior towards violence and drug use. Nonetheless, evaluations of school- and community-based drug prevention efforts funded under the former Drug-Free Schools and Communities Act have identified successful prevention programs. Many of these programs will be identified in a forthcoming report to Congress on the effectiveness of such programs.

Mr. Dickey. How much of the FY 1995 funds have been obligated for the Art in Education program?

Secretary Riley. To date, none of the $12 million of the fiscal year 1995 appropriation for the Arts in Education program has been obligated. All of this appropriation is forward funded.

Mr. Dickey. How much of the FY 1995 funds have been obligated for the Education for Native Hawaiians program?

Secretary Riley. To date, none of the $12 million of the fiscal year 1995 appropriation for the Education for Native Hawaiians program has been obligated.

WEDNESDAY, JANUARY 18, 1995.

OUTSIDE WITNESSES

WILLIAM D. HANSEN, FORMER ASSISTANT SECRETARY OF EDUCATION FOR MANAGEMENT AND BUDGET

ALLYSON TUCKER, HERITAGE FOUNDATION

Mr. PORTER. We will now ask the outside witnesses on the first panel to come forward. That would be William Hansen, the former Assistant Secretary of Education for Management and Budget and Allyson Tucker of the Heritage Foundation.

I would say that we have gone over on our first portion of our hearing by 20 minutes. We will have 40 minutes to allocate to the outside witnesses. We will allocate 20 minutes to the first panel and 20 minutes to the second and that will have to include also questions. So to the extent that the witnesses can present their testimony and leave time for questions that members of the subcommittee might have, that will help us in our deliberations.

First, William Hansen, the Assistant Secretary of Education for Management and Budget to the previous administration. Please proceed in any way you wish.

Mr. HANSEN. Thank you very much, Mr. Chairman. It is a pleasure to be here. I feel like Alice in Wonderland, where two years ago I was representing the Department and you were on the other side. Everything is upside down and I am happy for both of us.

I would like to take this opportunity to talk about the Department's budget and programs and about the overall mission of the Department. I think that I am going to somewhat depart from my testimony and address some of the issues that were talked about this morning.

I think the first issue that we need to think about is what the appropriate Federal role in education should be. I think it is important to note that only 5 percent of total elementary and secondary dollars spent nationwide are from the Federal Government. It is in the context of this limited contribution that the appropriate Federal role in support of elementary and secondary education should be established.

Five percent of total elementary and secondary spending nationwide can and should be directed toward ensuring equal access and promoting educational excellence. Such limited funding cannot and should not be represented as a substitute for the local resources available and should not be provided to States in a manner that undermines the proper administration of the 95 percent of resources provided at the State and local level.

My experience suggests that true local control of education priorities at the elementary and secondary level promotes local support for education and parental involvement. Local support will become increasingly important in the coming years. Parental involvement, in my view, is an absolute necessity if the problems in our schools are going to be addressed appropriately.

Unfortunately, many of the Federal initiatives of the last several years have run contrary to these principles. Two former Secretaries of Education, Lamar Alexander and Bill Bennett, recently called for return of control of education to State school boards and parents.

In their report entitled, "Local Options," the Secretaries suggest that literally dozens of Federal programs should vanish, with those resources being available for Federal tax cuts or through an expanded version of the Chapter II program to States and communities to do with what they judge best.

My experience in managing programs and personnel at the Department of Education suggests that the benefits derived from dozens of the Federal elementary and secondary education programs may be outweighed by the administrative burdens associated with administering those programs.

For example, a 1991 survey of Ohio school districts determined that each school district in the State was required to complete 330 reports and forms of which 157 submissions were to the State and 173 were federally required. This study suggested that the Federal Government is responsible for 55 percent of the paperwork burden while Federal funds accounted for only 5 percent of the resources available to the school districts.

Secretaries Alexander and Bennett recommended that the guiding principles for Federal education programs should be choice, deregulation, innovation, accountability and serious assessment. I believe that if the Department of Education adopted these principles as a standard by which to review existing programs many of the programs would be found in need of repeal or substantial revision.

I would like to address the Secretary's issue a bit about funding history of the Department. Today it totals nearly $33 billion with 240 programs. When the Department was created in 1980 the budget was $14 billion with 150 programs. The Department's budget has grown over 50 percent in real dollars since its inception.

The expansion of Federal programs has led to obvious duplication and increased Federal intrusion at States and local levels. Since 1980 over $350 billion have been appropriated at the Federal level to support education programs. There has been much good accomplished in these programs with disadvantaged students receiving Chapter I services, disabled youngsters being given opportunities that they didn't have 30 years ago, and millions of students who have had postsecondary education now made more affordable. But notwithstanding the expenditure of these monies, public confidence in America's education system appears to be close to an all-time low.

Parents and the general public question whether the Federal mandates and programs in the education area are producing the results they desire for their children. Given that the concept of an aggressive, expansive Federal leadership role has been tested over the past decade, I believe it is time to give State and local administrators and even more importantly families the leadership opportunities.

As taxpayers and members of this subcommittee, we should ask some tough questions about each of the Federal education programs as you are considering your budget and rescissions.

First, are students performing as well today as their parents did? Are we rewarding dependency and mediocrity? How can we reward excellence and quality? How can parents be given more control and responsibility over local education?

Is the public getting its money's worth? I believe that many of the current programs fail to positively address the standards reflected in these questions. The Congress should consider starting over with a clean slate in determining which programs, new or old, are necessary and which appropriations will be required to accomplish the Department's mission.

Congressman Goodling, Chairman of the Education and Economic Opportunities Committee, said recently that he hopes that the term "reauthorization" could be stricken from the dictionary. We shouldn't assume programs are going to continue year after year, but intensively examine them to make sure they are still needed and achieving a purpose.

Similarly, I would suggest adding sunsets to some programs, laws and regulations. I wholeheartedly endorse Mr. Goodling's suggestions. In my view there has been little accountability for results to taxpayers in the way that the Department has spent their $350 billion dollars over the last 15 years. A much simpler system could be put in place with less strings attached.

Between 1981 and 1992 there were numerous legislative and administrative initiatives to help mold the mission of the new Cabinet agency. I think in the early 1980s two of the most important things to help downsize the Department were accomplished in the Reagan administration and did not occur on Mr. Riley's watch.

One was the consolidation of the 42 elementary and secondary programs into the block grants and another was privatizing the loan collection programs. The Department was downsized from 7,500 employees starting in the 1980s down to 4,500 employees in the late 1980s and early 1990s. There are now about 5,100 employees and are continuing to grow.

At the same time the number of programs authorized by the Congress grew from 132 to 240. I think that clearly in the past 12 years more was done with less. I think right now less is being done with more. We are now told the Department of Education is once again reinventing itself.

Given the high level of parental and general frustration with education quality, it is appropriate for this subcommittee to provide to the Department the clear indication of the direction this reinvention should take.

Congress should examine several areas of recent activities at the Department of Education and set clear priorities for the Department. The fact the Department already has over 5,100 employees and plans to hire 600 more to manage the Direct Student Loan Program is cause for concern about the Department's mission at a time of governmentwide streamlining and privatization.

I must say about the Secretary's assertions that the Direct Loan Program saves $4 billion, those assertions are true under the illusory and the smoke and mirror current budget scoring situation, but the Congressional Budget Office has said that the savings are more likely to be $2 billion and the Congressional Research Service and some leading economists, including Rudy Penner, the former Director of CBO, has said that if direct lending was full blown and you had $165 billion to $200 billion in Federal debt issue that that could actually increase interest rates in the overall economy and the cost savings would be wiped out with the most incremental interest rate increase.

What is being looked at are solely with blinders on and not with the overall impact on the overall economy and the Nation.

The direction that Congress provides for the Department's programs and budget should play a key role as the department reinvents itself.

There are a couple of things this subcommittee should look at. First is deregulation. One of the best ways to deregulate is to consolidate programs and get rid of programs.

In terms of consolidating programs, if you have, for example, six scholarship programs that are being managed by 20 people and you could consolidate it into one program, you would be able to run that with fewer people. The Chapter II Block Grant Program right now is administered by half a dozen people. If you look at the Impact Aid Program, that is administered by 70 or 80 people. Clearly, if things are block granted that is an easier way to downsize the Department.

Lastly, the Department should also cap or phase out the Student Loan Program. This program runs directly counter to the principles outlined in the National Performance Review. Instead of streamlining the Federal bureaucracy, direct lending would grow, the Department, as President Clinton has exempted the Department from his Executive order, as Mr. Istook mentioned previously.

Rather than support market-driven solutions that focus on customer service, direct lending would wipe out tailored private sector organizations that focus on serving the customer in favor of the Washington model. Of particular concern to this subcommittee should be the fact that the 1993 Student Loan Reform Act created an unprecedented $2.5 billion administrative entitlement fund for the implementation of the Direct Loan Program.

Unlike all other government administrative funds, those associated with the direct government loan program are not subject to the annual appropriations review process. Yesterday, a bipartisan bill was introduced by Chairman Goodling to cap the Direct Loan Program, which would also improve congressional oversight of the billions of dollars that the Department will spend to administer direct loans.

Congressman Bart Gordon, the Democrat from Tennessee had some default language as part of that bill. The question for Mr. Wicker is right now schools can join the Direct Loan Program and the best way to kick out those schools that don't deserve it is the default rate calculation if they are over 25 percent.

Right now schools do not have to get into the Direct Loan Program. There will be no default calculation. I don't think it is any surprise that two-thirds of the schools that are in the Direct Loan Program happen to be proprietary and trade schools and won't have the same integrity provision to address.

Since the establishment of the Department under President Carter, presidents of both political parties have submitted budget requests to zero fund dozens of education programs because they have largely or completely achieved their original or intended purpose, were duplicative of other programs or could be supported by other funding sources.

For example, in President Bush's final budget, he called for the elimination of 39 set proposals. President Clinton submitted 34. They were pretty much a mirror of one another. Congress eliminated 12, I think, as a starting point and this year the committee should go after those 25 to 30 other programs immediately.

Without full knowledge of the status of funds obligated and allocated within the Department, I am not sure that I could thoughtfully give you other potential rescission issues until I have seen what has been allocated by the Department, but I would be happy to work with the committee in helping to go through that process.

I do think that some of the issues of the major formula grant programs, those monies need to be looked at not necessarily for zero funding, but for possible reduction. I think that the new program such as Goals 2000 and other new reauthorizations should be given serious consideration for partial or total rescission. It is important not that sometimes programs start small, but grow and grow and they never turn back.

I think the subcommittee should also give serious thought to an across-the-board cut in the Department's salaries and expenses account. As part of the direct loan administrative account, Mr. Goodling's bill had a reduction in the fiscal year 1995 budget of $50 million for the Direct Loan Program account. I will, at this point, turn it over to Ms. Tucker.

[The prepared statement of William D. Hansen follows:]

Statement by

William D. Hansen

on

Department of Education Budget and Rescissions

Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to appear before you today to testify on the Department of Education's budget and programs. My comments today reflect my experiences during the Reagan and Bush Administrations as well as my observations related to the direction that I believe federal education policy should be headed.

As the Subcommittee weighs the heavy issues of setting program budgets and rescissions, it is important to understand the broader context of the Department's mission. The development of a coherent federal education policy necessitates that budget and program priorities reflect a set of principles. During the Bush Administration, Secretary Lamar Alexander identified such principles in the form of a mission statement for the Department. The statement said that the Department's mission is, "to ensure equal access to education and to promote education excellence throughout the Nation." I believe this mission statement should continue to guide the Department.

It is with this mission statement in mind that I will address several areas relevant to program rescissions today:

-- the Federal Role in Education;

-- the Funding History of the Department;

-- the Size and Scope of the Department; and,

-- Fiscal Years 1995 and 1996 Budget Policy Options.

Federal Role in Education

Mr. Chairman, the federal contribution to education today consists of only five percent of the total elementary and secondary dollars spent nationwide. It is in the context of this limited contribution that the appropriate federal role in support of elementary and secondary education should be established. Five percent of total elementary and secondary spending nationwide can and should be directed toward ensuring equal access and promoting educational excellence. Such limited funding cannot and should not be represented as a substitute for the local resources available and should not be provided to states in a manner that undermines the proper administration of the 95 percent of resources provided at the state and local level.

My experience suggests that true local control of education priorities at the elementary and secondary level promotes local support for education and parental involvement. Local support will become increasingly important in the coming years. Parental involvement, in my view, is an absolute necessity if the problems in our schools are to be addressed. Unfortunately, many of the federal initiatives of the past several years appear to run contrary to these principles.

Two former Secretaries of Education, Lamar Alexander and William Bennett, recently called for the return of control of education to states, school boards, and parents. In their report entitled, "Local Options," the Secretaries suggest that literally dozens of federal programs should vanish and with those resources being available for federal tax cuts or through an expanded version of the Chapter 2 program to states and communities to do with as they judge best.

My experience in managing programs and personnel at the Department of Education suggests that the benefits derived from dozens of the federal elementary and secondary programs may be outweighed by the administrative burdens associated with administering those programs. For example, a 1991 survey of Ohio school districts determined that each school district in the state was required to complete 330 reports and forms, of which 157 were submissions to the state, and 173 were federally required. This study suggested that the federal government was responsible for 55 percent of the paperwork burden while federal funds accounted for only five percent of the resources available to the school district.

Secretaries Alexander and Bennett recommended that the guiding principles for federal education programs should be choice, deregulation, innovation, accountability, and serious assessment. I believe that if the Department of Education adopted these principles as a standard by which to review existing programs, many of the programs would be found in need of repeal or substantial revision.

Funding History of the Department of Education

The current appropriation for the Department totals nearly $33 billion which funds 240 categorical programs. The Department's first budget year as a cabinet agency was FY 1980. In 1980, the budget was just over $14 billion, funding about 150 programs. The Department's budget has grown over 50 percent in real dollars since its creation. This expansion of programs has led to obvious duplication and increased federal intrusion at the state and local levels.

Since 1980, more than $350 billion have been appropriated to carry out the Department's programs. Of course, much good has been accomplished with these funds. Millions of disadvantaged youth have received Chapter 1 services, disabled youngsters have been given opportunities they may not have known thirty years ago, and millions of students have had a postsecondary education made more affordable.

Notwithstanding the expenditure of these monies, public confidence in America's education system appears to be close to an all time low. Parents and the public generally question whether the federal mandates in programs in the education area are producing the results they desire for their children. Given that the concept of an aggressive, expansive federal leadership role has been tested over the past decade, I believe it is time to give state and local administrators, and even more importantly families, the leadership opportunity.

We as taxpayers, and the Members of this Subcommittee, should ask tough questions regarding each of the federal education programs under consideration for rescissions. Are students performing as well today as their parents did? Are we rewarding dependency and mediocrity? How can we reward quality and excellence? How can parents be given more control and responsibility over local education? Is the public getting its money's worth? I believe that many of the current programs fail to positively address the standards reflected in these questions.

The Congress should consider starting over with a clean slate in determining which programs (new or old) and necessary appropriations will be required to accomplish the Department's mission. Congressman Bill Goodling, Chairman of the Economic and Educational Opportunities Committee, said recently that he hopes that the "term 'reauthorization' be stricken from the dictionary...We shouldn't assume programs are going to continue year after year, but intensively examine them to make sure they are still needed and achieving their purpose. Similarly, I would suggest adding sunsets to some programs, laws and regulations." I wholeheartedly endorse Mr. Goodling's suggestions.

In my view, there has been next to little accountability for results for the taxpayer in return for their $350 billion investment in the Department of Education during the last 15 years. Evidence suggests that local governmental control and responsibility is undermined by federal requirements, and paperwork preoccupies state and local education authorities.

A much simpler delivery system to states and local agencies could be implemented without federal dictates and with continued receipt of federal funds simply contingent on the recipient showing evidence that learning is improving. Likewise, a leaner Department could focus on assessing the results, data collection, and appropriate audit procedures.

Size and Scope of the Department

Between 1981 and 1992, there were numerous legislative and administrative initiatives to help mold the mission of this new cabinet agency. In the early 1980's a major consolidation of 42 elementary and secondary programs took place which resulted in the creation of the Chapter 2 Block Grant. During that same time period, the student loan collection activities were privatized. Although not termed "reinventing government" the Department was downsized from 7,500 employees in 1980 to an average of about 4,500 employees during the late 80's and early 90's. At the same time, the number of programs authorized and funded by Congress grew from 132 to 240. Clearly, more was done with less.

We are now told the Department of Education is once again reinventing itself. Given the high-level of parental and general frustration with education quality, it is appropriate for this Subcommittee to provide the Department with a clear indication of the direction this reinvention should take. Congress should examine several areas of recent activities at the Department of Education and set clear priorities for the Department. The fact that the Department already has over 5,100 employees and plans to hire 600 employees to manage the direct student loan program is cause for concern about the Department's mission in a time of government-wide streamlining and privatization. The direction that Congress provides for the Department's programs and budget should play a key role as the Department reinvents itself. Congress should examine the following areas in setting priorities for the Department:

First, the Department has taken on a high handed regulatory effort with States, school districts, and college campuses that should be reined in. One of the best ways that Congress can curtail the Department's zeal to overregulate is by abolishing or amending burdensome programs and using its oversight authority as a means for providing a proper check and balance.

Second, the Congress, in particular the authorizing committees, should deauthorize all unfunded programs. This initiative would also assist on the deregulation front and prevent unnecessary budget battles.

Lastly, the Congress should cap or phase-out the Direct Student Loan Program. This new program runs directly counter to the principles outlined in the National Performance Review. Instead of streamlining the federal bureaucracy, direct lending would grow the Department of Education as President Clinton has exempted the Department from his Executive Order on downsizing government which has paved the way for 600 new bureaucrats to join the federal workforce. Rather than support market driven solutions that focus on customer service, direct lending would wipe out tailored state and competing private-sector organizations that focus on serving the customer, in favor of a Washington monolith.

Of particular concern to this Subcommittee should be the fact that the 1993 Student Loan Reform Act created an unprecedented $2.5 billion administrative entitlement fund for the implementation of the direct loan program. Unlike nearly all other government administrative funds, those associated with ED's direct government loan program are not subject to annual appropriations and review. Yesterday, a bipartisan bill was introduced by Chairman Goodling to cap the direct loan program which would also improve congressional oversight of the billions of dollars that the Department will spend to administer direct loans.

FY 1995 & FY 1996 Budget Policy Options

Since the establishment of the Department of Education under President Carter, Presidents of both political parties have submitted budget requests to zero-fund dozens of education programs because they have largely or completely achieved their original intended purpose, were duplicative of other programs, or could be supported by other funding sources. For example, in President Bush's final budget, he called for the elimination of 39 education programs that fell into the categories just mentioned. President Clinton, both in his budget submission and as part of the National Performance Review recommended that 34 programs be eliminated -- almost identical to a list that President Bush developed. Last year, Congress did eliminate 12 of these programs. As a starting point for finding savings in the FY 1995 and FY 1996 budgets, this Subcommittee should first look to the remaining programs in these previously submitted recommendations.

Without full knowledge of the status of funds obligated and allocated within the Department for each of the categorical programs, it would not be prudent for me to make specific recommendations at this time on a recommended rescission package. I will work diligently with the Subcommittee to lay out possible scenarios for program reductions as the Department provides the funding status of each program to this Subcommittee. These funding details will be important so that decisions can be made by the Congress with all the information at hand.

Major formula programs should be analyzed as well for potential cost

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savings, although not necessarily for elimination. However, new programs such as the Goals 2000 and other new authorizations in which first year funds have not been released should be given prime consideration for partial or total rescission.

The Subcommittee should also give serious thought to an across-the-board cut in the Department's Salaries and Expenses Accounts. One area within these accounts that should be reduced are the two dozen federal advisory panels. Similarly, on another administrative account, as I referenced earlier, Chairman Goodling introduced legislation yesterday to cap the direct loan program at year two school participants. Included in the Student Loan Evaluation and Stabilization Act is a $50 million reduction in the FY 1995 budget authority for the direct loan program administration account (a reduction from $345 to $295 million and additional reductions in future years). It should be noted that the direct loan administrative account falls under the mandatory account and the other administrative accounts fall under the discretionary account.

Mr. Chairman. I will be happy to respond to any questions you or Subcommittee Members may have.

Biographical Sketch

Name	:	William D. Hansen
Personal	:	Born May 13, 1959 (Pocatello, Idaho): married, six children
Education	:	B.S. in Economics, George Mason University

Experience

1993 - Present	:	Executive Director, Education Finance Council
1993	:	Consultant
1991 - 1993	:	Assistant Secretary For Management And Budget & Chief Financial Officer, U.S. Department of Education
1991	:	Assistant Secretary For Legislation And Congressional Affairs (Acting), U.S. Department of Education
1990 - 1991	:	Deputy Under Secretary For Planning, Budget And Evaluation (Acting), U.S. Department of Education
1989 - 1990	:	Deputy Assistant Secretary For Legislation And Congressional Affairs, U.S. Department of Education
1989	:	Senior Research Associate (Office of the Secretary), U.S. Department of Education
1989	:	Consultant (Office of the Secretary), U.S. Department of Energy
1988 - 1989	:	Deputy Director For Public Affairs (Office of the Secretary), U.S. Department of Commerce
1987 - 1988	:	Deputy Assistant Secretary For Elementary And Secondary Education, U.S. Department of Education
1984 - 1987	:	Executive Assistant For Legislative Affairs (Office of Legislation), U.S. Department of Education
1981 - 1984	:	Legislative Assistant (Office of Legislation and Public Affairs), U.S. Department of Education

Professional

Commissioner, Governor's Champion Schools Commission
Chairman, Committee on Student Support Services and Transition to Work

Principal, Council on Excellence in Government

Member, National Policy Forum
Committee on Reducing the Size and Scope of Government

Mr. PORTER. Thank you very much for your testimony. We realize the time constraints and appreciate your providing it to us in writing.

Ms. Tucker, we will have to stand in recess for a moment while I go and vote. I expect that members of the subcommittee will be back and we can resume in just a moment. The committee will stand in recess briefly.

[Recess.]

Mr. BONILLA [presiding]. We will now resume the committee hearing this morning. We thank Mr. Hansen for appearing today and in light of time I think Members are going to be asked by the chairman to submit their questions in writing and we appreciate your being here with us.

At this time, we will proceed with GAO. Is Ms. Director Morra here? We'll be pleased to hear from you at this time.

In light of the fact that Ms. Tucker has just returned, we will resume with the order and hear from Allyson Tucker.

Ms. TUCKER. I am happy to be here this morning also. We are here today to discuss ways to cut the 1995 budget through rescissions.

Despite rhetoric heard earlier, only a very small percentage of the $31 billion the Federal Government spends on education actually makes it to the classroom. Bill has told us that it accounts for 5 percent of the total education spending in this country, but of that 5 percent most goes to fund technical assistance, clearinghouses, information and civic programs that educators in our States and communities neither need or want.

I spend a good amount of my time working with educators in these States and communities. When asked what the Federal Government and Congress could do to improve their schools, they reply, and I quote: Leave us alone, get out of our way, give us flexibility, but more importantly, let us keep our money, use it for programs we feel will help our schools.

Federal funding for education has tripled in constant dollars from 1965 to the present. Student performance by contrast has declined over the same period. Clearly, additional Federal spending on education is not the answer. Yet the Clinton administration, in its 1995 budget, sought $26.1 billion, a $1.7 billion increase in discretionary budget authority.

Similarly, the Clinton administration sought $5.6 billion, an increase of $1.1 billion or 25.4 percent in the $4.5 billion spent in 1994 for mandatory programs. They sought a total increase in budget authority from $28.8 billion to $31.7 billion, an increase of $2.8 billion, or 9.9 percent. So we are talking about a department that is growing about 10 percent a year, which is pretty large given the financial constraints that every one else has talked about in every other department for the past few years.

The appropriation for the Federal Department of Education has more than doubled in the last 14 years from $14 billion to approximately $31 billion. From 1981 to 1992 the amount the U.S. Congress appropriated for the Department of Education was actually greater than the amounts that Presidents Reagan and Bush asked for in their budget every year.

Since Bill Clinton has taken office, the President's request for the Department of Education has exceeded the appropriation. It is also interesting to note the amount spent by the Department of Education for postsecondary education, which includes programs like student loans, Pell grants, research grants, was greater than the amount spent on elementary and secondary education from 1981 to 1990. This was because the original role of the Federal Department of Education was to ensure access to postsecondary education and fund research programs.

The Clinton administration has reversed its historical breakdown and now spends more on elementary and secondary than on postsecondary education. This is unfortunate since a greater percentage of Federal spending on postsecondary actually helps individual students gain access compared to elementary and secondary programs where it really goes to funding programs in education bureaucracies.

Also, a lot of the elementary and secondary education money goes to mandates to State and local education agencies. Students themselves are only a very small percentage of the amount the Federal Government spends on elementary and secondary education. Some of our sources have that at roughly less than 1 percent of the money that actually goes into a classroom comes from the Federal Government.

The goal of the 104th Congress in both rescissions for the 1995 budget, as well as authorizations for future years, should be to evaluate each department over 240 categorical programs—and this is up from 140 programs in 1980—to determine whether these programs actually help improve education of our children.

We should also look to consolidate ineffective programs, eliminate ineffective and outdated programs and stop funding programs that benefit bureaucracies as opposed to individuals. To meet these ends, I would make the following specific recommendations with the caveat that I am an education policy expert. Bill has a much better sense of the education budget as he worked on it for many years.

I know a lot about what is happening in States and localities and what they feel is important. As Bill stated earlier and Secretary Riley stated, the Clinton administration has proposed cutting 34 categorical programs from the Department of Education. That is a good place to start.

The 103d Congress cut only 12 of these programs. The 104th Congress should start by rescinding funding for the remaining programs and there is a list in the written remarks and we have the national review, which Bill has. There were also four major education programs either created or reauthorized in 1993 and 1994, huge programs.

All of these programs should be revisited. Secretary Riley talked about the Goals 2000 Educate America Act. President Clinton himself proposed $700 million in 1995 for Goals 2000, an increase of $595 million over the 1994 level. He also called for a billion dollars a year to continue indefinitely beginning in fiscal year 1996 for this program.

Congress appropriated $403.4 million, up $298 million from the $105 million appropriated when the program was created in 1994.

This is clearly a program that is meant to grow and expand, but doesn't do much.

The Clinton administration claims that if you actually go to our schools, that if you look at and follow the trail of the money to where it has gone thus far, no local school actually sees it and when they do see it, it is mostly in the form of mandates. I have a list of activities that the program funds.

In reality, the majority of the funds go to three new education bureaucracies, the National Education Goals Panel, the National Education Standards and Improvement Council and the National Skills Standards Board. Many of the activities listed in the legislation and which will take place underneath the new councils are really new mandates put on States and localities that the States don't want.

It will be an ineffective program, much larger, more bureaucratic unless it is downsized and eventually eliminated through the appropriations process. It is one of those things where it sounds good on paper, but when you look at what it is doing, when the States apply for Federal money, they are not sure it is going to help them and they don't want to open Pandora's box. We can go into that more in detail.

The second large program that occurred this year was reauthorization of the Elementary and Secondary Schools Act. There are many areas in this act which the funding can be cut and rescinded. President Clinton requested $102.8 billion in his 1995 budget and Congress appropriated $9.94 billion, a $475 million increase from 1994. Much of this money should also be cut.

Specifically, there is an Eisenhower Professional Development Program, which has expanded from $251 million in 1994 to $320.3 million in 1995, an increase of $69.3 million. That is an if place to start. I have a list in the written statement of other programs that can be cut under the Elementary and Secondary Schools Act, mostly bureaucratic programs.

As Bill mentioned earlier, the Federal Direct Student Loan Program, that is another very large program. This act has done nothing to reduce the complexity of administering student loans, eliminate unnecessary costs, and provide better service for students and schools. I am quoting exactly what they said it was going to do.

Despite this rhetoric, the Department of Education hired 600 new employees to administer the Direct Loan Program and anticipates hiring 20,000 contract employees when the phasing of the program is completed. Congress should cap this program, which has gone in one year from being an experimental program when it was passed to a transitional program and all new funding for those programs should be rescinded.

This is another reality versus rhetoric. The rhetoric was that it was going to save $4.3 billion. The reality is that it is already costing us a lot of money, isn't going to save anything by the time it is put in place. If you take into consideration the default rates, it will go up, as they traditionally do, and all everything else concerned, it will be a very expensive program and I don't think that is something that this Congress wants to get into and expand. So that would be a good place to start.

Finally, there is the National Service Trust Act of 1993. The National Service was started, again to give students a chance to work their way through college. In reality that is not what happened. It created a new bureaucracy, the Corporation for National and Community Service, and a new entitlement for middle-class students.

In 1995 Congress appropriated $575 million for National Service activities and these were included in eight different categorical programs, an increase from the $205 million Dollars in the 1994 appropriation. These numbers don't include the $791.8 million appropriated in 1995 for the five programs operating under the Corporation for National and Community Services also created in that legislation. This amount is an increase of $216 million from the $575 million appropriated in 1994.

The National Service Program should be eliminated through rescission or merged into work-study and Pell grant programs and means tested. If this is something that you all decide to leave, there is no reason why it should go to middle-class students to work. Why can't they go to work-study for kids that really need the money.

Mr. PORTER. [Presiding.]. I am sorry to interrupt. We will recess and vote and come back. With your indulgence we will do that and resume as soon as we can get back.

[Recess.]

Mr. PORTER. The subcommittee will come to order.

Ms. TUCKER. I only have one more distinct recommendation and a couple of broad general guidelines. The final thing I think should be looked into in the rescission, there are currently seven programs totaling $229 million to specific institutions. They are institutional aid and not necessary.

Congress increased the authorization for these institutions by $16.7 million in 1995. These programs should be eliminated and there is a list of them in the testimony. Similarly, this is kind of politically unpopular, but Congress currently appropriates $193 million to Howard University for Howard's Endowment and Research Program. No other private university in this country gets close to this level of support. The appropriation for Howard should be rescinded and eliminated and Howard should rely on private sector support like all other major private facilities.

It is impossible given the time constraints, to go into all of the other programs that should be merged, eliminated or rescinded. However, the 104th Congress should consider merging the many programs into one grant, one loan and one work-study program. There are pages and pages of different programs that do different things and there is no reason why they couldn't all be merged to cut down bureaucracy and put together, and some of these programs could be eliminated.

It should reevaluate many of the programs falling under the category of educational research and improvement. Many of these programs do little to help educate children and are just extra added fluff to people who don't need the fluff and don't do much to help education. We should also look to privatize the Student Loan Collection Program as Bill mentioned, revisit, eliminate and consolidate many of the Chapter II block programs, and review and cut many of the categorical programs.

The Appropriations Committees will ultimately make many of the decisions regarding which programs to eliminate. This subcommittee has the power to actually improve American education by eliminating many of the programs containing the mandates and regulations that have strangled innovation for the past 15 years. Thank you, Mr. Chairman.

[The prepared statement of Allyson Tucker follows:]

Testimony before
Labor, Health and Human Services, and Education Subcommittee on Appropriations
U. S. House of Representatives
January 17, 1995

Allyson Tucker
Manager, Center for Educational Law and Policy
The Heritage Foundation
202-546-4400

We are here today to determine ways to cut the 1995 education budget. Let me say at the outset that, despite rhetoric to the contrary, only a very small percentage of the over $31 billion the federal government spends on education ever actually makes it into America's classrooms. Most of the Department of Education's budget and programs go to fund technical assistance, clearinghouses, information, and specific programs that educators in our states and communities neither need or want. I spend a good amount of my time working with educators in these states and communities. When asked what the federal government and the U.S. Congress can do to improve their schools, they overwhelmingly reply, "Leave us alone", "Get out of our way", "Give us the flexibility to experiment", or, most importantly, "Let us keep our money in the state and use it for the programs that we feel will help our schools."

Federal funding for education has tripled in constant dollars from 1965 to the present. Student performance, by contrast, has declined over the same period. Clearly, additional federal spending on education is not the answer. Yet, the Clinton administration, in its 1995 Budget, sought $26.1 billion, a $1.7 billion increase, in discretionary budget authority. Similarly, the Clinton administration sought $5.6 billion, an increase of $1.1 billion or 25.4 percent, in the $4.5 billion spent in 1994 for mandatory programs. They sought a total increase in budget authority from $28.8 billion to $31.7 billion, an increase of $2.8 billion or 9.9 percent.

The appropriation for the federal Department of Education has more than doubled in the last fourteen years from $14,170,750 to $31,322,064. From 1981-1992, the amount the U. S. Congress appropriated for the Department of Education was actually greater than the amounts that Presidents Reagan and Bush requested in their budgets every single year. Since Bill Clinton has taken office, the President's request for the Department of Education has exceeded the appropriation. It is also interesting to note that the amount spent by the Department of Education for post-secondary education (programs that include student loans, Pell Grants, research grants, etc.) was greater than the amount spent on elementary and secondary education from 1981-1990. This was because the original role of the federal government in education was to ensure access to post-secondary education and fund research programs. The Clinton administration has reversed this historical breakdown and now spends more on elementary and secondary education than on post-secondary education. This is unfortunate since a greater percentage of federal spending on post-secondary education actually helps individual students gain access to education. By contrast, most of the federal money spent on elementary and secondary education goes to fund the education bureaucracies and comes with mandates to the state and local education agencies. Students themselves benefit from only a very small percentage of the amount the federal government spends on elementary and secondary education.

The goal of the 104th Congress in both recissions for the 1995 budget as well as authorizations for future years must be to evaluate each and every one of the Department of Education's over 240 categorical programs (up from 140 programs in 1980), determine whether these programs actually help improve the education of our children, consolidate effective programs, eliminate ineffective programs, and stop funding programs that benefit bureaucracies, as opposed to individuals. To meet these ends, I would make the following specific recommendations:

1. The Clinton administration proposed cutting 34 categorical programs from the Department of Education. The 103rd Congress cut only 13 of the programs. The 104th Congress should start by rescinding funding for the remaining programs including: The Ellender Fellowships (Close-Up Foundation); Education for Native Hawaiians; Foreign Language Assistance; Consumer and Homemaking Education; State Student Incentive Grants; The Dwight D. Eisenhower Leadership Program; Cooperative Education; Assistance to Guam; College Housing and Academic Facilities Loan Program; Public Library Construction; Library Literacy Programs; Library Education and Training; Library Research and Demonstrations; Foreign Periodicals Program; Impact Aid 3(b) Payments; Educational Partnerships Program; Immigrant Education; Dropout Prevention Demonstrations; Vocational Education Community Based Organizations; and Civics Education.

2. There were four major education programs either created or reauthorized in 1993 and 1994. All of these programs, including Goals 2000: Educate America Act, reauthorization of federal elementary and secondary programs in the Improving America's Schools Act, the Federal Direct Student Loan program, and the National Service Trust Act of 1993 should be revisited.

a. Goals 2000: Educate America Act

President Clinton proposed $700 million in 1995 for Goals 2000, an increase of $595 million over the 1994 level. He called for $1 billion a year, to continue indefinitely, beginning in fiscal year 1996. Congress appropriated $403.4 million, up 298.4% from the $105 million appropriated in 1994. The Clinton administration claims that states must distribute 85 percent of their Goals 2000 grants to local educational agencies which must then use the money to "create and implement content, performance, and opportunity-to-learn standards in academic areas, improve professional development and licensure, and improve curricula and teaching practices in individual schools." Goals 2000 funds go to three new educational bureaucracies: the National Education Goals Panel; the National Education Standards and Improvement Council (NESIC); and a National Skills Standards Board. None of these activities will, despite rhetoric to the contrary, improve local schools. Many of these activities are merely new mandates put on the states and localities. This ineffective program will become much larger, more bureaucratic and more expensive unless it is downsized and eventually eliminated through the appropriations process.

b. Reauthorization of the Elementary and Secondary Schools Act.

There are many areas in which funding can be cut and rescinded in this expansive program. President Clinton requested $10.281 billion in his 1995 budget and Congress appropriated $9.94 billion, a $475 million increase from 1994. Much of this money goes to fund bureaucracies and should be cut, including: The Eisenhower Professional Development Program which was expanded from $251 million in 1994 to $320.3 million in 1995, an increase of $69.3 million; Arts in Education; Eisenhower Professional Development Federal Activities; Women's Educational Equity' Fund for Improvement of Education; Indian Elementary and Secondary Education; and the Ready to Learn Act, among others. Congress should also alter the expansive Title I program, perhaps giving the money directly to poor parents in the form of educational vouchers that they can then use at the school of their choice.

c. The Federal Direct Student Loan Program.

This act has done nothing to "reduce the complexity of administering student loans, eliminate unnecessary costs, and provide better service to students and schools." Despite rhetoric to the contrary, the Department of Education has hired 600 new employees to administer the direct loan programs and anticipates hiring 20,000 contract employees when the phase-in of the program is completed. Congress should cap this program, which has gone from being an "experimental" program when passed to a "transitional" program. All new funding for this program should be rescinded.

d. The National Service Trust Act of 1993 created a new bureaucracy, the Corporation for National and Community Service, and a new entitlement for middle-class students. In 1995, Congress appropriated $575 million for National Service activities, included in 8 programs. This is an increase of $205 million from the 1994 appropriation. These numbers do not include the $791.8 million appropriated in 1995 for the 5 programs operating under the Corporation for National and Community Service. This amount is an increase of $216.4 million from the $575.4 million appropriated in 1994. These funds should either be eliminated through rescission or merged into work study and Pell Grant programs and means-tested.

3. Eliminate Institutional Aid.

There are currently 7 programs, totaling $229.7 million, that aid specific institutions. Congress increased the authorization for these institutions by $16.7 million in 1995. These programs should be eliminated. Similarly, Congress currently appropriates $193 million to Howard University for Howard's endowment and research programs. No other university in this country receives close to this level of federal support. The appropriations for Howard should be rescinded and eliminated and Howard should rely on private sector support like all other major private universities.

It is impossible, given the time constraints, to go into all of the other programs that should be merged, eliminated or rescinded. However, the 104th Congress should consider merging the many higher education grant and campus based programs into one grant, one loan and one work study program. It should reevaluate many of the programs falling under the category of "Educational Research and Improvement" since many of these programs do little to help educate children. It should privatize the student loan collection program, revisit, eliminate, and consolidate many Chapter 2 block grant programs, and review and cut many of the categorical programs. The appropriations committees will ultimately make many of the decisions regarding which programs to eliminate. This sub-committee has the power to actually improve American public education by eliminating many of the programs containing the mandates and regulations that have strangled innovation for the past 15 years.

Mr. PORTER. Mr. Hansen and Ms. Tucker, I apologize to both of you. There were no votes planned for today, and, unfortunately, they interrupted your testimony. We appreciate both of you being here and testifying and we will take your testimony into account and get a chance to read it. Unfortunately, I didn't get a chance to hear much of it, but thank you for being here and for your testimony.

WEDNESDAY, JANUARY 18, 1995.

GENERAL ACCOUNTING OFFICE

WITNESSES

LINDA G. MORRA, DIRECTOR, EDUCATION AND EMPLOYMENT ISSUES, HEALTH EDUCATION, AND HUMAN SERVICES DIVISION
SIGURD NILSEN, ASSISTANT DIRECTOR, HEALTH, EDUCATION, AND HUMAN SERVICES DIVISION
JOSEPH J. EGLIN, CPA, ASSISTANT DIRECTOR

Mr. PORTER. Next, we will hear from the GAO, Linda Morra, the Director of Education and Employment Issues.

Thank you for being with us again. I apologize for the problems we have had with votes this morning.

Ms. MORRA. Thank you, Mr. Chairman. In the interest of time, I will summarize my written statement for you. We are pleased to be here today to present information on the U.S. Department of Education that will assist you as the subcommittee considers proposed budget reductions and rescissions.

Yours is a difficult task. Reducing the level of Federal funding for elementary, secondary and postsecondary education programs potentially affects a large number of disadvantaged children and young adults who need additional educational assistance. Cuts now may cause greater problems later as those without high skills face a potential future of lower incomes or even joblessness.

Additionally, steadily rising costs of higher education mean that young adults rely more and more on Federal grants and loans to finance college expenses. Nevertheless, given the need for budget austerity, we have identified a number of programs where reduction could be considered.

In brief, budgetary savings could be obtained by, one, reexamining the programs previously proposed for elimination by the Department of Education; two, reducing student loan subsidies as well as Pell awards and consolidating smaller postsecondary aid programs; and, three, consolidating department employment training-related programs with other employment training-programs.

We also present a means to reduce the negative impact of any formula grant funding reduction that might be made. In its fiscal year 1995 budget proposal, Education sought elimination of 33 programs that were appropriated $639 million in fiscal year 1994.

Education sought their termination based on its conclusion that these programs were duplicative, their purposes were already achieved or because they believed they would be more appropriately funded through non-Federal sources. The Congress, among other actions, terminated funding for 10 of these programs.

While we have before no specific work to substantiate or refute Education's claims about most of these programs, we believe that 22 of the remaining 23 programs should be reconsidered by the Congress for termination. We note that in general we have found small specifically targeted programs costly to implement and oversee and problematic to evaluate.

On the other hand, our work does support maintaining funding for one of the 23 programs, Education's Immigrant Education Program. We have found that immigrant students can pose significant educational challenge for schools, especially those in districts with high numbers of such students.

The Federal Family Education Loan and Federal Direct Student loan Programs were appropriated $10.7 billion in fiscal year 1995. Options we developed for your consideration include eliminating or cutting the in-school interest subsidy for students limiting in-school benefits to the most needy students who are also eligible for Pell grants and eliminating administrative cost payments to guarantee agencies.

For the $6.2 billion Pell Grant Program options we developed include reducing the maximum annual Pell grant to each student by $100 and eliminating grants to part-time students. We caution that these options may have an adverse impact on some students' access to postsecondary education.

Although the Student Loan and Pell Grant Programs provide the majority of Federal financial aid to students for postsecondary education, another 22 smaller targeted programs exist which were collectively funded at $1.1 billion for fiscal year 1995. These programs could be considered candidates for consolidation, which could reduce total administrative cost. Such consolidation could be with other larger programs or it could be among themselves.

For example, programs directed to attracting minority and disadvantaged students could be consolidated into one program. Another more radical option would be to consolidate all the various federal programs providing assistance to postsecondary students into the Student Loan and Pell Grant Programs.

Additional budgetary savings are possible in education, employment, and training-related programs. Education administers 61 of the 163 federally funded employment training-related programs. These 61 programs were appropriated $9 billion for fiscal year 1995.

We have recently testified before the Senate Labor and Human Resources Committee on the current fragmented system of Federal employment training assistance. While many of the programs have admirable goals, we believe that collectively they add unnecessary administrative costs and confuse and frustrate clients, employers and administrators.

Additionally, the effectiveness of many of these programs is unknown. We have called for a major overhaul and consolidation of programs to create a more efficient and effective employment training system.

Finally, if Congress makes reductions in education formula grant programs, the Congress may wish to consider ways to allocate reduced funding levels with the least negative impact on those areas with the greatest need. One way to accomplish this would be to apply an absorption factor. For instance, in allocating reductions, rather than counting all poor children in the area, the count could include only that number that exceeded a poverty rate of 2 percent.

In closing, I again note the difficult challenge before the subcommittee. Even relatively small amounts of Federal dollars are important to school districts and to needy students trying to finance postsecondary education. As the subcommittee meets the challenge of these kind of budget constraints, we are committed to helping you in any way we can.

Mr. Nilsen, Mr. Eglin and myself are ready to answer any questions you might have.

[The prepared statement of Linda G. Morra follows:]

United States General Accounting Office

GAO

Testimony

Before the Subcommittee on Labor, Health and Human Services, Education and Related Agencies
Committee on Appropriations
House of Representatives

For Release on Delivery
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DEPARTMENT OF EDUCATION

Opportunities to Realize Savings

Statement of Linda G. Morra, Director
Education and Employment Issues
Health, Education, and Human Services Division

GAO/T-HEHS-95-56

Mr. Chairman and Members of the Subcommittee

We are pleased to be here today to present information on the U.S. Department of Education that we believe will assist you as this Subcommittee considers proposed budget reductions and rescissions.

To put Education's fiscal year 1995 funding and program numbers in perspective, the Department administers about 240 programs with a budget totaling $33.7 billion--$25.1 billion in discretionary funds and $8.6 billion in mandatory funds. This represents an increase of $6.7 billion over the previous year's appropriations.

Over the years, our office has reviewed many of Education's programs, and we believe this work permits us to identify areas where this Subcommittee may look for budgetary savings. Although we generally do not highlight potential specific budgetary savings nor provide an exhaustive list of areas for budgetary review, we believe that the programs we identify provide the Subcommittee with the type of information that can facilitate the important but very difficult task at hand.

In today's testimony, I will discuss (1) the need to reexamine the programs previously suggested by Education for elimination because they duplicate other programs, their purposes are already achieved, or they are more appropriately funded through nonfederal resources; (2) potential funding reduction opportunities for congressional consideration in higher education programs; (3) Department programs related to employment training that overlap with each other and other programs outside the Department; and (4) a means to reduce the negative impact of any Title I or other formula grant funding reductions.

BACKGROUND

In the United States, elementary and secondary education was an estimated $295.2 billion cooperative enterprise of local, state, and federal governments in school year 1993-94. Federal departments and agencies contributed $16.8 billion to this enterprise, accounting for 5.7 percent of the total expenditures. While the federal government's contribution for elementary and secondary education is relatively small, the Department of Education has a strong role to play in working with states and localities to improve the nation's education system as a whole and in ensuring that all children will benefit from these improvements. The federal government also played a major role in supporting higher education institutions by contributing $24.6 billion (or 12.4 percent) of the $198.1 billion expended on postsecondary education programs and activities in school year 1993-94.

In its fiscal year 1995 budget proposal, Education sought elimination of 33 programs that were appropriated $639 million in fiscal year 1994. In its fiscal year 1995 appropriations, the Congress decided to save about $81 million by not funding 13

Education p: ~rams; 10 were on the list of programs that Education sought to el. .inate.

POTENTIAL CANDIDATES FOR PROGRAM TERMINATION

Twenty-one of the 23 programs proposed for termination by Education that were not eliminated by the Congress should be reconsidered for termination. Education sought to eliminate these programs because they were duplicative, their purposes were already achieved, or they would be more appropriately funded through nonfederal resources. According to Education, termination of these programs would be consistent with the recommendations of the National Performance Review. Our office has performed no work to substantiate or refute Education's claims about these programs.

These programs include the Perkins Capital Contributions program, the State Student Incentive Grants program, the Consumer and Homemaker Education program, the Dropout Prevention Demonstrations program, and several library programs. For fiscal year 1995, these 21 programs were appropriated $418 million. (See app. I.) The vast majority of these funds have not yet been obligated.

In addition to these 21 programs, 2 other programs--the Impact Aid 3(b) program (funded at $123.1 million in fiscal year 1994) and the Immigrant Education program (funded at $39 million in fiscal year 1994)--were also included in Education's list of proposed programs to terminate. These 2 programs warrant additional comment.

In our view, that portion of the current Impact Aid 3(b) basic support payments that are provided to help finance the education of children who live on or whose parents work on federal property (known as "b students" before the 1994 reauthorization of the Elementary and Secondary Education Act) should be reviewed. The Department has advocated termination of support for b students in the past to remedy program equity problems. Education is currently unable to provide us with an estimate of how much of its fiscal year 1995 funding for the basic support programs--$631.7 million--goes to former b students.

On the other hand, our work supports maintaining sufficient funding for Education's Immigrant Education program. In this regard, we noted that fiscal year 1995 funding for this program increased to $50 million from nearly $39 million last year. In work done before the latest reauthorization of this program, we found that immigrant students can pose significant educational challenges, especially in districts with high numbers of such students. Increasingly, our nation's ability to meet its educational goals depends on its ability to educate these children.

DIFFICULT CHOICES, BUT FUNDING REDUCTION OPPORTUNITIES MAY EXIST IN HIGHER EDUCATION

Possible funding reduction opportunities may exist in higher education programs. For fiscal year 1995, about 50 percent of Education's appropriations support students attending postsecondary education institutions. The largest programs provide federally insured loans and Pell grants for students, but a number of smaller programs exist.

In researching Education's higher education programs, we identified a series of funding reduction options that the Congress may want to consider. Some of these items are new, others have been discussed before but were not acted upon because of their potential adverse effect on students. However, now may be a more opportune time to consider some of these options.

The Federal Family Education Loan and Direct Student Loan Programs

The Federal Family Education Loan (FFEL) and Federal Direct Student Loan (FDSL) programs compose the largest source of federal aid to postsecondary students. For fiscal year 1995, $10.7 billion was appropriated for these two programs. Through the FFEL program, private lenders make, service, and collect loans, and loans are guaranteed against default by state-designated agencies, with final insurance for borrower nonpayment being the government's responsibility. Direct loans, through the new FDSL program started in July 1994, are made by schools on behalf of the government.

We have identified several options that could achieve cost reductions over the next 5 years. However, they may have some adverse impact on students' access to postsecondary education--a principal objective of the Higher Education Act of 1965, as amended.

Options we developed for consideration in reducing FFEL and FDSL include eliminating or cutting the in-school interest subsidy for students, limiting in-school interest benefits to the most needy students who are also eligible for Pell grants, and eliminating administrative cost payments to guaranty agencies. It should be clear, however, that limiting or eliminating the interest subsidy for students could increase their out-of-pocket costs of education. (See app. II.)

The Federal Pell Grant Program

The Pell grant program was appropriated $6.2 billion in fiscal year 1995. Pell grants, the largest federal grant-in-aid program for postsecondary education students, are awarded to eligible students based on their financial need. In our September 28, 1994 letter to the Subcommittee's former Acting Chairman, we (1) identified patterns in Education's funding of Pell grants and (2) estimated the incremental budgetary cost of various features of the Pell grant program.

Based on this work, we developed options to reduce the impact on the budget of the Pell grant program, although we caution again that these options may have some adverse impact on students' access to postsecondary education. These options include reducing the maximum annual Pell grant to each student by $100 and eliminating grants to part-time students. (See app. III.)

Funding Programs That Could Be Consolidated

Although the student loan and Pell grant programs provide the majority of federal financial aid to students for postsecondary education, another 22 smaller programs are targeted to specific segments of the school population. These programs were collectively funded at $1.1 billion for fiscal year 1995. In turn, the programs fund remedial and support services for prospective students from disadvantaged families, programs to enhance the labor pool in designated specialties, grants to students for volunteer activities, and grants to women and minorities underrepresented in graduate education. (See app. IV.)

In general, the small, specifically targeted programs are costly to implement and oversee, and evaluating their effectiveness is difficult. We categorized these programs into four groups to illustrate their number and similarities. Nine programs provide assistance for minority and disadvantaged students, 9 programs help attract students to specific professions, 2 programs are related to community service activities, and 2 programs are related to the quality of postsecondary education.

These programs, as well as several others, may be considered candidates for consolidation. Consolidation could reduce total administrative costs. Such consolidation could be with other larger programs or among themselves. For example, programs directed to attracting minority and disadvantaged students could be consolidated into one program. Or a certain amount of funds could be provided to states through a single grant, in lieu of several smaller grants, to cover some or all of the purposes of several small grant programs.

Another more radical option would be to consolidate all of the various federal programs providing assistance to postsecondary education students into the student loan and Pell grant programs. In this manner, program administrative costs could be reduced and Education could better focus its management resources on implementing and overseeing these programs.

SIMILAR EMPLOYMENT TRAINING PROGRAMS EXIST

Additional budgetary savings are possible in Education's employment training programs. Education administers 61 of the 163 federally funded employment-training-related programs. These 61 programs were appropriated $9 billion for fiscal year 1995.

These programs frequently target the same clients, share the same goals, and provide similar services, but maintain separate administrative bureaucracies at headquarters and regional locations. For example, the Vocational Education Basic Grant program is one of nine federal programs administered by the Departments of Education, Labor, Health and Human Services, Agriculture, and Housing and Urban Development that target services to the economically disadvantaged. An AFDC recipient may receive support services for child care from the Department of Health and Human Services' JOBS program, while receiving vocational training from Labor's JTPA program or Education's Vocational Education Basic Grant program.

Potential overlap also exists among Education's own programs. For example, Adult Education State Administered Basic Grant program ($252 million) and Even Start-State Educational Agencies ($99 million) are both Education programs that focus on literacy.

REDUCING NEGATIVE IMPACT OF FORMULA GRANT FUNDING REDUCTIONS

To the extent that reductions in Education formula grant programs--such as the Title I compensatory education program--are necessary, the Congress could consider ways to allocate reduced funding levels with the least negative impact on areas with the greatest need. Such an approach could be used to allocate Title I basic grant funds. For fiscal year 1995, the Title I basic grants program appropriation was $6.0 billion. Title I grants to local education agencies represent the largest federal elementary and secondary education program.

One way to accomplish the goal of reducing funding with the least negative impact on areas with the greatest need would be to apply an absorption factor. For instance, rather than counting all poor children in the area; the count could include only that number that exceeded a poverty rate of 2 percent. A 2-percent absorption factor was proposed by the Reagan administration and considered by the Congress during program reauthorization in the 1980s.

While all school districts receiving Title I funds would be affected by lower program appropriations levels, the high-poverty areas with the greatest concentrations of disadvantaged children would be affected the least. Education could analyze existing data to determine the impact that an absorption factor would have on individual school districts if it was used in the Title I grant allocation process.

CONCLUSION

Reducing the level of funding for elementary and secondary education programs is difficult because the number of disadvantaged children needing additional educational assistance continues to grow. Ignoring these demands now may cause greater problems later as needy children face a potential future of joblessness and lower incomes. In addition, annual increases in higher education costs mean that individuals continue to rely more and more on federal grants and loans to finance college expenses. Addressing these types of demands during a time of budget austerity is a difficult task that challenges lawmakers and school officials to make every dollar count. Nevertheless, we have identified a number of programs where a reduction could be considered.

As the Subcommittee continues to seek areas for savings, we are committed to assisting you in any way we can.

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Mr. Chairman, this concludes my testimony. I will be happy to answer any questions that you or members of the Subcommittee might have.

Contributors to the preparation of this testimony were Susie Anschell, Joseph J. Eglin, Charles M. Novak, Benjamin P. Pfeiffer, Ellen K. Schwartz, and Fred E. Yohey, Jr.

PROGRAMS PROPOSED FOR BUT NOT ELIMINATED FROM THE FISCAL YEAR 1995 DEPARTMENT OF EDUCATION BUDGET

Program	Appropriations (in thousands)
Perkins Capital Construction	$158,000
State Student Incentive Grants	63,375
Consumer and Homemaking Education	34,409
Dropout Prevention Demonstrations	28,000
Public Library Construction	17,792
Impact Aid Section 2	16,293
Law School Clinical Experience	14,920
Education for Native Hawaiians	12,000
Foreign Language Assistance	10,912
Community-Based Organizations	9,479
Library Literacy Programs	8,026
Cooperative Education	6,927
Research and Demonstrations	6,500
Law-Related Education	5,899
Library Education and Training	4,916
Civic Education	4,463
Ellender Fellowships	4,185
Dwight D. Eisenhower Leadership Program	4,000
National Writing Project	3,212
National Early Intervention Scholarships and Partnerships	3,108
Teacher Corps	1,875
Total	**$418,291**

OPTIONS FOR REDUCING FUNDING FOR STUDENT LOANS

Eliminate interest benefits for subsidized Stafford loans and require students to accrue interest while in school.
Cut interest benefits for subsidized Stafford loans in half and require students to accrue the other half.
Limit Stafford interest benefits to students eligible for Pell grants.
Reduce in-school and grace period interest rate paid by the federal government to lenders on borrowers' behalf from 2.5 percent to 1.5 percent over the T-bill interest rate.
Set FFEL interest subsidy rates through competitive bid rather than through federal legislation.
Eliminate private for-profit institutions from eligibility for FFEL and FDSL.
Require full implementation of FDSL by academic year 1995-96.
Eliminate federal payment to guaranty agencies for administrative costs.

OPTIONS FOR REDUCING FUNDING FOR PELL GRANTS

Reduce the maximum grant amount by $100.
Eliminate grants to students in their first year of postsecondary study.
Eliminate grants to students in their fifth or later year of undergraduate study.
Eliminate grants to proprietary school students.
Eliminate grants to part-time students.
Eliminate grants to less-than-half-time students.
Eliminate grants to students without a high school diploma, general education development certificate, or equivalent.
Include the value of the family residence in computing the expected family contribution.
Eliminate grants to students at schools with loan default rates of 25 percent or more for the 3 most recent years.
Eliminate aid administrators' authority to use professional judgment in computing the amount of a student's aid.

PROGRAMS THAT ARE CANDIDATES FOR CONSOLIDATION

Program	1995 Appropriation (in millions)	Description
Programs to encourage education of minorities and disadvantaged		
TRIO programs	$463.0	Support to minorities and disadvantaged students for completion of high school, college, and preparation for graduate study.
Historically Black Colleges Capital Financing Program	0.3	Administration of federal guarantees of facility repair and construction.
College Housing and Academic Facilities	6.7	Facilities construction and renovation: existing loans only. Support for new loans ended in 1994.
Aid for Institutional Development	229.7	Strengthen fiscal management and academic programs of financially needy postsecondary institutions serving disadvantaged.
Harris Fellowships	20.2	Grants for women and minorities underrepresented in graduate education.
Faculty Development Fellowships	3.7	Second-year grants for underrepresented students in graduate or professional education.
Legal Training for the Disadvantaged	3.0	Pre-law and law school stipends to disadvantaged students.
Howard University	205.5	Provides 55 percent of Howard's expenses, serving as a major avenue of postsecondary access for minority and disadvantaged students.

Bethune-Cookman College	4.0	Funds for fine arts center at this historically black college in Florida.
Subtotal	$936.1	
Programs to attract students to specific professions, jobs, or leadership roles		
Minority Teacher Recruitment	$2.5	Grants to institutions for programs to encourage minorities' becoming teachers.
Minority Science Improvement	5.8	Grants to institutions for programs to encourage minorities' becoming scientists.
International Education and Foreign Language Studies	58.1	Support for foreign language and area study programs.
Institute for International Public Policy	1.0	Access for minorities and disadvantaged to international studies.
National Science Scholars	6.4	Awards recognizing high school excellence in science, math, and engineering.
Douglas Teacher Scholarships	14.6	Awards recognizing high school excellence and encouraging careers in K-12 teaching.
Javits Fellowships	7.8	Fellowships to students talented in the arts, humanities and social sciences.
Graduate Assistance in Areas of National Need	27.3	For grants to graduate students in such fields as science, math, and foreign languages.

School, College and University Partnerships	3.9	Continuation awards for partnerships with businesses and other organizations to improve high school students' job preparedness.
Subtotal	127.4	
Programs to encourage public service		
Innovative Projects for Community Service	1.4	Grants to support student volunteer activities.
Urban Community Service	13.0	Support for projects to address social and economic needs to urban communities.
Subtotal	14.4	
Programs to achieve quality postsecondary education		
State Postsecondary Review Program	20.0	Ensure schools' educational quality, financial responsibility, and administrative capability.
Fund for the Improvement of Postsecondary Education	17.5	Support for projects that enhance postsecondary quality and cost effectiveness.
Subtotal	37.5	
Total	**$1,116.4**	

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RELATED GAO PRODUCTS

Management Reform: Implementation of the National Performance Review's Recommendations (GAO/OCG-95-1, Dec. 5, 1994).

Early Childhood Programs: Multiple Programs and Overlapping Target Groups (GAO/HEHS-95-4FS, Oct. 31, 1994).

Education Finance: Extent of Federal Funding in State Education Agencies (GAO/HEHS-95-3, Oct. 14, 1994).

Pell Grant Costs (GAO/HEHS-94-215R, Sept. 28, 1994).

Financial Audit: Federal Family Education Loan Program's Financial Statements for Fiscal Years 1993 and 1992 (GAO/AIMD-04-131, June 30, 1994).

Early Childhood Programs: Many Poor Children and Strained Resources Challenge Head Start (GAO/HEHS-94-169BR, May 17, 1994).

Immigrant Education: Federal Funding Has Not Kept Pace With Student Increases (GAO/T-HEHS-94-146, Apr. 14, 1994).

School-Aged Children: Poverty and Diversity Challenge Schools Nationwide (GAO/T-HEHS-94-125, Mar. 16, 1994).

Limited English Proficiency: A Growing and Costly Educational Challenge Facing Many School Districts (GAO/HEHS-94-38, Jan. 28, 1994).

Student Loans: Millions Loaned Inappropriately to U.S. Nationals at Foreign Medical Schools (GAO/HEHS-94-28, Jan. 21, 1994).

Student Financial Aid Programs: Pell Grant Program Abuse (GAO/T-OSI-94-8, Oct. 27, 1993).

Department of Education: Long-Standing Management Problems Hamper Reforms (GAO/HRD-93-47, May 28, 1993).

Compensatory Education: Additional Funds Help More Private School Students Receive Chapter 1 Services (GAO/HRD-93-65, Feb. 26, 1993).

Guaranteed Student Loans (GAO/HR-93-2, Dec. 1992).

Remedial Education: Modifying Chapter 1 Formula Would Target More Funds to Those Most in Need (GAO/HRD-92-16, July 28, 1992).

(104808)

Mr. PORTER. We very much appreciate your testimony today and your expediting your oral testimony. We will read your written testimony and in the interest of time will submit any questions for the record. Thank you all for being here. The subcommittee will stand in recess until 2:00 p.m. this afternoon.

WEDNESDAY, JANUARY 18, 1995.

DEPARTMENT OF LABOR DOWNSIZING

WITNESS

HON. ROBERT B. REICH, SECRETARY OF LABOR

Mr. PORTER. Mr. Secretary, we are delighted that you are here. This is the third in our meetings with the Cabinet Secretaries that deal with the departments that we fund. We are very anxious to know what suggestions you have for us today regarding your Department and the programs that it administers, and we are happy to see you.

Mr. Obey, do you have anything you would like to say?

CPI CALCULATIONS

Mr. OBEY. Thank you, Mr. Chairman.

Mr. Secretary, I am supposed to be at another meeting so I will have to leave shortly. Let me welcome you and make one observation.

I saw in The Wall Street Journal yesterday a story describing the remarks that Speaker Gingrich made about the Bureau of Labor statistics and—indicating if they couldn't change the way they are calculating the CPI in short order they ought to be zero funded. I remember with some irony hearings we had after you made some comments about BLS information, and I remember the great to-do that was made on both sides of the aisle about what might be described by some as a political statement involving the BLS on your part, and I remember what great lengths people went to assure that that wouldn't happen.

I would certainly hope that, despite the suggested threats by the Speaker, that the BLS be kept out of politics and insulated from politics from both sides of the aisle to the most possible degree. The day when we cannot trust the BLS to objectively evaluate what economic measurements in this economy ought to be, that is the day when no public citizen will trust the policy prescription of Democrats or Republicans alike.

I personally found the Speaker's comments to be a perfect example of what Archie the cockroach meant when he said, "did you ever notice when a politician gets an idea he gets it all wrong?"

INTRODUCTION OF STAFF

Mr. PORTER. Mr. Secretary.

Secretary REICH. Mr. Chairman and Members of the committee, for the sake of preserving time let me submit my prepared statement for the record.

I also want to introduce to you, several of the people who are sitting behind me: Joe Dear, Assistant Secretary for Occupational Safety and Health; Carolyn Golding, the Deputy Assistant Secretary for Employment and Training Administration; Bill Barron, the Deputy Commissioner of the Bureau of Labor Statistics; Darla Letourneau, the Deputy Assistant Secretary for Congressional and Intergovernmental Affairs; and Jim McMullen, who is our Budget Director.

On hard questions—indeed, on not-so-hard questions—they will be helping me answer your questions. And all of us intend to provide you—as does the entire Department—with all the help and cooperation it possibly can on all these issues.

PROBLEMS OF AMERICAN WORKERS

Let me review with you the problem as I see it, the problem facing American workers and how the Department of Labor is attempting to deal with these problems. The central problem is a long-term deterioration in wages and the structure of the wages. This has happened over the past 15 years. It is not anybody's fault. It is not government's fault. It is not a matter of the business cycle. It has been happening largely because of a shift in demand that has occurred in every industrialized nation in favor of workers with skills and against workers without skills.

The shift in demand we saw pick up in the late 1970s was largely a result of technological changes in the work place, such as computers and numerically controlled machine tools.

We used to have a lot of telephone operators. Now we have a lot of people who are using automated switching equipment, and the telephone operators are gone.

We used to have a lot of bank tellers, and now we have a lot of automated teller machines.

It is not just in the international trade and manufacturing sectors of the economy. While international trade and international competition do have a bearing, the primary change agent is technology.

There are many other factors, but this shift in demand for skilled people and against unskilled people means that you are seeing a wider disparity in earnings depending on the amount of education and skills. In 1979 the average four-year college graduate was earning 40 percent more per year than the average non-college graduate who only had a high school degree. Now it is 80 percent more. The gap is widening.

We are seeing to some extent our old middle class splitting between a minority who are getting better and better jobs and a majority who are getting worse and worse jobs.

Although most of the 5.2 million new jobs created in the United States over the past 23 months have been better-than-average paying jobs—managerial, technical and management professional jobs—the majority of the existing jobs, the 110 million existing jobs, have been splitting into these two groups.

I don't have to tell you. You hear it in your districts. You hear it in your States. A lot of Americans are having a harder and harder time making ends meet.

The President and I am convinced—and many of you share our commitment that the key to rebuilding a middle class and providing new opportunities for people, the key to providing avenues and ladders for the under class and the poor to move into the middle class, is through education, job training, and lifelong learning. Our goal is to provide this to Americans, not handouts. We want to equip people to be successful in the economy and empower people to be successful on their own in the new economy and to do this as efficiently as possible.

Obviously, individuals have the primary responsibility. Families have a major responsibility to keep their kids in school in order to get the kind of training and education they need.

Businesses also have a major responsibility. American businesses need to train their workers. As I go around the country I see a sharp contrast between the different kinds of businesses. One kind of business regards its employees as assets to be nurtured and developed, to be invested in, and to be trained. They understand that long-term, competitive advantage comes from a well-trained, dedicated, loyal work force. They understand that every other factor of production can be replicated by competitors.

But there is another kind of business, a business that treats its workers as costs to be cut. And those kinds of businesses—although I don't believe in the long term they will retain a competitive advantage because any one of their competitors can do precisely the same thing—are not training their workers.

And to a very limited extent—I wish I could say that this was a tiny minority, but it is not—there is a minority of businesses which are cutting corners with regard to safety and health, minimum wages and other protections that have been sanctified in our laws for 50 or 60 years.

DOL MISSION

The mission of the Department of Labor, like the mission of this administration, is to help people help themselves. Our education, employment, training, and development programs have been, and continue to be reengineered. I have devoted huge amount of my personal time over the last 23 months to making sure that those programs are as effective as possible.

We had last year a proposal here to consolidate many of those programs. We have one-stop career centers now. We have already consolidated, on a pilot basis, unemployment insurance with training and retraining and reemployment services. We have actually seen the duration of unemployment decrease because of the availability and the convenience of those one-stop unemployment insurance, training and employment advisory centers that are mushrooming in many States.

But we have much left to do with regard to consolidating programs, and I am going to be working very, very hard with Congress—with Republicans and Democrats—on streamlining the unemployment and training programs, making sure that they work for people and empowering individuals in a non-bureaucratic way to get the help they need when they need it.

WORKER PROTECTION

There is also another side to the Department of Labor, as you know, and that is protecting workers by ensuring that workers' jobs are above a minimal level of decency and safety. Again, these laws have been on the books for decades, sanctified by the implicit contract between workers and businesses in this country.

I have spent a great deal of time trying to make these regulations work better. I am not going to pretend that we are all of the way there. We still have work to do. But I can tell you that we are reinventing and reengineering the regulatory process as quickly as we can.

There are still horror stories out there of people and small businesses who feel mistreated. We are providing more advice to businesses. We are not using inspections and regulations as a device for simply penalizing businesses.

Our goal is to ensure health and safety and other protections accorded by the laws relating to working conditions and minimum wages. If we can help businesses achieve this through advice and consultation, or by simplification, we will do so.

We are also very much aware that our regulations in terms of the advantages must outweigh the burdens to society. I can assure you that we are making every effort to make that the case. This is not a Republican or Democratic issue. This is a matter of protecting workers, improving working conditions and incomes with the least burden to business as possible. With your help, we will continue to do that.

REINVENTION EFFORTS

Let me make a final point with regard to reinvention.

On the job training and employment front, we have proposed a consolidation of more than 50 programs in government, most of the employment and training programs in the Department of Labor and the substitution of what we are calling skill grants, enabling individuals who need the help, who are unemployed, who are dislocated, who are low wage, to get the help they need directly. They can sign up at a community college, not unlike the way the Pell grant system works.

We can get solid information about where the jobs are, what the jobs are, and what kinds of skills are necessary. They need information.

We are also requiring that every provider of skill, every community college, every technical institute, every institution that wants some of that Federal money, file a report card detailing their success at placing people and what kinds of jobs they are placing people in. This is accountability of the most direct sort so that consumers needing this help will know what they are, in effect, buying.

I mentioned the one-stop system with regard to unemployment insurance.

I want to bring your attention to this little volume, What Works and What Doesn't Work with regard to employment and training. This volume summarizes the best experimental evidence, experiments done over the last few years in terms of what helps people get better jobs and also what doesn't help people get better jobs.

This kind of evidence is independent. Most of this is university research. We are blessed in the area of employment and training because we do have a lot of social science research. This summarizes the best of what we know. We have reoriented our job training programs toward what works and directed them against what does not work, sensibly I hope.

OSHA PILOT PROGRAMS

I am prepared to go through many of our other reinvention efforts. In OSHA, we are piloting studies which lower fines if employers quickly remedy safety and health problems. In high hazard areas and high hazard industries, we have pilot programs in which, in return for developing a safety program, we reduce the scope of the inspection. Our goal is not to increase inspections or fines but to ensure safety and health. We are also increasing our technical assistance.

CHILD LABOR LAWS

I am sure you are aware that I have personally intervened on some occasions where it seemed to me that the old way of doing things was just silly. The first year I got here we had one instance in which the child labor laws were applied to a young boy who was so delighted to be a batboy for a minor league team, and it seemed to me that that was simply an application of those child labor laws which are intended and have a very important purpose with regard to protecting young people. So we did not apply the child labor laws in that instance.

TARGETED JOBS TAX CREDIT

I have also been to the Hill testifying against programs that I think don't work. Let me take one example, the targeted jobs tax credit. In my view, the targeted jobs tax credit in its present form simply doesn't work. The vast majority—in fact, 90 percent or more—of the people who get those jobs would have gotten those jobs anyway.

The targeted jobs tax credit, in my view as it is currently designed, and my view is based upon reports that have been done, analysis, research, including the Inspector General's report, as it is now designed, is nothing but a windfall to the businesses that are using it. Talk about corporate welfare.

PENSION BENEFIT GUARANTY CORPORATION

With regard to the Pension Benefit Guarantee Corporation, we have had a great deal of reform. As you know, when we came to Washington that agency and the problem of underfunded pensions was not yet a crisis, but it was heading toward becoming a crisis.

In 1987, there was $27 billion of underfunding of pensions. Last year, it was up to $53 billion of underfunding pensions. There was bipartisan support for a bill that has cured much of that problem, and I am proud to say that we now have 41 million American workers in defined benefit plans much safer than they were before. The Pension Benefit Guarantee Corporation is much safer and more solvent than it was before, and we are averting a crisis. Now the aversion of a crisis doesn't make headlines, but unattended that program could have become another S&L fiasco.

ADDITIONAL WORK

One final point. We have taken on many new responsibilities, including the Family Medical Leave Act, the School-to-Work Opportunities Act and others, but we have done it with fewer people. In fact there are a thousand fewer people working at the Labor Department now than there were when I got there 23 months ago. I might add that, since 1981, the Labor Department's staff has shrunk by one-third. This is not an agency where you will find a lot of fat. But we are continuing to reinvent, notwithstanding.

Thank you, Mr. Chairman and Members of the committee. I will be happy to answer any questions you have. I want to reassure you that my interest and our interest is in helping you do your job.

Mr. PORTER. Thank you, Mr. Secretary.

[The prepared statement and biography of Secretary Reich follows:]

STATEMENT OF ROBERT B. REICH
SECRETARY OF LABOR
BEFORE THE
SUBCOMMITTEE ON LABOR, HHS, EDUCATION
COMMITTEE ON APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES

JANUARY 18, 1995

Mr. Chairman and distinguished members of the Subcommittee, thank you for the opportunity to testify this morning. I want to briefly share my thoughts with you about our mutual concerns -- and then, I'm looking forward to taking your questions and beginning what promises to be a lively and long-running conversation.

This new Congress came to power energized by a common goal: to scrutinize the federal budget -- issue by issue, program by program -- to determine what deserved continued funding. If a program wasn't doing the job, or wasn't doing it at a reasonable price, that program would either be reformed or retired. That agenda unsettled some people in this town. Change always does. But let me say at the outset -- in front of the committee and the cameras -- something that may startle you. I agree.

If we're spending money on things that aren't working, we've got to either shape them up or shut them down. Investing scarce resources in programs that don't deliver cheats workers who require results and taxpayers who finance failure. I welcome your scrutiny, for in the end we all will benefit from it.

Yet as you scour each line item, I urge you not to divorce this micro-analysis from your understanding of the larger, and infinitely more powerful, forces that are reshaping our economy, and unsettling the very way we live. Five years from the turn of the century, these are tumultuous times in America. We won the Cold War, but now struggle to find a common purpose during peacetime. We hurtled into the age of information, but now wonder whether the communications revolution will bring us together or only deepen our divisions. We saw our fundamental principles -- democracy and free markets -- affirmed throughout the world, but many of us are anxious about the resiliency of American values here at home.

The backdrop to these days of challenge and anxiety is a fundamentally new economy. We have entered an era in which only skilled and well-educated workers can expect to flourish. New technologies and global competition have rewritten the rules that govern who can achieve the American Dream. What you earn will depend ever more on what you learn. For most of those with the right education and skills, this new economy means rising wages and widening prospects. But the wages of the rest of the workforce are stagnating or sinking, and their opportunities are narrowing.

Simply put, only some of us are equipped to prosper in this new economy. This is not simply a threat to the incomes of ordinary working Americans. It also undermines our nation's economic competitiveness. Companies are discovering that every other element of their operation can be replicated by competitors -- machinery, technology, access to cheap labor around the world. The only thing that can't be duplicated are our workers -- their skills, their abilities, their capacity to work together. For corporations and for nations, a skilled workforce is the only enduring competitive advantage. And therefore, building the skills of all Americans -- providing genuine opportunity to middle class families who work hard and play by the rules -- is President Clinton's number one objective.

So, as you examine the budget -- and again, I welcome your hard look -- you must also keep in mind the central challenge our country faces as we edge closer to the 21st century: to restore the middle class that was once this country's defining feature -- to equip every American with the education and job training to make it on their own. That's why, as you scrutinize each line item and as we debate their pros and cons, please also keep in mind the following: If you think that working Americans don't deserve protection in the workplace, or help in adapting to the new economy, I can promise you a fight. But if you think Americans are rightly demanding that we do these things efficiently, creatively, and accountably, I can promise you a partner.

There is much talk these days about values. We hear about the subject on talk radio shows, in newspaper columns, in conversations at the grocery store. For most of us, values are found in religion -- in the rituals and readings that form the core of many of the faiths that flourish in this country. But in government, values often can be located in budgets. Values aren't <u>announced</u> in those tables, charts, and graphs. But they are embedded in every line, every figure. Look closely and they reveal what we're for and what we're against; what we treasure and what we abhor; what we put first, and what we are willing to surrender.

Yet budgets -- at least good budgets -- don't soar in the lofty stratosphere of unbridled dreams. They're inevitably tugged back to earth, by the hard and heavy rocks of reality. Indeed, any budget is a truce between ambition and scarcity. This is true for a nation as well as for a household. Any healthy family, and any healthy nation, can identify worthy purposes exceeding the resources available to pursue them. Setting a budget, then, involves a disciplined assessment of relative worth: Among many valuable options, which do we value the most? This is hard. It's <u>supposed</u> to be hard. If it's easy, either we haven't thought long enough about all the things we need to do, or we haven't been honest about limits.

Not too long ago, putting together a federal budget was relatively easy because it was relatively meaningless. Government -- and here I mean both Republicans in the White Houses and Democrats in Congress -- dodged choices, denied limits, and shrugged off the burden of setting priorities.

This Administration has dared to be different. We have cut funding for some areas, and increased funding for others. In the name of a better future, we have accepted austerity. And in the name of a better future, we have made investments.

We've already made considerable progress in our campaign to invest in people -- progress, I might add, that has been made in an impressively bi-partisan fashion. Each year, a significant number of additional children are able to enroll in Head Start, a proven first step on the path of lifelong learning. School systems throughout America have millions of dollars in new incentives to improve their performance, in line with voluntary national standards of excellence. Within a few years, a half-million youth benefiting from the new School-to -Work program will move from the classroom to a skilled job with a future. Five and a half million people who take out education loans each year can now borrow at lower interest rates -- and can repay their loans at the pace their future income allows. We are helping more people train for and find new jobs -- this year alone an additional 150,000 Americans who have lost their jobs will get the skills or the job-search help they need to find new ones.

Continuing these bipartisan efforts is the best way to give all Americans a decent chance to earn their own prosperity in this new economy. As the next step along this path, we propose cutting through the clutter of confusing requirements and bureaucratic barriers by putting resources directly into workers' hands. This represents a fundamental shift from programs to purchasing power. Instead of feeding the budgets of bureaucracies -- federal or state -- we'll channel the resources directly into the pockets of ordinary Americans so they can get the skills they need -- at the time, in the place, and in the way that makes sense for them. Workers who need to start new careers, and low-wage workers who need to make a fresh start, will have a new gateway to better jobs--and information on what skills are in demand, to guide them through those gateways.

The fundamental elements are as follows:

-- Education and job training tax deductions to help working Americans pay for building new skills. Families with incomes up to $120,000 per year will be able to take tax deductions -- up to $5,000 next year, then rising to an annual ceiling of $10,000 in 1999 -- for money they spend on skill-building at community colleges, technical schools, and other learning institutions.

-- Eliminating more than 50 separate programs and replacing them with an integrated system that minimizes red tape and maximizes individual choice.

-- Skill Grants that individuals can use to make their own decisions about post-secondary training and education. Under this plan, unemployed and low-income workers can get grants of up to $2,620 per year that they can use as they choose to learn new skills.

-- Continuing to build the network of One-Stop Career Centers already under construction by the States -- to give workers access to reliable information on jobs, careers, and the success records of training institutions, so that they can make good choices to improve their futures.

-- Expanded Individual Retirement Accounts so families can accumulate funds for investing in new skills, buying a first home, or paying medical expenses as well as saving for retirement.

We have based our plan on the sturdy evidence of what has worked in the past, and what has not. And as part of that effort, we have put together a comprehensive summary of research findings relating to employment and training programs. This summary was directed by Lawrence Katz and Alan Krueger, two of the country's most distinguished labor economists, whom I persuaded to serve in turn as the Labor Department's chief economist.

The report takes a rigorous, balanced approach in laying out what we know about youth programs, programs for disadvantaged adults, and programs for dislocated workers. It addresses a broad and basic question: What do the data on training, skills, and earnings suggest about the prospects for restoring America's tradition of broadly-shared, middle-class prosperity? There are three propositions to be arrayed against the evidence. One is that we can somehow reverse the erosion of living standards and the growth in inequality <u>without</u> improving the productive skills of American workers (especially those now at the lower end of the skills distribution.) I simply do not believe this is possible. A second proposition is that while skills <u>do</u> matter greatly in the modern economy, there is not much that government can do to increase the average level or improve the distribution of skills, and thus a grim future awaits many American workers. I find that proposition repellant. Fortunately, it is also at odds with the facts. The third proposition, and the one most in accord with the evidence, is that it is possible--not easy, not automatic, but possible--to improve the productivity and earning power of workers across the spectrum.

The report on what's working presents some results that make us proud; some that make us wonder; and some that make us face the need for change. We've already incorporated the lessons into our reform efforts, and we're just getting started. The Department is releasing this report today to you -- as well as to the general public. I hope you will find it helpful in better understanding the current evidence about efforts to help people build skills so they can earn better livings.

But while our goals begin with education and job training, they don't end there. We're also committed to the proposition that all American workplaces -- the U.S. Congress included -- should be healthy, safe, and free from discrimination. The low road is not an acceptable route to profits and productivity. Nonetheless, we don't support regulations that are intrusive and nothing more. But American working men and women know that legitimate, reasonable, and sane regulations save lives and promote fairness. For example, Since the Occupational Safety and Health Administration (OSHA) was created in 1970, workplace injuries have declined -- particularly in high-risk industries like construction and manufacturing. And as the economy evolves, we're changing the way OSHA does business. We're focussing our efforts on the most serious threats to worker health and safety, and we're redirecting our resources to enforcement, standards setting, education, training, and recognition -- areas where they are the most effective.

Indeed, we've made great strides in reinventing much of our operation at the Department of Labor. For example, all Department of Labor agencies have developed customer service standards and many have directly surveyed their primary customers, analyzed these responses, and are actively addressing areas of concern. And we have placed our front-line employees at the center of these efforts. They've been instrumental in identifying ways to reengineer current work processes and eliminate unnecessary steps. Our reinvention teams have also trimmed unnecessary internal rules, reduced paperwork, and simplified reporting requirements. For example, worker compensation claims used to be reviewed by nine people in 68 steps. We've reduced it two people and 18 steps, freeing more employees to provide greater help to our customers. I'm proud to report that the Labor Department has won seven "Hammer Awards" from Vice President Gore for our reinvention efforts, a large number for an agency our size.

Yet as I mentioned, the discussion of the programs and processes occurs in the context of a broader debate about the purposes of government. To hear some tell it, the vision of the President, the perspective of the American people, the outlook of the Congress are all wildly at odds. But I think there is much more consensus than meets the eye. What government can do -- what government has always done -- is to help ordinary Americans adapt to change. Our history offers a rich tradition of government playing exactly this role. The Homestead Act. Social Security. Unemployment insurance. The student loan program. Federally backed mortgages.

Today, <u>skills</u> are what allow people to navigate change successfully. Indeed, each year of education or job training beyond high school increases average future income by six to twelve percent. There is overwhelming evidence that a significant investment in American skills and education will pay off handsomely for everyone. Think about one of the crowning achievements in the American tale of opportunity -- the G.I. bill, which helped transform a period of conflict and anxiety into an astonishingly prosperous postwar era. The G.I. Bill empowered ordinary Americans by giving them opportunities to acquire world-class skills. The rest is history -- indeed, one of the brightest episodes in our history. The dream of a secure, productive place in the middle class became a reality for a majority of our nation's people.

Half a century later, America faces another turning point. It is time to renew our commitment to making the American dream a reality.

This concludes my prepared statement, Mr. Chairman. Thank you for this opportunity. I'm happy to answer any questions that you or other members of the Subcommittee may have.

INCREASE IN THE MINIMUM WAGE

Mr. PORTER. You and I have sat down on a number of occasions to discuss these matters in person, and I have, as I have said to you before, felt that you have very much been on the right track. But then sometimes you come up with some things that I don't understand.

If, in fact, we need to emphasize education and training and we need to move people from unskilled positions to skilled positions through education and training, why would we want to then skew the market by raising the minimum wage? How does that make sense in view of what you just got through saying, and why did you propose it?

Secretary REICH. I have not proposed it. The President has not announced any decision with regard to raising the minimum wage.

Mr. PORTER. I thought you had.

Secretary REICH. No. The internal advice that I have proffered to the President is not public.

Let me say though that—for the record and by way of context—the minimum wage, which is now at $4.25 an hour, is 30 percent below, adjusted for inflation, what it was in 1979. The last time it was raised in 1989—and, by the way, then it did get a lot of bipartisan support, including Mr. Gingrich and Senator Dole voting for raising the minimum wage in 1989—that minimum wage in 1989 and 1991 with steps has now lost 50 cents of its value through inflation. If you will pardon me calling it the Dole-Gingrich minimum wage increase, that has been repealed by 50 cents.

Let me make one other quick comment. The most recent research shows that the average minimum wage worker is contributing 47 percent of family income. That minimum wage worker is working at the equivalent of $8,500 a year, half of family income. Therefore, that puts the family at $17,000 or less.

We all have an interest in making work pay, obviously. When we want to move people from welfare to work we want to make sure that we provide a living wage, and that has been the tradition included in the minimum wage. We have done everything we could through the earned income tax credit and other devices to encourage people to work and get off welfare. And, therefore, the minimum wage may be, and I underscore may be, part of the answer to the problem of making work pay.

Mr. PORTER. Except that you agree with me that it doesn't fit theoretically with what you have been talking about? That since it skews the market it makes low pay work more important than high pay work?

Secretary REICH. Let me—and I must say this. The President has made no public announcement of his position on this, and he will do so when he is ready, and I don't want to in any way suggest that he has made a decision. But I do want to respond to any substantive points you have and provide any help I can to this committee.

The most recent research on the minimum wage done by Lawrence Katz of Harvard University, Alan Krueger of Princeton, is based upon States that have increased their minimum wage above the Federal minimum relative to States that have not—they have looked at border areas and compared firms and compared on the border of the two States and before and after the 1989 to 1991 wage increases.

They have found that modest increases in the minimum wage have had no negative employment effects. How can that be? For the reason that most of the employers of minimum wage workers have a high vacancy and a high turnover. Therefore, any modest increase in minimum wage has in those instances not resulted in negative employment. It has not cost employers more in effect because they reduce their vacancy and reduce their turnover.

JOB TRAINING PROGRAMS

Mr. PORTER. Mr. Secretary, I knew I shouldn't have opened this subject with you.

One other question. How can we justify the existence of over 150 separate job training programs within one government? Doesn't that strike you as an observer as crazy?

Secretary REICH. It does. And, indeed, since I came here I have been doing everything I can to consolidate and streamline that.

Mr. PORTER. How many of them are under your Department?

Secretary REICH. The GAO measures programs in one way. The National Center for Employment Policy just came out with a slightly different measuring device and with a different definition of programs. About a third—20 percent to a third, depending on how you measure it, are in the Labor Department.

Mr. PORTER. So when you are talking about 50 programs and skill grants you are talking about all of your job training programs, is that correct?

Secretary REICH. We are talking about, government-wide, consolidating as much as we can. There is apples and oranges and tangerines in many measurements.

Some of the programs that are not in the consolidation proposal, for example, are the Small Business Training Program operated by the SBA, the Veterans Rehabilitation Program coming out of the Veterans Administration, the kinds of programs that may have the word "training" in them but have to do with specialized populations having nothing to do with the kind of employment, education and training system that we should be creating in this country.

What we have done government-wide—and I have worked very closely with Secretary Riley on this—was to take as much as we possibly could, consolidate it and turn it both into skill grants and young people's programs. We don't believe with regard to the youth programs that that is appropriate to put them in the form of skill grants. It is better to consolidate them under a model that seems to be working, on the basis of all the evidence we have. That model is integration of school and work, which under the School-to-Work Opportunities Act seems to be working, by giving disadvantaged young people an opportunity to see the real world of work and see that what they learn in the classroom is applicable to the real world of work.

Mr. PORTER. Mr. Obey.

OSHA ISSUES

Mr. OBEY. Thank you, Mr. Chairman. Mr. Secretary, I would like to discuss the issue of OSHA for a moment because I think that this town is plagued with things that we know that ain't so, as I said this morning.

I would start by simply observing that some of the rhetoric I hear about OSHA would seem to indicate that people think that that agency was created by a bunch of pointy-headed liberals who rammed a bunch of left-wing bureaucratic rules down the throats of the private sector.

I was here when OSHA was passed, and it was exactly the opposite. The lead person in the House who was pushing for passage of OSHA was my good friend Bill Steiger, a Republican from Wisconsin. If he had not died I would suggest that he would be Speaker today.

We saw OSHA pass. And, as the price for acceptance by the U.S. Chamber of Commerce, OSHA was required to swallow virtually whole all of the rules, regulations and standards that were designed by a private industry advisory council. And because the membership on those councils was largely big business, you had some rules and regulations that may have been understandable to a Ph.D. or an engineer but not to the average small businessman trying to make a living and trying to figure out what they meant.

It took us a number of years to try to get OSHA the authority to modify some of those standards, and I think they have made great progress. But given the technical nature of things they deal with they often still have trouble. I am very concerned that people's frustration with the issue of regulations will lead people to throw out the baby with the bath water and leave workers again vulnerable to lack of protection in the workplace.

I recall a number of years ago when my kid sister was very sick and dying, and at that point the doctor couldn't figure out what the problem was. He thought it might be some chemicals she was being exposed to in the workplace. He tried to find out what was in some of the solvents being used in the plant she worked in.

We called the company. They refused to tell us. I had to send my brother-in-law into the plant to determine what kind of chemicals were being used in that place and threaten the company with significant publicity if they stood in the way.

Workers shouldn't have to put up with that garbage. They need to know that OSHA is going to be there to defend their health, to defend their right to work under safe conditions.

I would like to ask you, where are we with respect to the ergonomic standards? And what is your evaluation as to when we could expect those to be in place?

Secretary REICH. The so-called ergonomic standard has not yet come to my desk to be approved as a proposed regulation for the rulemaking process. I am waiting for it. I have instructed staff to be as quick as possible in terms of finalizing that. They want to be as careful as they possibly can.

I do know, based upon evidence that has come before me, that there has been a substantial increase over the last few years in certain kinds of injuries that may be characteristic of the new industrial work site, such as carpal tunnel syndrome in which people find that after typing for long hours the tendons and other related nerves are under great stress.

There are other injuries that we are finding in the new workplace, and many people are interested in moving forward with some sort of protection. But the staff is intent on making sure that is the most sensible, possible, and that the benefits exceed the burdens. Again, they are going to come to me with a recommendation as soon as they are ready.

PRIVATE SECTOR TRAINING

Mr. OBEY. You have addressed the fact that the lion's share of worker training done in the private sector is done primarily with workers who are at higher levels of responsibility and management. I personally think that private sector training programs are in the end going to be much more useful than most public sector training programs but not exclusively so.

There is a fellow who runs a business in my district, happens to be the brother of an old girlfriend of mine from about 100 years ago, and he has a policy that he will provide all the training any worker in his company wants up to and including a four-year college education. He has never lost a worker, even those who have gone to college and come back. Obviously, not everybody is in a position to make that kind of offer to their workers, but it applies across the board, down to the most lowly worker in the plant.

How do you think—if we consolidate government programs and give more focus to training programs in the private sector, we can get private sector businesses to, in fact, focus their training where it is most needed, on most of the workers out in the plant rather than a few corporate vice presidents?

Secretary REICH. Congressman, as you said, most of the training that is going on in the private sector is directed at college graduates, who comprise only about 25 percent of the work force. The BLS informs me that 35 percent of workers do get formal company sponsored training, but the vast majority are college graduates.

Yesterday I was in a machine tool shop talking with an employer who needed skilled, numerically controlled machine tool operators; and he was bemoaning the fact that he couldn't get them. He needed 10 of them. He was willing to pay $60,000 a year. He couldn't find them.

I said, why don't you take untrained people and train them yourself? He gave me an answer which most economists would recognize immediately as a kind of free-rider problem. He said, if I train them there is no guarantee they will stay here. They may go down to my competitor. What do we get out of it?

There are certain things we can do to overcome the free-rider problem. One is to provide some government assistance to make sure that these training programs are geared to jobs that are really there. And that is what we are trying to do, and that is what the skill grant would do and in fact what many community colleges are doing.

The second would be to allow, through antitrust exemptions, small businesses in the same industry in a geographic area to come together and jointly sponsor company training so that there is less of a disincentive on any one business to train somebody who may go down to a competitor's shop in the same region.

I have been notified by the Assistant Attorney General for Antitrust, Anne Bingaman, that in most cases, in her view those kinds of joint ventures with regard to training would not violate the antitrust laws and maybe we could pursue that to a greater degree.

Thirdly, there may be tax incentives for business that we ought to examine, we being the government. I have in many public fora suggested to business groups that if there are tax incentives they feel they need to make it worth their while for their individual members to invest in worker training to a greater extent than they are now doing, please let us know. Nobody has taken up my offer to date.

Mr. PORTER. Mr. Bonilla.

OSHA INSPECTIONS

Mr. BONILLA. It is great to see you again. I appreciate you stopping by the office yesterday and having a chance to visit. I look forward to working with you on some of the things we talked about.

The first questions I have relate to OSHA. I believe that you are sincere and that Mr. Dear is sincere in trying to eliminate the monster within OSHA that makes small businesses shake in their boots every day, but there continues to be the horror stories that you referred to in your opening remarks. We hear about them all the time in our districts.

Here is one from the *Kansas City Business Journal*. Mr. Gary Adams, who owns a pastry shop, asked about last year's OSHA inspection—it says, "you are apt to get an earful of expletives. Adams was cited for violating OSHA's lockout standards because the switches on his ovens weren't padlocked while being repaired. Sounds reasonable except that Adams did much of the repair work himself and removed the fuses, and the appliances couldn't possibly be activated during this repair."

Adams says, "What aggravates me is that this is the first time in 17 years I have ever been inspected. Rather than give us information and advice, they assessed us $1,200 and change for each of the three ovens. When asked about that, the area director told me, Washington reviews us for how much we collect. I said, are you in the safety business or the money business?"

In Kansas City business circles, the OSHA agency, there are other stories like this. Many complain that it is more concerned with citing trivial violations than helping them reduce workplace hazards.

You said in your opening remarks that your goal is not fines. I believe that. But why has this monster not been able to be killed yet at a level to where our good entrepreneurial spirit out there is not allowed to flourish rather than work out of fright to survive?

Secretary REICH. Congressman, when we hear allegations of excessive or overzealous inspections and regulations, we do look into it. I can't guarantee you sitting here that there are not such examples. We are trying to reform this agency to ensure that safety is the goal, not harassment of businesses, and we will make every effort to ensure that is the case in the future.

I want to make another point, that I hear again and again stories of businesses that have been harassed about things that sound so silly, but after I look into them I discover that the story has been somewhat altered for public consumption.

I heard about an OSHA inspector who fined somebody for chewing bubble gum while working on a roofing project. It sounded absurd, so I looked into it. The only regulation that OSHA has that has any bearing on that is a requirement that when workers are working in confined spaces with respirators that they not be eating or consuming any kind of material. That is because of the danger inherent with the interaction between eating and respiration. But that is a specific standard. The confined space standard has saved lives but has nothing to do with roofing.

The short answer is that when we discover legitimate cases of pettiness, harassment or silliness, we do everything we can to root them out and focus on safety. We are also very aware that over the past decades a legacy of silly stories has grown which have their origins in mere fiction.

Mr. BONILLA. There is a lot of smoke there, Mr. Secretary, so we have to presume the fire is still burning and needs to be put out.

No one disagrees with my colleague, Mr. Obey, about the concern from every Member on this committee about worker safety. The story he cites about his sister is a good example of how we need to look after worker safety. But there has to be a happy medium somewhere.

The issue was brought up about publicity and how that affects a company when hazards are pointed out. OSHA frequently issues a press release to the local media with information on proposed citations that encourages the media to report the information. All of this done before the employer is often given the opportunity to respond or contest the proposed citation. Press releases such as this can be very damaging to a company's reputation, especially if the citations are later on appeal. Isn't this a direct contradiction to our system of justice in this country, innocent until proven guilty?

Secretary REICH. When any evidence of harassment, privately or in the court of public opinion, comes to my attention or to Mr. Dear's, we do what we can to ensure that it is stopped and that that is not the pattern.

I do want to bring to your attention, though, the additional investments that we have made in providing technical support assistance and information to employers to help them eradicate unsafe conditions before they become unsafe conditions, before they become violations.

In fact, the program that we have, which provides consultants who go into the workplace and identify unsafe conditions, is a very popular program. There is a waiting list to get into the program because it has a bearing not only on OSHA violations but also on workers compensation rates as well. All I can say to you is that we are doing what we can to reorient OSHA, to the extent that it needs reorientation, toward prevention of injuries, illnesses and deaths before they occur.

Mr. BONILLA. Thank you.

Mr. PORTER. Mr. Stokes.

IMPACT OF RAISING THE MINIMUM WAGE

Mr. STOKES. Thank you, Mr. Chairman.

Mr. Secretary, in the Congressional Monitor of Wednesday, January 11th, on page 3 there appears a statement. I would like to read it and get your reaction.

It says, "on the House side, Speaker Newt Gingrich also has flatly rejected the notion of a minimum wage hike. During a news conference on Monday Gingrich said, 'The number one impact of raising the minimum wage is to make it harder for young black males to get jobs. There is no question about that. The marginally hardest to employ are the first to be cut out of a job.'" Can you comment on that?

Secretary REICH. Yes, Congressman.

Let me elaborate upon the evidence that I shared with the Chairman a moment ago. Research has shown that a modest increase in the minimum wage—again the minimum wage is now 30 percent below what it was in 1979, adjusted for inflation. $4.25 cents an hour comes to $8,500 a year, very difficult for somebody to make it on that.

But a small increase in the minimum wage, according to this new body of research, will have no negative effect on employment at all. Quite the contrary; in some jurisdictions it increases employment because it brings people into the job market who otherwise would not be there because it wasn't worth going into the job market because jobs weren't paying enough.

Carefully undertaken—it is my view, and I don't want to be heard to suggest that this is the President's view. This is my view as Secretary of Labor. Carefully undertaken, the minimum wage, along with the earned income tax credit, can be a means for making work pay and help people move from unemployment to employment.

Mr. STOKES. To take it just a bit further, if we go back to that young black male who was in the marginal employment category as described by Mr. Gingrich, what do we do in order to try and get those individuals up into the middle class that we are all talking about, to better their conditions? In their category, they have no employment. At least, the others in the middle class have some form of employment, albeit they are behind in terms of the curve.

What are we doing? In your report: What's Working—and What's Not, we are not even talking about that category.

Secretary REICH. Congressman, actually, there are a number of studies, and I would be happy to share them with you, which show encouraging results for helping disadvantaged young people and disadvantaged males get into the job market. Let me bring your attention to one that comes to me off the top of my head.

Disadvantaged men, young men, are one of the most difficult groups to provide job training to that ends up in jobs, partly for the very reason you have suggested, that there aren't jobs there. But also it is very hard to keep them in training programs. The record has not been very satisfactory.

But there are exceptions to the rule, and the exception seems to be—and there is the CET program that comes out of San Jose. I have seen it in operation in East Los Angeles and I have also seen it in project Focus Hope in downtown Detroit.

These are programs in which young people, even young men who have not graduated from high school, are given specific training linked to real jobs that they know are already there, employers actively involved in those programs dictating what they need by way of trained workers and entering into an implicit contract that if the workers are there and they are trained and they pass a performance level they will be hired.

With the CET program, the East Los Angeles Skills Center where I have seen some very positive results and in project Focus Hope in Detroit, we have very high levels of job placement at relatively good wages, beginning wages—I say relatively—higher than minimum wage—in numerically controlled machine tool operation, in mobile electronics and in several other related fields.

These are success stories. What gives me cautious optimism is that there are success stories out there. Those stories can be replicated. This is not a hopeless situation. We simply have to design programs around those successes.

Mr. STOKES. Thank you.

Mr. PORTER. Mr. Istook.

OSHA REGULATIONS

Mr. ISTOOK. Thank you, Mr. Chairman. Mr. Secretary, good to have you here.

I cannot let go without response your statement to Mr. Bonilla that you are trying to correct overzealous inspection and regulation by OSHA. I recall April of last year when you made a personal visit to Oklahoma City to my congressional district, to the Dayton Tire Plant where you made a huge media event out of announcing that you were fining the plant $7.5 million in citations. That afternoon you sent your attorneys, just before the courthouse closed, to court to get a temporary restraining order that was served on the plant which found that they saw no way to comply with it other than to shut down. And 1,500 people in my district were worried about whether they would ever be able to go back to work because Secretary Reich had come to town.

I realize there had been a death at the plant six months earlier, and six months after the fact you decided that you thought there was an imminent danger.

Now, I would like to read—after there was a court hearing a month later—what the judge found, the United States District Judge, Timothy Leonard.

As he said in his order, "not one witness testified that a real risk of future injury exists at the plant if machines are not locked out during the operations at issue, which was the contested issue. Employees and union representatives, the people most knowledgeable about the machines and operations at issue here, have not indicated the belief that imminent danger exists at the Dayton Tire Plant."

In addition, three out of the four compliance officers, your own OSHA employees, three out of the four compliance officers who personally inspected the plant, have yet to conclude that imminent danger exists at the facility due to lockout, tag out violations.

Plaintiff—that is you, Mr. Reich—"plaintiff has failed to demonstrate that any such injuries, either those in the past or those that may occur in the future, are due to violations of the lockout, tag out standard."

And yet it was you, Mr. Secretary, that personally made the decision that gave the plant, as Mr. Bonilla described, situations where management has little or no notice, they had a few minutes notice, and yet the international president of the United Rubber Workers Union was able to be there from Ohio to be with you that morning. When the plant didn't have advance notice, you were able to have the international president of the labor union at your side in Oklahoma City coming in from Ohio.

And yet you tell this committee that you are against overzealous inspection and regulation.

I would have to submit to you, Mr. Secretary, that it begins at the top. And although I know it was not your intended purpose, there were a lot of repercussions of that event.

You can look at events of 1994. And there was a political campaign going on in Oklahoma at the time for the open congressional seat that was ultimately won by a Republican in an overwhelming Democrat district, and this became part of the reason that people in Oklahoma turned against the Clinton administration and its advocates and created momentum that led into Kentucky and into November, this attitude that you displayed when you came into my congressional district and made a big-time circus event out of trying to issue one of the largest fines in the history of OSHA of $7.5 million.

I realize there are still administrative proceedings, but I thought it was pertinent what the court said, and I think that we in this subcommittee and that all Members of Congress are concerned about this overzealous attitude toward inspection and regulation, and that it does start at the top, Mr. Secretary.

LOCK-OUT STANDARD

Secretary REICH. Mr. Congressman, I have to do what I think is right. I have to make some hard calls. I am reluctant to talk about any individual case, but since you bring it up and since you talk about it in such detail, I do feel compelled to set on the record my side of what the details are with regard to that case.

Mr. ISTOOK. I read the ruling of the court, the impartial fact-finder so we would not worry about your opinion or my opinion.

Secretary REICH. Let me just say that one Dayton tire employee died as a result of injuries sustained on his job on October 19th, 1993. OSHA investigated this accident and concluded that it was caused by the company's violation of the lock-out, tag-out standard.

The lock-out, tag-out standard, as you know, is in many cases a simple standard. It requires companies to have a process and equipment to lock out and tag out equipment so that, when it is being cleaned or when individuals are in the equipment somehow, they cannot accidentally have that machinery start again.

Furthermore, OSHA's investigation disclosed that these violations were the result—now, this is OSHA's conclusion, that is the staff conclusion——

Mr. ISTOOK. Which was reached after your personal intervention, although three of the four inspectors felt otherwise, Mr. Secretary.

Secretary REICH. I am sorry, Congressman, and again, I would be delighted to share——

Mr. ISTOOK. I am reading the court's finding here.

Secretary REICH. I would be delighted to share the particular sequence with you, but I was notified of OSHA's own decision first. OSHA found, before I made any decision, that the company had knowingly continued a corporate policy to disregard the requirements of the lock-out, tag-out standard as to certain clearly regulated conditions.

OSHA also found and notified me that these violations were widespread in the plant, and that several other employees had been injured. It was not only that this man died, but several other employees had sustained serious injuries to arms, hands, and fingers.

Mr. ISTOOK. Mr. Reich, I do want to make sure that you understand that you wrote me previously saying that decision was not made until you got to Oklahoma City on April the 17th, which is the morning—I am sorry, the evening before you went to the plant and you are now representing to this subcommittee that the decision was made before your personal involvement when I have it in writing from you that it was the day before you went to the plant when you were in Oklahoma City.

Secretary REICH. Congressman, OSHA does not——

Mr. ISTOOK. If you would like to see your letter, I have it here.

Secretary REICH. Okay. Perhaps we are discussing particular words. OSHA made a recommendation. OSHA's decision is a recommendation to me, and what I am talking about right now is that the OSHA inspectors and the OSHA staff made a recommendation.

They decided, based upon their review of the evidence, that there had been a willful violation in this instance. They came to me with the information after there had been a death, after there had been serious injuries. They came to me with their decision. Now, obviously the final decision——

Mr. ISTOOK. After you had already come to Oklahoma for this purpose. I have read the depositions of the OSHA officials, and of your role in pushing them toward the decision that they are now seeking to lay them off. When they saluted and go ahead with what you want and now you say that you bear no culpability, that you want to blame your subordinates, and I hope the people in your Department are aware of your attitude that way.

Mr. PORTER. We have——

Mr. HOYER. Mr. Chairman, I really do think that we ought to give the Secretary the opportunity to respond. The gentleman from Oklahoma has raised a serious issue, obviously, that impacted his district. I understand his concern about that. The Secretary, in my observation, has been in the process, with all due respect to my friend from Oklahoma, of answering the question.

As I understand it, his answer was OSHA inspectors, with which the deposition seems to be at odds, made a recommendation to the Secretary. I presume his next step is to describe what he did next and to answer the question as to when the decision was made. This answer may be helpful to the gentleman from Oklahoma, and I know I would be interested.

Mr. PORTER. Mr. Hoyer, we have a lot of people waiting for questions. There will be ample opportunity, because we have another hour with the Secretary at least, to revisit this, and if I may, I would like to recognize you for your questions and then we will go back to it.

SKILL DEVELOPMENT

Mr. HOYER. Well, I won't be here, but I will be looking forward to reading the answer. I would let you ask it under my time except I have a couple of questions that I would like to ask the Secretary.

First of all, let me say that I enjoyed your statement in which you referred to the budget being "a truce between ambition and scarcity." I think that is as good a way to put it as any. And we are going to be talking about that. I think you and I disagree on the balanced budget amendment, but we do agree on what the underlying problem is. And I also agree with you that both the Congress and the executive branch have been unwilling to make choices in times past. I am not talking about this administration, where I think we have made choices; we have made hard choices in terms of raising revenue and cutting spending.

Mr. Secretary, let me ask you a few questions that I have a great deal of interest in and you and I have talked about. You make the observation that each year a significant number of additional children are unable to enroll in Head Start on the path to lifelong learning. The reason I reference this is you, then, go on on the next page to talk about one-stop career centers already under construction by the States, is your phraseology. Again, I don't have the page, but you remember the testimony.

Mr. Secretary, last year I included language which this committee supported, and which I have discussed with you and with Secretary Riley and with Secretary Shalala, which in effect tries to focus your three departments. They are inextricably related, in my opinion. Give our people the skills so that they can compete in world markets and here at home to have better jobs for better pay.

You mentioned Head Start, which is at the beginning of the spectrum of that training. Last year, my language asked you, Secretary Shalala and Secretary Riley, to see how we can coordinate the programs that we have. All of us are concerned about the incredible numbers of programs.

Every Member of this committee has a good idea. We put it in the form of legislation and we call it program A and Mr. Dickey has program B. They may be very closely related. They may both be good ideas and the Congress adopts both, the President signs off on both and you have two programs. Now, if Mr. Dickey and I had gotten together some time ago, it may have been the Dickey-Hoyer program and just one program. That is something we have got to solve.

That is what this language tries to do under Secretary Riley for education. He is the principal in this. It does this under Secretary Shalala, in terms of health and human services and keeping people healthy so that they can work. And you are the lead for job training.

Now, question: one-stop career centers. I am an advocate of expanding the one institution that we all invest in in every community in America. We call it an elementary school, but it can be much more than that. And I would ask you, first of all, already under construction by the States, what monies are they spending? Where is that money coming from?

Again, it is my feeling that this may be a redundant construction. What if you had an elementary school that has the elementary school function, that has the Head Start and early childhood function, that has the health function. And then it could have the job component for those young parents that bring these kids to school, who may not have jobs themselves and can't access transportation to go all over the place. They could do it here.

I really think in terms of reinventing how we do things—I have been harping on this for a long time—it is a focus that all of us on this committee, the most conservative to the most liberal, could agree on. And it seems to me it ties in to the two things that I have referenced in your statement, particularly this one-stop career center. Can you tell me a little bit about that?

ONE-STOP SHOPPING

Secretary REICH. Yes, Congressman. In fact, Secretary Shalala and Secretary Riley and I are working very closely together so that the education programs, the Jobs Program under the welfare reform proposal, and also all of the job training programs in the three departments, can be folded in together and regardless of why somebody lost their job, regardless of the personal position of that individual, they can get the kind of help that they need at a one-stop setting.

These programs are not buildings that are being constructed. These are sometimes at elementary schools. Sometimes they are at unemployment insurance offices. Sometimes they are at community colleges. They are places where someone could get the whole array of services that are needed from unemployment insurance all the way through job search assistance, job counseling, and good information about where the jobs are, what the jobs are, and what kind of training is necessary.

The States that have begun to do this most successfully are trying an any-door-opens-all policy. Regardless of where you go for these services, you can get the full panoply of services. I think your notion of having elementary schools doing it is already beginning. What we have discovered is that to the extent that we can get these programs up and running, the duration of unemployment actually shrinks.

In fact, in the tests we have done in four States, the duration of unemployment has shrunk from one-half to four weeks, because people were identified very soon after they lost their job as somebody unlikely to get the old job back again and then given direct access to reemployment services.

Again, the three Secretaries of the three departments are doing everything we can to put our programs together and make sure that that one-stop career concept is utilized in all of these programs.

Mr. HOYER. Mr. Secretary, I have a lot of questions, and I know other Members do. You have a report, three of you—that Secretary Riley is going to give to us by February 28th. Hopefully, it will be here by February 28th so that we can work it into subsequent hearings on the budget. But if you would draw your staff's attention to that to see how it might tie in to what we have been discussing, I would appreciate it.

Secretary REICH. I will. Thank you.

Mr. HOYER. Thank you, Mr. Chairman.

Mr. PORTER. Mr. Miller.

CPI ISSUE

Mr. MILLER. Last week, the Commissioner of Labor Statistics was here, and I would like to pursue the question of the CPI issue and where that stands, and after Chairman Greenspan made his statements last week, has obviously been a significant factor.

You know, it is a large dollar amount we are talking about. What is the process and the time line that you envision to look at this, the whole issue of the substitution issues, the issues of quality, the market basket issues and all of that as far as when it will be accomplished and maintaining the credibility and obviously the objectivity of it. But I mean it is not something we want to take years doing, but where do we stand on that and what do you expect?

Secretary REICH. Congressman, as I think you are aware, the BLS was the first to even raise the issue that there might be, might be, and I want to underscore the word, "might," be an overstatement of the Consumer Price Index and the rate of inflation overall through that market basket analysis.

The BLS was given funds, resources in the last Congress to mount a set of studies and analyses. That is a two-and-a-half year, and maybe I should ask the Deputy Director of the BLS to give you more technical details, but that is a long-term study. It is a very complicated study. You put your finger on the three aspects of it that do need treatment: the market basket aspect, the substitution question; that is, is steak the same thing as hamburger, and also the quality.

How do you account for the fact, for example, that buying a new pair of tires that costs more lasts twice as long? Is that different, is that inflation or is that not inflation, and that affects, of course, right across the board almost every product we have. These are very complicated technical issues. Some of them are judgmental, complicated, technical judgments, and there is a crew at BLS doing this right now.

I want to underscore something that Congressman Obey said, and I am sure everybody on this panel agrees with, and that is we must not interfere politically in the technical work of the BLS because the sanctity and the integrity of those numbers is so vitally important to the country. But if you have further questions——

Mr. MILLER. For two-and-a-half years, that is going to be a long time. I mean why is it taking that long? It seems like there is a lot more consensus of opinion that there is a problem, and maybe as an incremental approach of change. But it seems like two-and-a-half years is too long, in my opinion.

Secretary REICH. Well, if I may, Mr. Chairman, perhaps I could ask Bill Barron, who is the Deputy Commissioner of the Bureau of Labor Statistics, to respond in more technical detail to the question you are asking. Is that permissible?

Mr. PORTER. Yes.

Mr. MILLER. I know there was a meeting scheduled with Chairman Greenspan maybe this week or something.

Mr. BARRON. Yes. It has been rescheduled until next week. Actually, just before coming up here I was very glad to receive a call from the Majority staff of the House Budget Committee and I will be meeting with them tomorrow morning, and I look forward to that very much so that we can discuss these issues and a process that they may wish to engage in with respect to Congress' examination of this issue.

Before I get into the CPI revision, let me just also mention that with the release of the next Consumer Price Index on February 15th, we will be announcing and incorporating into the Index changes in three components: food at home, generic drugs, housing, two parts of housing actually, which will address, to the extent that we know how to do so, and if I may, to the extent that anyone knows how to do so, some of the biases that, as the Secretary pointed out, BLS has identified and now others have spoken about.

So we will have in very short order a change that will take place with the very next release of the CPI. We estimate that change will be about a tenth downward per year. It is not very much in a statistical sense, but I think the best estimates from the Congress and the OMB are that this will amount to a savings of about $600 million, I believe it is. So that is a tremendous amount of money, and we are incorporating those changes into the CPI in the best way we know how to do it at this time. There are four biases that have been identified, Mr. Miller, and these changes deal with two of those.

The substitution bias is a complicated issue that involves updating the market basket. We received the funds for that this year. We are already selecting a new sample of cities in which we will go to collect prices for this market basket. We will need to determine how it is that we will price new items which we have not priced before, and in January of 1998—for a complex process like this—we will have a new market basket and we will begin publishing a revised CPI.

Other aspects of the revision are going to go on for three or four years after that. So this represents our best effort to do this as rapidly as possible. At the Secretary's request we have already cut a year off of this schedule. Members of Congress sought that as well. We have done the very best we can to do that particular change as rapidly as we possibly can.

Now, I want to point out to you, though, that as we update this market basket once, the issue that has been raised, Mr. Miller, is whether we should update this market basket every year. That is an issue—our practice has been every 10 years—and the substitution of annual updates has been suggested by economists as a way of dealing with how to better measure cost of living. Their idea of how to do this is updating this every year. That is a decision that we wish to seek advice from an outside committee to help us with. We think that that is beyond our purview, given the uses of the CPI.

Mr. PORTER. Mrs. Lowey.

OSHA ENFORCEMENT

Mrs. LOWEY. Thank you, Mr. Chairman, and welcome.

Mr. Secretary. I really had planned to talk about job training and the involvement of the private sector, but there has been so much talk today about fires, burnings, smoke and OSHA that I just wanted to comment and ask you one brief question.

It seems to me that our goal as public servants is to bring about a balance between regulation and making sure that the private sector is continuing to move ahead and providing jobs. We are all interested in creating jobs. But I can't help but recalling my first acquaintance with OSHA several years ago as a member of the Education and Labor Committee, as we heard from those workers at the chicken plant in Hamlet who remained after 29 of their colleagues died.

And as I recall the incident, the doors were locked because the employer was concerned that an employee would leave with a chicken. The doors were locked! The plant really did not allow the free exit from that plant and 29 people died. And my question to you is: Is it not true, that the average place of work only gets inspected once in 20 years? In fact, in enforcing OSHA regulations, you are so shortchanged and you have so little staff, that the average worker really is not protected.

So although I understand that we really have to guard against overzealous inspectors, overzealous government officials, just as we have to guard against overzealous and ambitious owners of factories and corporations, we really have to bring some balance to this. So perhaps you can comment on the number of inspectors, whether that has improved. How often does a plant, an average plant or a place of work get inspected to keep the average worker protected?

INSPECTION SCHEDULE

Secretary REICH. Congresswoman, there are six-and-a-half million workplaces in the United States. It is virtually impossible for every one of them to be inspected regularly.

With regard to OSHA, there are 2,281 employees altogether in OSHA. A little mathematics will show you that even if every single one of those was an inspector out on the road, in the field, it would be very difficult, if not impossible, to cover those six-and-a-half million workplaces.

We must rely on the cooperation of American business, and the voluntary compliance of American business. That is a competitive advantage. It is not inconsistent with the bottom line. A healthy and safe work environment, just like a well-trained work force, gives you a competitive advantage.

Now, having said that, and I am sorry the Congressman is not here—perhaps I would not have gotten very far, but I did want to at least provide details as to what I did and why I did it, and I hope for the record, Mr. Chairman, I will have an opportunity to do that.

But OSHA resources are spread thin. There are fewer OSHA inspectors today than there were——

Mrs. LOWEY. Mr. Secretary, if you would like to proceed, you certainly may and I will save my question on job training for the next round, if you would like to proceed after you finish your comments.

Secretary REICH. There has only been one occasion since I have been Secretary of Labor in which an employer, after having learned of the death of an employee, and after having the OSHA field staff tell that employer that the reason for that death was a failure to comply with OSHA regulations, only one instance in my entire experience here as Secretary of Labor that that employer has said we don't care. We are not going to come into compliance. We don't think that we are not in compliance, and we simply are not going to do anything about it.

And after that employer actually sustained a loss of life, then there were other employees who had major, serious injuries. Only one occasion where I had that—I faced that kind of recalcitrance, that kind of complete insensitivity and absolute refusal to guard the safety of employees, and that was the particular instance that we were just talking about. I am not going to tolerate that. I am sorry. I have got to call it as I see it.

When employers are going to flagrantly violate the law, I have to act. I have no choice. I have to, in the last analysis, I have to protect workers. Sometimes it is not popular. Sometimes the local press is very upset. Sometimes even the district courts don't find an imminent hazard. This issue is still under litigation, but I have to do what I have to do.

Mrs. LOWEY. Well, I am sure that this discussion will continue when my colleague returns, but I have used my time, and we will continue on job training on the next round. Thank you very much.

Mr. PORTER. Thank you, Mrs. Lowey.

Mr. Dickey.

COST OF REGULATIONS

Mr. DICKEY. Secretary Reich, have you all ever made any determination as to what regulations cost businesses and consequently the consumers from regulations?

Secretary REICH. Yes, Congressman. With regard to almost all of the regulations that the Department of Labor undertakes, the new regulations since I have been Secretary of Labor, there has been an analysis of not only the benefits of regulation, but also the burdens of regulation, and I have made it very, very clear, even if the statute does not require it, and many statutes, as you know, do not require it, have made it very clear that we cannot go forward. And in my view, it is not in the public's interest to go forward with the regulation unless the benefits to the public outweigh the burdens to business and indirectly to the public.

Mr. DICKEY. Let me ask you this: Do you know of a situation where an OSHA or any other inspection—no, no, let's leave it just at OSHA—that an OSHA inspection has been completed without a fine being levied?

Secretary REICH. I do know of instances where there are quite a number of inspections without fines being levied. If you want more detailed information, and Mr. Chairman, if you would allow me to, I would be happy to call Joe Dear, who is the Assistant Secretary for Occupational Safety and Health and he could give you a more detailed answer to your question, if that would be permissible.

Mr. PORTER. Absolutely.

WORKPLACE INSPECTIONS

Mr. DICKEY. I want to know if you know a percentage. A percentage or a number.

Mr. DEAR. Representative Dickey, Mr. Chairman, I am Joe Dear, Assistant Secretary for OSHA. OSHA conducted about 41,000 workplace inspections in fiscal year 1994. The majority of those, approximately three-quarters, would have found serious violations of some OSHA standard.

A number of those, an appreciable percentage, would have been what we term in compliance. That is, there were no violations on the inspection. But it has been noted here that OSHA has developed, and we report to the Appropriations Committee, our program in terms of inspections conducted, violations found, and penalties collected.

I think that is very interesting and important information. It is not, however, the information OSHA should be reporting, which is the results we achieve in partnership with business and labor in the reductions of injury, illnesses and deaths in America.

In our fiscal year 1995 program, the goals that I have committed to delivering to the Secretary——

Mr. DICKEY. I am just asking how many? How many in numbers or percentage, and you said that 25 percent is what it was?

Mr. DEAR. I will get a precise number for you, but it is not true to say that all OSHA inspections result in the finding of violations and the assessment of monetary penalties.

[The information follows:]

In FY 1993, 25% of OSHA's inspections were classified as being incompliance. In FY 1994 the number rose to 29%. An additional 12% of OSHA inspections in FY 1993 involved citations for violations for which no penalties were assessed. This number rose to 13% in FY 1994.

Mr. DICKEY. You are going to have trouble convincing people who I talk to, do you follow me? But that is not our business right now, but if you can get that figure to me I would appreciate it.

All right, Secretary Reich, this is going to be fairly controversial, but what if we just eliminated OSHA completely. Tell me what you think would happen out there as far as the way employers treat employees?

SAFETY AWARENESS

Secretary REICH. Congressman, in 1973, right at the start, near the start of OSHA, there were 11 injuries and illnesses per 100 employees. Partly because of OSHA's efforts, partly because of a great deal of consciousness raising among employers, and I credit OSHA with that, there are now 8.5 injuries and illnesses per 100 employees.

On deaths we have even a better record. That is, in 1973 there were 9.4 employees killed per 10,000 employees. We are now down to 5.5 killed per 10,000 employees. I believe, and again there is a way to go; you are not going to find me in any way satisfied with where we are. I think we can go——

Mr. DICKEY. My question is, if we just eliminated OSHA altogether, do you think there would just be rampant injuries, rampant deaths and do you think that employers would totally disregard safety measures.

Secretary REICH. I don't think that employers would totally disregard, no. I think most employers, as I said before, are concerned about the health and safety of their employees, but I do think that we would risk what we did risk before the creation of OSHA, and that was an inordinately high degree of injury and illness and also death at the workplace.

Right now, today, we are still not out of the woods. There are 17 workers killed every single day at work. If OSHA is doing its job well, it is bringing down those numbers. It has brought down those numbers, but I will tell you, I am the first to agree with the premise inside your question, which is that we have a long way to go. We can do it better. We can make it easier on employers, and not sacrifice worker health and safety.

Mr. DICKEY. That is all.

Mr. HOYER. Mr. Chairman, did we hear correctly? Seventeen workers a day are killed on the job?

Secretary REICH. I believe—yes, 17 workers a day, on average.

Mr. PORTER. Mr. Riggs?

Mr. RIGGS. Thank you, Mr. Chairman. Mr. Secretary. The last time I saw you was actually at Harvard at the JFK School of Government. You probably don't recall, but I was going through new member orientation, and I guess that program now is no more.

Secretary REICH. You did very well, I understand.

Mr. RIGGS. Time has brought some great changes for us both, I suppose. I want to follow up on a specific concern regarding OSHA that I think has some larger policy implications.

REGULATORY STANDARDS

We, myself and members of my staff, visited with the Assistant Secretary last week regarding some concerns that the timber industry of northwest California, my district, have with respect to pending OSHA regulations that are scheduled to go into effect next month. It is troubling to me, Mr. Secretary, that the Federal Government is imposing restrictions on an activity within our State and our district that are more restrictive than those imposed by the State, CALOSHA.

My question is, couldn't we realize a significant cost savings to the Federal taxpayer if we deferred more to State judgments in areas such as this? In addition, would you acknowledge and stipulate to regulatory overlap between your agency and CALOSHA, and what can we do to address that problem? That, going back to Mr. Dickey's question, ultimately results in a very significant compliance cost factor for private businesses and industry.

Secretary REICH. Congressman, let me respond with a broad overview of that issue, because we have spent a lot of time and I have spent a lot of time thinking about it, worrying about it and acting on it. Then, with your permission, if Joe Dear has something to add, I would like to ask him, and Mr. Chairman, with your permission, I would like to ask Joe to come back.

Mr. RIGGS. Certainly.

Secretary REICH. One of the reasons that we have national regulatory regimes like OSHA is because the American business community does not want to deal with 50 or 51 separate regulatory standards. And I have again and again struggled with this issue. We have the issue with ERISA right now.

The question of whether we want to allow States to develop their own insurance and health care standards and basically amend or override ERISA, which now preempts State laws is an issue that divides the business community right down the middle. Small businesses tend to like State regulation. They tend not to like Federal regulation. Large businesses don't want to deal with a lot of different regulatory standards.

As Congressman Obey said at the start, OSHA was created in part on the foundation of industry-wide standards that have been already established on a voluntary basis, but that were national standards affecting industries and simply put into the regulatory regime. And so, yes, we need to cooperate and work very closely with the State OSHAs and we will continue to do that. But the issue of whether you want State or Federal is a very, very complicated and a very difficult, difficult problem.

We are going to work to avoid overlap to the extent that we can. But again, I am, frankly, not sure of the trade-offs between the advantages to business and the disadvantages, if you are just simply talking about businesses' perspective of the State or the Federal approach. Joe, do you want to add to that?

Mr. DEAR. You have illustrated a very interesting question, because OSHA is late. The State of California has already addressed the issue of logging safety before there were effective national standards. OSHA then updated its standard. The State of California will have an opportunity to show that what they have in place is as effective as what we do. Your constituents, who have developed a way of complying with those standards, may not be subject to any change.

We will respond to your specific inquiry shortly with respect to that. But presently, States have an opportunity to regulate where OSHA does not, and they may exceed OSHA regulations if they choose to do so. But we attempt to establish a uniform minimum at the Federal level, and then allow experimentation of the 23 States which operate their own OSHA enforcement programs.

Mr. RIGGS. I will pursue this further, because I don't think we resolved the issue of whether or not there is effectively a Federal preemption in the area of worker safety, but I also want to point out, because again, I think it goes back to what Mr. Dickey was saying, and that is that regulatory compliance costs have become not only a fact of life, but a fixed cost for American business. And to the extent that we can reduce those costs and at the same time generate a cost savings for the Federal taxpayer that, hopefully, will be applied to deficit reduction, I think it is a win/win situation. I just want to put that out on the table and I will hold my other questions for the next round.

JOB TRAINING CONSOLIDATION

Mr. PORTER. Mr. Secretary, you are consolidating, as you mentioned, 50 programs under your control and some of them with other departments' job training programs. Shouldn't Congress just start eliminating some of these programs by zeroing them out? Wouldn't that help? Are you about to propose that? You are shaking your head, yes?

Secretary REICH. Yes. In fact, we have. Last year, Congressman, we recommended the elimination of several programs, several programs of which Congress did zero out, some Congress did not zero out.

I think one way of consolidating, a simple way of consolidating is to zero out programs and to make the remaining programs become authorizing vehicles through which you can achieve a greater degree of customer service and efficiency.

Mr. PORTER. Will there be changes in the law required to do that?

Secretary REICH. I believe so. I think to make sure that there is accountability, and I want to stress this. Merely consolidating programs is not enough I am not a believer in substituting one bureaucracy for another, block granting of the States.

If there is not real accountability to the people who need these programs, accountability with regard to ensuring that these programs are serving the public as they should be serving, then we are not really getting anywhere. In order to assure accountability, in order to get the kind of consumer report card that I alluded to earlier, it is probably going to be necessary to have new authorizing legislation.

Mr. PORTER. Do you want to share with us now the programs that you are suggesting that we zero out?

Secretary REICH. I can't share with you the programs that are going to be in the President's budget, which is going to be announced February 6th, simply because I am not permitted to do that. I am perfectly happy to share with you the programs that we have already with regard to the 1995 budget and publicly suggested that be eliminated or consolidated. I think you have a list of them.

Mr. PORTER. Those are in your book, though.

Secretary REICH. The Clean Air Act, the Employment Transition Assistance Program. I mentioned already the Targeted Jobs Tax Credit Program.

Mr. PORTER. That is not under our jurisdiction.

Secretary REICH. No. That one is not. The others are. The Job Training for Homeless Demonstration Program. We have and had recommended substantial cuts in other programs such as the migrants and seasonal farm workers.

Mr. PORTER. Let me ask you about one of the other programs. Some of the youth job training programs funded under Title II of the JTPA; last year you proposed reductions in the Title II programs and we did that. Are you going to suggest further substantial reductions in those programs?

Secretary REICH. Again, Mr. Chairman, I don't want to get ahead of the budgetary process in terms of the President's final decision-making. That will be submitted. But let me just say in general that in the past two years I have recommended cuts in JTPA Title II (c) for one simple reason. On the basis of the evaluations I have seen, and my initial judgment is substantiated by an associate study that is indicated here, we are not yet getting the pay-back we need to get from the Title II(c) programs. There are, however, some silver linings in the clouds.

We know what seems to be working, certain kinds of program designs do seem to be working. We can't quite shift the entire program into those new program designs fast enough, and that is why in the past two years we have recommended a decrease until we can get the entire program up to where it should be.

DISPLACED WORKER TRAINING PROGRAM

Mr. PORTER. Let me ask about the Displaced Worker Training Program under Title III. In fiscal 1993 we increased it from $566 million to $1.3 billion, an increase of over 125 percent. What results are we getting from that substantial increase in that program?

Secretary REICH. Mr. Chairman, our preliminary analysis indicates that we are having quite substantial results. The gain to individuals from every year that they are in a training program where they have lost their job is approximately 6 to 12 percent in terms of future earnings. With that program, given the amount of downsizing in the economy right now, and given the amount of job changes that Americans are experiencing due to structural change in the economy, international trade, and technological changes, we are experiencing, the American public is getting quite a big payoff.

Mr. PORTER. Are States able to effectively spend these large funding increases?

Secretary REICH. Yes, they are. I read the report. I don't recall whether it was the Inspector General or the GAO, indicating that the States are not spending that Title III money. That may rest upon a misunderstanding. We specifically have been working with the States to make sure that there is enough money left so that if somebody begins a two-year program or a year-and-a-half program, some program that extends beyond a year, that there is money in the kitty for them to finish that program.

There is nothing worse than starting one of these training programs at the community college and not being able to finish because the funds ran out. So that is where those unsuspended funds come in. They are committed with regard to individuals already in the program.

SUMMER YOUTH PROGRAM

Mr. PORTER. Mr. Secretary, how effective is the Summer Youth Program?

Secretary REICH. The Summer Youth Program.

Mr. PORTER. Is it a high priority for the Department?

Secretary REICH. The Summer Youth Program is a moderately high priority. Most of our studies, and we have a study from last year's youth program, showed that the work experiences are meaningful.

We have tried to integrate those work experiences with educational experiences during the summer, so that it is not simply a matter of work. As Secretary Riley might have said, many young people lose by September much of what they gained by June in terms of additional learning. And studies show that if you can combine work during the summer with some class work, refresher courses, you can keep them up to where they were in June.

Indeed, the summer youth experience in many cases has been an entre into the world of work for many young people that otherwise don't have any idea what the world of work looks like. Our goal is to merge that Summer Youth Program into an overall school-to-work framework, so that young people can be working in 10th and 11th grade part-time outside of school in the same kind of jobs they have during the summer.

Mr. PORTER. Thank you, Mr. Secretary.

Mr. Stokes.

WELFARE-TO-WORK

Mr. STOKES. Thank you, Mr. Chairman. Mr. Secretary, I would like to go back again to your document, "What Is Working, What Is Not". On page 5, Roman numeral V, you make reference there to welfare-to-work programs for poor, single parents at the bottom of the page. In light of the current interest in welfare reform here in the Congress, let me ask you about this.

Right after citing welfare-to-work programs for poor, single parents, the document says, these programs mandate education and/or job search for AFDC recipients. You say further that numerous evaluations of these interventions have found that—and then you have several findings.

One of the findings is that mandatory programs generally produce significant, but modest positive effects on earnings and employment and slight declines in welfare recipiency.

Then skipping over to the next page, and I will skip a couple of the findings there and go to the two that I want to refer to. One says, overall levels of poverty, welfare receipt and unemployment remain high even after participation in these programs. For example, 80 percent of the participants in California's welfare-to-work effort had family incomes below the poverty line three years after entering the program. And then the last one says, programs oriented towards job search have so far been more successful than programs emphasizing basic education.

Let me take it just a little further so you might elaborate upon it. I am particularly concerned about that last finding in light of the fact that, just this morning, Secretary Riley, in his testimony, said that about 44 percent of all of the people on welfare roles are high school dropouts, and 82 percent of all of the people in the Nation's prisons and jails are also high school dropouts.

And then a chart that we received from some of your people last week showing unemployment rates for persons 25 years and over, by educational attainment and with averages for 1994, shows 9.8 percent unemployment for those who have less than a high school diploma; 5.4 percent for those that are a high school graduate but have no college; 4.7 percent for some college and no degree; and 2.6 percent for those who are college graduates. So, it is a little confusing when I look at some of the data findings that come out of that particular section. I just wonder if you could elaborate a little bit, and if you might also, add something about the two-year cutoff that is in the President's reform.

Secretary REICH. Congressman, several points. First, there is, as I indicated in my opening statement, a widening gap in income and also in benefits, health and pension benefits, between people in the work force who have a four-year college degree, on the one hand, and people who only have a high school degree or less on the other.

People who have dropped out of high school and have not gained any further education have experienced the most precipitous drop of any, socioeconomic group in this country with regard to wages and benefits, and that has been the case over the past 15 years. The first and most important goal of public policy therefore in this area must be to keep young people in high school, and get them to graduate high school.

Secretary Riley and I have worked very hard on trying to develop a school-to-work framework in which young people who might otherwise be in danger of dropping out, or even young people who have dropped out go back to school because they see the relevance of what they are learning in the classroom for the world of work that they otherwise might be able to get.

I have been all over this country looking at programs for young, disadvantaged people that work. Recently, I was in Boston. One young woman came up to me and said something that no person has ever said to me before. She didn't even say hello. She said the following, with a big smile on her face. She said, I love geometry. And I asked her why. And she said that she was learning geometry in the morning and applying geometry in the afternoon in one of these school-to-work programs. She could see the relevance of what she was learning in the morning directly to what she was doing with that learning in the afternoon.

And the point is not that she was going to go into a job that necessarily utilized geometry for the rest of her life, but she was going to stay in school. And Secretary Riley and I are intent on integrating as many of those youth programs, education, job training programs, particularly for disadvantaged young people, to get them to stay in school, and then to give them the opportunities for getting additional skills beyond high school. It need not be the diploma that divides winners from losers in this society.

Now, the findings that you suggest about the importance of job search and on-the-job training are absolutely correct. There is a consistent finding that if we can help people not simply get training, not simply get a high school degree, but also find the job, get placed in a job, we have a much better likelihood of having that person get a job and keep a job.

Seventy percent of people on welfare do get a job within two years, right now, right now. The problem is that the majority of those people get off the job rolls and back on the welfare rolls at some later point. And the objective has got to be to keep people in the work force. In fact, prevent them from falling into welfare in the first place. And the President's plan is designed to do just that, emphasizing job training, job placement, and child care to make it possible for people to get jobs.

Child care is a tremendous problem that many poor working people face. And, finally, making work pay as we talked about before. I hope that answers your question.

Mr. STOKES. Thank you very much, Mr. Secretary. Thank you, Mr. Chairman.

Mr. PORTER. Mr. Bonilla.

HISTORY OF THE DAVIS-BACON ACT

Mr. BONILLA. Mr. Secretary, I would like to talk about Davis-Bacon for just a second. Could you enlighten me on the history of that act, because we have done some research and found some information. Is it correct that in 1931 the act was explicitly racist in its origin, in its text and especially its legislative history?

Construction unions, which were largely white in the first half of the century, wanted to shut out black workers who were moving to the cities from the rural South and were willing to work for less money than union workers. Bacon originally offered the bill because the Veterans' Bureau Hospital, in his Long Island district, was being built by an Alabama contractor who used black workers.

It is my understanding of the history of the Davis-Bacon Act, and I wonder if you know the same or would like to comment on the history of the Davis-Bacon Act.

Secretary REICH. Congressman, I have heard that historic allegation. I cannot comment on its truth or falsity. I know that Mr. Davis, Congressman Davis and Congressman Bacon were good, solid, stalwart Republicans and I don't think that they harbored any racist views. But I would be happy to look into the history and get back to you on that.

Mr. BONILLA. I appreciate that. And I also would like to comment, because there has been comment on this panel throughout the day about the history of laws and how they developed and how there are problems today, and I, for one, want to go on the record that I don't care who created them. If there are problems today, we want to deal with them today, whether they were created by Republicans or Democrats, in any ways.

The Davis-Bacon Act, according to the Congressional Budget Office, it claims that the repeal of the act would save $3.1 billion over the next five years. Do you agree with that?

Secretary REICH. That is the estimate that I have seen as well.

Mr. BONILLA. Do you believe that estimate is true?

Secretary REICH. Again, on the evidence that I have seen I think it is certainly within the range, Congressman. Let me just say that this is not a new debate, this debate has been going on for years about the wisdom and purpose of the Davis-Bacon Act.

My understanding is that its purpose originally and its purpose in an ongoing way was to maintain prevailing wages in a particular geographic region. The government, as a purchaser of contracting services, as a purchaser of goods and services, tends to often be a 10,000-pound gorilla, as we all know, because it comes into an area and has a great deal of bargaining power.

The Davis-Bacon Act was designed, as was subsequently the Service Contract Act, to maintain prevailing wages and not allow that 10,000-pound gorilla to undercut prevailing wages. Now, we may have—and again, there has been a lively debate around this issue—should the government undercut prevailing wages? Is it important for taxpayers to save the money or is it important to maintain the prevailing wage rates in an area?

Embedded in that question are all kinds of value judgments and I can tell you that this administration supports the Davis-Bacon Act and will continue to support it.

NATIONAL COMMISSION FOR EMPLOYMENT POLICY

Mr. BONILLA. The final question I have is about a book I brought with me today, and I know you have addressed this before, but receiving this 300-page document from the National Commission for Employment Policy. As you can see, it is a monster in itself, and I appreciate having this as a reference guide, but I think you would agree that this thing needs to shrink to about the size of the publication that you presented earlier, wouldn't you say?

Secretary Reich. Well, I don't want to be understood to criticize the National Commission on Employment Policy. I am proud of this lean, mean little document we have here.

Mr. BONILLA. Thank you, Mr. Secretary.

Mr. PORTER. Mrs. Lowey.

DOL ROLE IN JOB TRAINING

Mrs. LOWEY. Thank you, Mr. Chairman.

I want to go back to the whole issue of job training. Because with our economy changing and with jobs in particular areas disappearing, whether we like A, B, C job program or not, if one isn't working we have to figure out some way to train these workers for the 21st century. And sometimes in this debate here and on the Floor I have a feeling that rather than debating a vision for the 21st century we are all exhibiting—some of us—nostalgia for the 19th century. So as we think about job training programs I think it is very important that we figure out how we can make them work.

In fact, just recently the Comptroller of the State of New York released a report that was very critical of the jobs program. And some of us would say, well, get rid of all of them. And others would say, well, how can we make them work?

With the impending focus on welfare reform, many of us feel it is absolutely critical—if we are going to shake up the welfare reform offices and system as it is now, a focus on job training and child care at the front end is absolutely essential.

I wonder if you could provide for the record, number one, if we just got rid of all of the job training programs, what kind of data do we have? A number of individuals who would be denied educational training? Or if the job training programs were eliminated or substantially reduced, would the private sector just pick it all up? I know we discussed that before, but I wish you would clarify it.

Number one, how many people would be hurt, approximately, wouldn't receive the training, wouldn't receive the education? Do you feel that the private sector could take over the whole role of retraining?

And perhaps you could elaborate on the Department's role in helping the States make the most of these training programs. Because it is clear, if they are such a failure in some of our States, the Department in the past just hasn't done a good enough job. As an advocate of one-stop shopping I know the direction that you are heading in, but perhaps you could address those three areas.

Secretary REICH. Yes, Congresswoman. The reason that we put together this research is precisely to rebut the assumption that some people have that job training doesn't work. There is an abundance of evidence that it does work.

Not all of it works. You have got to know what works and what doesn't work so that the dialogue can be less ideologically charged; it can be much more practical and pragmatic according to the testimony along the lines that you suggested.

There are programs that work. It is not just important for people coming off of welfare; it is not just important for people moving from job to job because of downsizing or technological displacement or international trade displacement. It is also vitally important for the average working person who wants to upgrade his or her skills throughout his or her working career.

Job training is now not something that is a luxury or an add-on. It is something that everyone must be undertaking in one way or another, financed publicly or privately or by individual companies.

Why can we not expect companies to take the entire tab? I alluded to this before. It has to do with the so-called free-rider problem. Companies are very reluctant, for understandable reasons, to train people in general skills that are equally applicable to other industries or other competitors. This is why there are public institutions. Economists understand that there is a market failure in a sense with regard to the incentives operating in an individual company.

Companies, the best companies, do spend 2, 3, 4 percent of payroll training their workers, and we are doing everything we can to encourage companies to do that and to do more of it. But in the end there is still going to be a less-than-optimal amount of training going on.

You also asked what can we do to help States make the most of their job training? Congress enacted a law which requires States to profile UI claimants, and we are providing funding. This is not an unfunded mandate. We are providing States with the funding to do this, to identify people when they lose their jobs, people who are unlikely to get the old jobs back again.

You know, in the old days when we had an unemployment insurance system it was very likely that you would get your old job back again when you were laid off. In fact, even the language we used, laid off, implied that you would be back on the payroll at some point after the recession ended, after the down turning.

But, these days, 75 percent of the people who lose their jobs do not get the old job back. They have to get new jobs. So that this identification process subsequently, after someone is identified who doesn't get the old job, is not likely to get the old job back again, States are required to refer that individual to the whole range of reemployment services that are now available.

And we know from pilot projects that we have done, that this process of integrating State and Federal reemployment programs has substantially reduced the amount of time someone is unemployed.

I think there is a great deal we can do more of with regard to the one-stop career centers. We are working with States on this right now.

Your final question, how many people are engaged in retraining. The number of people in employment and training programs sponsored by the Department of Labor for fiscal year 1995 is the sum total of 2,307,000 Americans.

Mrs. LOWEY. Well, just in closing, because I think my time is up, I know that both sides of the aisle share a commitment to the bottom line, which is making sure people are employed and getting jobs. And I think it is going to be more important than ever before in this debate that we document and really educate Members as to the successes and that we work together to cut out those that really aren't working.

When I look back to my time in the 1970s, frankly, the most successful programs provided a simple identification of a need in Queens and in Brooklyn for plasterers, because they were rehabing all the brownstones. We gave employers incentive to hire people, to train them, and then they gradually picked up a salary at a certain percent when they felt that they could.

In any event, I think we really have to look at the models that are successful; and, hopefully, we can work together in a bipartisan way to replicate those and work together to eliminate those that aren't working.

Thank you, Mr. Secretary.

Mr. PORTER. Thank you, Ms. Lowey.

Mr. Istook.

ERGONOMIC STANDARDS

Mr. ISTOOK. Thank you, Mr. Chairman.

Secretary Reich, earlier you were questioned about the ergonomic standards that are being developed and explored. I think in response to a question you indicated that they had not yet come to your desk for final action or review or something like that. I am sure there are preliminary ways in which they have come to you.

I am interested to know, both from what you can share today and if you could supplement it in a more detailed fashion for me, what to date has been the cost of the efforts to develop these standards. And I am speaking, of course, not only of the direct personnel costs. I am sure there have been different consultants that have been involved. It has not been totally within the Department of Labor. I presume you may use NIOSH. You may use other departments and agencies.

And I am looking for as full a picture as I can on what has been expended to date and is the expectation of expense to complete the effort and then of the enforcement mechanism. Because, as you and I both know, it can be much more tedious and difficult to enforce an ergonomic standard than many other standards in the workplace.

What can you tell us about the number of people that have been working on it, the expense to date? And what—what can you tell me, off the cuff, so to speak? And then supplement it later if you would.

Secretary REICH. Well, Congressman, this is going to be very off the cuff, back of the envelope, because I don't have the information.

Mr. ISTOOK. Certainly.

Secretary REICH. I will get you the specifics on this.

[The information follows:]

COST OF THE DEVELOPMENT OF THE ERGONOMICS STANDARD

From FY 1989 through the first quarter of the current fiscal year, OSHA has obligated an estimated $3,627,000 for salaries and related expenses to support the development of a proposal for an ergonomics standard. Included in this total is an estimated $1,520,000 which was obligated by the prior administration and a total of $2,532,000 for contracts. In addition, the Department of Energy obligated $321,000 for contract support in FY 1994, the results of which were available to OSHA staff. The National Institute for Occupational Safety and Health estimates that an estimated one to two FTE were devoted to the development of this standard since the fall of 1993.

OSHA estimates that an additional $2,887,000 will be required to complete this project. This estimate includes the cost of training and equipment for OSHA compliance officers and the development of outreach materials to assist employers.

Secretary REICH. There has been a small team working in OSHA to develop the standard. I am aware of a team that has six or seven people. They have been working full time for about a year.

But I have not yet seen the final recommendation. I didn't mean to imply that I have been involved in creating the standard. I have literally not seen it. I have talked with the Assistant Secretary for Occupational Safety and Health and his Deputy with regard to several rulemaking matters, but I have not actually met with any staff on the issue to date.

STANDARDS SCHEDULE

Mr. ISTOOK. What is the time line under which you are currently operating on those standards?

Secretary REICH. I have asked the Assistant Secretary to submit to me a proposed standard, as quickly as possible, for a determination as to whether to move toward rulemaking. I want to make absolutely sure that this standard is designed in such a way that the benefits to the public exceed the burdens on business. I want to be very careful about this standard, because I have heard from concerned citizens that there was some worry about it. I believe that OSHA is now balancing my desire for expediency with my desire for care.

Mr. ISTOOK. I would appreciate whatever information you can. I realize you have two separate types of burdens, if you will, one the public burden that is borne by employers and the workplace, and the government burden as far as having the resources that are necessary to enforce something that could be as involved as those are. So information you can get to supplement both aspects would be very much appreciated. I understand the difference between having figures nailed down and back of the envelope, as you say.

[The information follows:]

PROJECTED COSTS FOR ENFORCEMENT OF AN ERGONOMICS STANDARD

Reports of disorders due to repeated trauma have increased dramatically in the last 10 years, according to BLS figures. These disorders represent more than 60% of all lost time illnesses. They went from 282,000 to 302,000 between 1992 and 1993 alone, 4% of all injuries and illnesses. The rate went from 36.8 to 38.2 per 10,000 workers. These figures do not include back injuries due to frequent or heavy lifting.

Work-related low back pain accounts for 16% of all workers compensation claims but 33% of the costs, according to Webster and Snook (1994). Workers compensation costs for low back pain and for upper extremity disorders averaged more than $8,000 per case in 1990, according to Liberty Mutual Insurance Company researchers.

According to a recent article in the American Journal of Public Health, 4.75 million workers experience significant back episodes per year from repeated activities at work such as lifting, pushing and pulling.

The cost of these disorders in human terms cannot be reduced to monetary value. The estimated cost in workers' compensation alone is over $20 billion per year.

Based on the best available information at both the state and national levels, there is no industrial sector that does not have at least pockets of jobs that are high risk for causing the development of work-related musculoskeletal disorders. These high risk jobs are found in firms of all sizes.

We are currently finalizing our preliminary economic analysis. The precise estimates of costs and benefits depend on policy decisions by OSHA and the Department related to the scope and requirements of a proposed standard. We are not, therefore, able at this time to provide specific preliminary cost information. When OSHA publishes its proposed standard it will publish a preliminary economic analysis which will present a detailed discussion of the estimated numbers of workplaces with high risk jobs and the estimated number of workers in those jobs. The analysis will also present a detailed discussion of both costs and benefits. We will provide the preliminary economic analysis to you as soon as it is available.

OSHA does not estimate any extraordinary costs to the agency for the enforcement of the standard. The agency estimates that approximately $360,000 will be required to support the development of outreach materials, develop training for compliance officers, and procure requisite equipment. Besides this cost, the conduct of inspections to determine compliance with the standard would become part of the regular work of the agency. Inspections for compliance with this standard would also be conducted as part of a national or special emphasis program or in response to formal employee complaints.

JOB TRAINING SUPPLEMENTS

Mr. ISTOOK. I would like to follow up, too, on something that you were talking about with Mrs. Lowey. I know that the President has made announcements of intention of consolidating some of the myriad job training programs. I have not, however, seen any specifics other than a generalized announcement. Is that because those specifics are not yet ready, because they are awaiting the State of the Union Address or what?

Secretary REICH. The specifics with regard to financing will be found within the President's budget, which will be available on February 6.

Mr. ISTOOK. Because obviously that could have tremendous impact on the appropriation of this group.

A conceptual question. Right now, of course, we have a series of job training programs that people are required to select their skill without necessarily knowing that they will get a job that matches up with that skill. That is an inherent weakness in the current system. You try to predict where the vacancies and opportunities will be but you can never achieve a perfect match there.

I would be interested in your thoughts on the concept of rather than having job training in advance of employment, if we should be seeking ways to assist businesses for the job training of a person that has been newly hired. Some of it might be for generalized skills and other skills that are particular to that job, if it might not be a more efficient mechanism if we were trying to link the job training to a person that already has a job there and then we have through tax policy, through a program payment or whatever it may be of then providing the training at that point.

Secretary REICH. Right now under Title III of JPTA, the local service delivery areas do have some discretion with regard to providing on-the-job training supplements, helping employers bear some of the burden of on-the-job training. With some disadvantaged groups this has shown to be very effective.

Our evidence on what is working and what is not on the basis of a lot of empirical work, supports the proposition that on-the-job training, particularly for disadvantaged people, can be advantageous. The problem is designing the kind of incentive structures that will avoid gaming the system. In my view, the targeted jobs tax credit, which was designed to be just the kind of tax incentive that you are suggesting, is needed, but the current program has not proven to be an incentive to hire more people and train them.

One possibility, and I would be very eager to work with you, is that maybe we want to turn it into a targeted jobs training tax incentive so that in order to qualify, the employer has to provide on-the-job training. That might be a step in the right direction and avoid the gaming going on in which employers might have hired the person anyway.

Mr. ISTOOK. While a huge overhaul of the situation is under consideration, that is one possibility I would be interested in exploring.

Mr. PORTER. Mr. Miller.

WORTHINESS OF THE DAVIS-BACON ACT

Mr. MILLER. Two questions.

Last year on the Education and Labor Committee I asked you the question about the Davis-Bacon. As an issue that has outlived its usefulness, I know you are talking about raising the threshold to $100,000, hasn't it lost its meaningfulness? We are talking about billions of dollars over a period of years. You didn't give a strong and sterling defense of it last year. How do you defend Davis-Bacon?

Secretary REICH. I will try to give a sterling and strong defense right now. I refer back to a comment I made in this hearing, the original intent I think is still quite relevant. Government as a purchaser has an enormous amount of purchasing power. The government on its own as a purchaser can and often does, if it were not for the Davis-Bacon Act, push down prevailing wages in an area. That is where some of the putative savings come from with repealing Davis-Bacon.

The question is, do you want to gain those taxpayer savings on the backs of workers in an area that otherwise would have had higher prevailing wages were it not for the government pushing down wages. I think an argument can be made on the ground of fairness of what workers should expect to earn, that government should not use its bargaining leverage in ways that reduce prevailing wages.

I respect other points of view. Others may tip the balance in favor of taxpayers broadly and against those workers in a particular area, but it seems to me that placing the burden of those savings or those costs on a certain number of workers in a certain geographic area strikes me as simply unfair.

REORGANIZATION OF GOVERNMENT

Mr. MILLER. The other question, I have always enjoyed your talks about moving to the 21st Century and the economy and such and appreciate your support of free trade issues against some of the constituents you are representing. Speaker Gingrich is big into the 21st Century, information society, and we have to relook at everything. And that is what you are great at.

How about reorganizing government, combining things, like Mr. Goodling changed the name, Education and Labor is now Economic and Educational Opportunities. Why not combine the Department of Commerce, Education and Labor, and rather than having a conflict built structure within government—are you thinking that big; is Vice President Gore talking like that?

Secretary REICH. The Vice President, along with cabinet Secretaries, have been working hard to make government more effective using every tool at our disposal to utilize government more effectively. We owe it to taxpayers. I am, candidly, a bit skeptical of renaming the boxes or moving the boxes around. Every time we try reorganizing things in government, it provides visceral and emotional satisfaction but in the end you still have the same groups of people doing the same kinds of things.

It is vitally important that agencies work collaboratively. I am proud that Secretary of Education Riley and I have broken down what appear to be high barriers, turf fights between the Education and Labor Department. I am continuously amazed at how amazed people are that the two departments are working so well together.

There are a number of programs where the staffs are virtually indistinguishable.

The same goes between Commerce and Labor. Secretary Brown and I have initiated a number of programs in the area of worker management relations.

Mr. MILLER. Aren't the goals so similar, Department of Economic Opportunity, you are trying to create jobs and increase living standards. You have regulatory standards, labor statistics and those issues, but setting aside those, job training is the classic illustration.

Secretary REICH. In job training, my view is that the average person who needs a job doesn't particularly care whether the funding stream comes from this department or this committee or that department or that committee. We are talking about street level consolidation, street level ease and efficiency. That is why the one-stop career center concept which is taking hold in a lot of States seems to hold so much promise. Somebody can come into a one-stop center regardless of where the funding stream comes from—whether it comes from the Department of Education or the Department of Labor—that person doesn't care. That person is found to be eligible, is given the assistance, the counseling, the information that person needed and then can be empowered and get the job. That to me is really reinvention. I would rather make sure at the Federal level we are all working together than to do anything else.

To add one point, take all of the Job Training Partnership Act, $5 or $6 billion, maybe more, only a very tiny percentage, in the range of 1-and-a-half to 2 percent, is administrative overhead here in Washington, extraordinarily small. Even if we combined and interlaced and did everything we want to do in Washington, the real issue is that 98 percent out there with regard to service providers; that is where the real consolidation, the real streamlining has to happen.

Mr. MILLER. Thank you. You are the bold thinker on the cabinet and just the idea of thinking about a whole different—why is it called the Department of Labor?

Secretary REICH. I will call it the Department of the American Work Force.

Mr. MILLER. The Department of Commerce has functions that should be combined.

Mr. PORTER. Since you are the last one here and since all of us have been in your position before, we are liberal on your time.

MULTIPLE JOB TRAINING PROGRAMS

Mr. MILLER. Why are there so many different job training programs? Part of the reason they have crept up is Veterans Affairs has theirs; Education and Labor has another. There are probably more. I think there have been discussions about having a function oriented—corporations have redesigned their organizational charts and it seems it is time to start at the top. We should change the committee structure in Congress, too.

Secretary REICH. This is why I am so supportive of the President's idea to not just consolidate all this job training but also turn the adult programs into skill grants, empower people, give them the right information, what the jobs are, where they are, what kinds of training works, get report cards on institutions as to how well they get people jobs, but empower people to utilize these resources when and how they see fit.

It seems to me that leaps over the question of devolution, whether State or Federal bureaucracies, who is going to be consolidated with whom; it gives people the resources directly, the equipment, the tools to get a better job.

The same thing goes with regard to the President's proposal to provide a tax break for education and training for the average family up to a $10,000 tax deduction, empowering people to make decisions for themselves, nonbureaucratic, give them the tools that succeed in this very different economy.

Mr. PORTER. Skill grants, Mr. Secretary, are in the nature of vouchers. You may not want to use that word.

Secretary REICH. Vouchers, certificates—they would be approximately $2,600 each for up to two years. I have a great deal of faith in the ability of the American people to make those decisions to get the training they need including the use of community colleges, the great unsung heroes of the American work force. On average there is a 6 to 12 percent increase in subsequent wages for every year put into post secondary training and development.

Mr. PORTER. Presumably, you would set standards for the conditions under which the individuals would be eligible for such a voucher?

Secretary REICH. But there will be standard eligibility criteria. Right now we have a patchwork of eligibility criteria.

Mr. PORTER. What you are doing is privatizing the whole system?

Secretary REICH. The system is now largely privatized.

Mr. PORTER. So you could do away with all the job training programs and have one criterion or these——

Secretary REICH. We could sit down and look at the entire list. That goes back to my comment about apples and oranges and tangerines. Some of the things listed in the GAO lists are not by any stretch of the imagination, education and job training programs, they are rehabilitation programs for injured veterans. We have to make sure we are talking about the same thing.

Mr. PORTER. Maybe we need two programs. I understand a lot of these programs are in the Office of Veterans Affairs.

Secretary REICH. There are Small Business Administration programs for entrepreneurs. I don't want to get into a theological discussion about which are training programs or which are not. We can look at the list.

We want to consolidate as much as we can, turn as much as we can into vouchers for adults, and rather than get into—and most of it is now privatized, is now provided by private contractors, or rather than get into debates over devolution and block grants, most of it is now formula funded. That is as close as you can come theologically to block grants.

It seems to me that you don't have the built-in accountability system; you don't have built in the personal responsibility and empowerment that comes from doing it very differently. You are asking me, let's think big. I say absolutely; let's streamline these programs and do it in a fundamentally different way from the way we have been doing it in the past; let's not just put new nails in the same old coffins.

Mr. PORTER. We very much appreciate your coming here, Mr. Secretary. You are thinking big indeed and new and I think that that is extremely important in the context in which we find ourselves and something where we, I hope, will find ourselves reading off of the same sheet of music.

I might add by putting Mr. Dear at OSHA, whom I have had several discussions with and think that we also share the same goals, you make OSHA a much harder target, and I very much appreciate you coming here. We look forward to having you back during our regular budgetary hearings and having an ongoing discussion toward making some real improvements. Thank you.

[The following questions were submitted to be answered for the record:]

The following questions were submitted to be answered for the record:

ELIMINATION OF PROGRAMS

Mr. Livingston: There are a number of small programs in your department that seem to be of questionable effectiveness or duplicative of other programs. These would include such things as homeless job training, women in apprenticeships, American Samoan programs, Microenterprise grants, and Youth Fair Chance. Why shouldn't Congress consider reducing or eliminating some of these small programs when overall funding constraints are so tight?

Mr. Reich: I agree that Congress should consider this type of action, although not necessarily for each of the specific programs mentioned. The President's 1996 budget proposes eliminating more than 50 separate employment and training programs in this and other Departments, replacing them with an integrated system that cuts red tape and maximizes individual choice.

The JTPA Homeless Demonstration program was eliminated last year at the request of the Administration, since services could be provided to the homeless population under the JTPA Title II-A Adult Training Grants program. However, the Homeless Veterans Reintegration Project (HVRP) should be retained because it is neither duplicative of other programs nor of "questionable effectiveness." It should not be considered for elimination or reduction for several reasons which include:

One third of the homeless adult male population are veterans. An estimated 250,000 veterans are homeless on any given night.

A survey of homeless veterans conducted by the Department of Veterans Affairs in early 1994 revealed that their highest concern is obtaining employment -- which would enable them to obtain housing.

The HVRP approach has been successful: it costs less than $1,200 to outreach, enroll, provide the necessary supportive and/or training services, obtain transitional housing, and get a homeless veteran a job. No other federal program that we know of focuses on jobs for homeless veterans. There is no other program that gets a homeless veteran off the street and employed as cost effectively.

The HVRP accomplishes that performance record by funding service providers at the local level, i.e., government and/or non-profit agencies through a competitive process that rewards (by grant awards) competence and cost effectiveness. It employs formerly homeless veterans to reach out and counsel the homeless, and we believe this unique approach helps explain HVRP's success.

YOUTH FAIR CHANCE

Mr. Livingston: Can you tell us specifically why we need the Youth Fair Chance program which apparently serves "youth" up to the age of 30?

Mr. Reich: Authorized by the JTPA amendments of 1992, Youth Fair Chance (YFC) provides grants to communities with high concentrations of poverty. The grants are intended to test use of a comprehensive "neighborhood saturation" intervention that enables recipient communities to: 1) ensure access to education and job-training assistance to all youth living in the target area, 2) provide a comprehensive range of education, training and employment services to all disadvantaged youth in the area who are currently unserved or under-served, 3) enable communities to establish and meet locally determined goals for improving education, training and employment opportunities for youth, and 4) facilitate the coordination of comprehensive services to better serve youth in the target communities.

Extending the definition of "youth" in YFC programs to include those up to 30 years of age is an attempt to expand much needed services to those young adults who may have missed out on such opportunities and now are mature and ready to commit to positive change. Individuals between 22 and 30 years of age ordinarily would not be able to receive services through traditional JTPA youth programs. In fact, Congress raised the maximum age for Job Corps participation from 22 to 24 years of age, in part due to the success demonstrated by mature young adults in Job Corps centers. YFC allows local communities the flexibility to determine the utility and effectiveness of such programs for "older" youth.

The funds appropriated for FY 1995 support completion of implementation of YFC interventions in 17 sites that were funded in earlier years. It also permits ETA to complete a comprehensive evaluation of the program now underway that will provide assessment of the effectiveness of this type of intervention. ETA does not plan to fund any new sites with FY 1995 funds.

AMERICAN SAMOAN EMPLOYMENT AND TRAINING INITIATIVE

Mr. Livingston: The American Samoan program also appears to be of dubious value. Why is a special program for this population necessary?

Mr. Reich: American Samoans are eligible for mainline JTPA services. However, each year since 1988 Congress has included specific language in the Department's appropriation to fund this special program in Hawaii and California. In 1990 the State of Washington was added.

JOB CORPS

Mr. Livingston: In the past couple of years, the Job Corps program has been expanded by the approval of a number of new centers. This program, as we all know, is very expensive in terms of cost per enrollee. Just how effective the program is seems to depend on who you're talking to; I don't believe that we've had a thorough evaluation of the program for some years now. Since the program is so expensive, Mr. Secretary, don't we have to reexamine this proposed expansion of new centers?

Mr. Reich: The expansion of Job Corps continues to make good sense from a dollars and cents perspective. Even though a number of specific concerns have been raised in recent months about Job Corps operations, the Department is following up aggressively to correct all of the problems that have been identified. More importantly, there is impressive evidence that Job Corps continues to yield an extremely high return on the taxpayer's investment.

As indicated in your question, the last comprehensive evaluation of Job Corps cost effectiveness was completed in 1982. This highly respected study was conducted by the Mathematica corporation, an independent research firm, and found that Job Corps participation significantly increased earnings and educational attainment, while reducing welfare dependency and the incidence of serious crime among graduates. The study determined that there was a return to society of $1.46 for every $1.00 spent, among the highest in federal job training programs, indeed, for all domestic programs.

The Job Corps program has undergone changes and improvements since the original Mathematica study was completed in 1982. The curriculum and services provided have changed based on the additional decade of experience working with disadvantaged youth and employer involvement. We believe these changes have improved the program's effectiveness.

Last year, the Department of Labor launched a new multi-year scientific evaluation of Job Corps using random assignment. Although we cannot predict the results of this evaluation, we believe that the result of the study will support earlier findings on returns on investment. Since Job Corps data on student accomplishments and outcomes have been consistent or better since 1982, we are optimistically awaiting results of the new evaluation, which are scheduled for late 1997.

COST OF JOB CORPS CENTERS

Mr. Livingston: As I understand it, each new center costs about $16 million, on average, to build; then it costs from $8-10 million annual to operate each one. In light of our overall budget situation, Mr. Secretary, how can we afford to expand this program at this time?

Mr. Reich: Per student costs in Job Corps are higher than those in most other federal training programs chiefly because Job Corps is a residential program and the others are not. Job Corps is a full-time, year-around program that provides housing, meals, medical care and a variety of other support services to the disadvantaged young people who become enrolled.

While up to 20 percent of students may participate on a nonresidential basis, we believe the residential aspect of Job Corps clearly contributes greatly to the success of its students. Job Corps centers provide an environment in which basic education, vocational training and social skills development services can be delivered with maximum impact.

In the current program year (PY 1994, ending June 30, 1995) the average cost per student will be approximately $15,100, excluding capital costs. This covers about 32 weeks of attendance. Of this expenditure, approximately 44% ($6,600) is for training, 37% ($5,600) for lodging and supportive services, and 19% ($2,900) is for administrative costs.

Job Corps expenditures are not extravagant. On a weekly per student basis, Job Corp expenditures are lower than most comparable residential training and education programs; and this includes colleges and universities. The average full-time college student will attend class 32 weeks during the 1994-1995 school year at a cost of $17,200. In 1994, the average Job Corps student will also participate for 32 weeks, but at a cost of only $15,100 -- or 12% below the cost of college attendance.

The bottom line continues to be that Job Corps represents a reasonable investment that yields an extremely high return on the taxpayer investment. The expansion should continue.

OSHA-NIOSH CONSOLIDATION

Mr. Livingston: Heritage explains that NIOSH and OSHA work on the same issue. Why can't we consolidate them and save the taxpayers some of the money?

Mr. Reich. The fact that OSHA and NIOSH work on the same issue, occupational safety and health, should not translate into an automatic prescription to combine the two agencies. When Congress passed the OSH Act, they envisioned two separate organizations that would complement each other. NIOSH is a research organization which gathers information on workplace safety and health. As such, they conduct studies, publish findings, and make recommendations to OSHA. In addition, NIOSH performs studies for the Mine Safety and Health Administration and the Environmental Protection Agency, especially concerning hazardous waste. OSHA, on the other hand, is a regulatory agency which promulgates workplace standards, enforces those standards, and assists employers to assure safe and healthful working conditions for working men and women.

As a non-regulatory agency, NIOSH is frequently invited by employers onto worksites of all sizes to study a problem. In this way, NIOSH may gather information or conduct research on an issue, such as ergonomics. This is distinct from the role that OSHA plays in evaluating information from NIOSH and other sources and determining the best and most feasible approach to confront the problem. There is a real advantage to be gained by addressing safety and health issues in the workplace from the valid, but different, perspectives of the two agencies. This is not a duplication of work that will produce significant savings through consolidation, but a confluence of effort that supports the overall goal of improving occupational safety and health in this country.

JOB CORPS CENTERS

Mr. Porter: The Department's Inspector General has indicated that a number of Job Corps centers are not performing very well and that the same centers continue to perform poorly year after year. Why shouldn't we consider closing some of these ineffective centers and saving the taxpayers some money?

Mr. Reich: The taxpayers have made a substantial capital investment in these facilities that would, for all practical purposes, be lost if the Job Corps centers were closed. The Inspector General was entirely correct in pointing out the serious and expensive consequences of allowing certain Job Corps centers to perform at low levels year after year.

In response to this, DOL has identified 20 Job Corps centers that have demonstrated persistently poor performance on a multi-year basis. These centers and their current operational and spending levels are as follows:

Center Name	State	Slots	CCC/Contract	PY 1994 Operating Cost 1/	Cost Per Training Slot
Brunswick	GA	400	Contracted	$7,904,556	$19,761
Cassadaga	NY	240	Contracted	5,916,597	24,652
Cleveland	OH	470	Contracted	10,978,694	23,359
Dayton	OH	300	Contracted	6,731,606	22,439
Delaware Valley	NY	396	Contracted	8,656,632	21,860
Detroit	MI	275	Contracted	6,115,331	22,238
Frenchburg	KY	168	CCC	4,672,071	27,810
Gainesville	FL	350	Contracted	7,215,265	20,615
Gateway	NY	224	CCC	5,938,215	26,510
Grand Rapids	MI	360	Contracted	7,995,170	22,209
Great Onyx	KY	214	CCC	5,139,774	24,018
Gulfport	MS	280	Contracted	5,703,674	20,370
Guthrie	OK	360	Contracted	11,205,341	17,786
Harpers Ferry	WV	210	CCC	5,448,882	25,947
Iroquois	NY	140	CCC	4,322,080	30,872
Joliet	IL	360	Contracted	7,921,344	22,004
McKinney	TX	650	Contracted	13,075,418	20,116
Mississippi	MS	405	Contacted	7,545,111	18,630
Oconaluftee	NC	210	CCC	4,961,998	23,629
Tuskegee	AL	240	Contracted	4,649,848	19,374

Average for all Job Corps centers...........................$22,083

1/ Center operating costs plus a per capita share of other operating costs (e.g., student allowances and transportation) that are allocable to the center.

Rather than closing these centers and abandoning facilities worth tens of millions of dollars, the Department is moving forcefully to improve their performance. For example, in September 1994, after following up on complaints received by parents of students, we suspended new student enrollment at the Oconaluftee Job Corps center in North Carolina pending substantial improvements in the center environment. In December 1994, after following up on adverse TV reports about the McKinney Job Corps Center in Texas, we took action to terminate the existing contract and install a new contractor.

Also in December of 1994, we undertook a series of special onsite reviews to determine how effectively our zero tolerance policy against violence was being implemented. The first wave of reviews was completed at 28 centers before the holidays, including all centers where the potential for violence related problems was thought to be high. All Job Corps centers will undergo this review by mid-March 1995.

The first wave of "zero tolerance" reviews resulted in: 1) a decision to install a new contractor at the Cleveland Job Corps Center based on persistently poor performance and an unsafe living and learning environment; 2) a letter to the National Park Service, citing chronically poor performance at all four of their Job Corps centers, challenging their continued involvement in Job Corps operations; and 3) temporary suspension of operations at the Joliet and Cassadaga Job Corps centers to implement corrective action before the students returned from the winter break.

We have also developed a joint OIG-ETA action plan to methodically address and remedy problems at our poorest performing centers. This plan will be implemented in the early months of calendar year 1995 and includes: 1) stronger emphasis on past performance when contracting decisions are made; 2) in-depth analysis of the poorest performing centers by the OIG to identify common factors contributing to poor performance; 3) a new technical assistance guide that will help center contractors and managers make more effective use of data reports to identify and remediate performance problems; 4) special training to key management staff at 10 of the poorest performing centers; 5) intensive onsite technical assistance at 3 or 4 of the poorest performing centers; 6) new procedures that will allow for accelerated termination and replacement of poor performing center contractors; and 7) a legislative proposal in the FY 1996 budget to permit contracting out the operation of the federally-administered Civilian Conservation Centers.

EFFECTIVENESS OF EMPLOYMENT SERVICE SYSTEM

Mr. Porter: Questions have been raised for years about the effectiveness of the State Employment Service system in helping people find good jobs in this country. Each State administers its own program with its own employees even though it is financed by a Federal employment tax and your Department is involved in allocating the funds and overseeing the program. Mr. Secretary, has the Administration considered the possibility of sending this whole program back to the States, letting them finance it, and getting the Federal government out of the program altogether? Wouldn't this save some administrative money at the Federal level and also streamline the whole operation of the program?

Mr. Reich: The nation's public employment system is currently in the process of revitalization, focused on better meeting the needs of employers and jobseekers. But this most recent effort to improve customer services builds upon an already impressive record of labor exchange accomplishments. In Program Year 1993, for example, nearly 2.7 million individuals found a job through the ES and nearly a quarter of these were Unemployment Insurance claimants. Further, of the 6.4 million job openings received, well over half were filled. And in most ES agencies, strong operating partnerships exist supporting the dislocated worker program and other JTPA target group efforts such as for youth and veterans.

Its placement services reduce the length of unemployment jobseekers experience and unemployment insurance benefits costs. When an employer fills a critical skill vacancy, the employer is able to continue efforts to increase the business and create additional employment opportunities. The public employment service has been estimated to return $1.61 in benefits for every dollar invested in it. However, we too are concerned that the employment service has not reached its full potential, and this concern is a primary motivation underlying our commitment to the one-stop career centers.

The 1982 amendments to the Wagner-Peyser Act provided important new authorities for States in the operation of employment service programs. Many states took advantage of these opportunities and placed their employment services at the center of their workforce development plans. In 1989 the General Accounting Office recommended an increased federal leadership role as part of a strategy to improve employment service performance. The Employment Service Revitalization plan represents a new federal-state consensus for the role of the public employment service and identifies specific improvements which states can make Many of these improvements are currently in progress. We believe this new federal-state partnership is essential to building a national system which supports our ability to compete effectively in a world economy and to improve the efficiency of local labor markets.

During the past year, the modest amount of resources applied at the Federal administrative level have played an important role in the Employment Service Revitalization Initiative. These resources funded the following six cooperative agreements, all targeted to improving the capability of staff to better serve all customers: Staff Training and Capacity Building; Job Matching Best Practices; Manager Exchange Program; Establishing Customer Resource Centers; Best Practices Clearinghouse; and Measuring Customer Satisfaction.

REEXAMINATION OF THE EMPLOYMENT SERVICE SYSTEM

Mr. Porter: The Employment Service system is 60 years old now. Wouldn't you agree that could stand some reexamination and reinvention?

Mr. Reich: Yes. Employment Service Revitalization represents an important step in rethinking how this key reemployment resource can remain effective in our new economy. We have engaged some of the primary stakeholders (the States; organized labor, including representatives of front line workers; ES customers; and the International Association of Personnel in Employment Security) in a year long effort to identify short term actions which can be accomplished to improve the system, and to begin the process of agreeing to a long term vision for the Employment Service. We also secured State cooperation in an independent assessment of the liabilities and assets of the Employment Service when viewed as a national corporate enterprise.

A national consensus has formed around a variety of actions such as staff capacity building and the development of a system to both measure customer satisfaction and use the results in a program of continuous improvement. We have entered into cooperative agreements with six States to develop technical assistance resources in the following areas: Staff Training and Capacity Building; Job Matching Best Practices; Manager Exchange Program; Establishing Customer Resource Centers; Best Practices Clearinghouse; and Measuring Customer Satisfaction. Further, all States are developing their own Employment Service Revitalization Workplan and sharing the plan with us. In turn, we will be publishing a compendium of these plans.

Most ES agencies have been actively engaged with other State and local workforce development partners, creating new customer driven delivery systems such as One-Stop Career Centers. In many of these initiatives core Employment Service activities such as job matching employer services and labor market information, serve as the foundation of a comprehensive system supporting all labor market participants.

DAVIS-BACON REPEAL

Mr. Porter: As you know, the General Accounting Office has recommended for some years that Congress consider repealing the Davis-Bacon Act. We are told that the Federal government could save billions of dollars on government construction projects by doing this. This Act is over 60 years old, hasn't it outlived its usefulness?

Mr. Reich: The Department of Labor has never agreed with the General Accounting Office's 1979 study that advocated repeal and believes that the purpose and need of the Davis-Bacon Act are as important today as when the legislation was first passed. Labor costs are an important component of total construction costs. Because the Federal procurement system awards contracts to the lowest bidder, repeal of the Davis-Bacon Act would shift the focus of competition from quality, efficiency, and productivity to wages and benefits. Without the statute, contractors would be driven to compete for Federal contracts by reducing their labor costs rather than improving their skills and productivity. Workers could be faced with the option of accepting employment at Federal jobs for wages lower than they would otherwise be employed on private construction or risk losing employment to workers brought in from some other low wage area.

It is worthwhile to note that other studies, such as the National Performance Review (NPR), the Acquisition Law Advisory Panel to the United States Congress on Streamlining Defense Acquisition Laws (Section 800 Panel) 1993 recommendations, even the CBO's 1983 study, acknowledge the potential negative impact of the Federal procurement process on prevailing wages.

For these reasons, the Administration is opposed to repeal of the Davis-Bacon Act. However, there is general agreement that the Act must be reformed. During the last session of Congress, the Administration attempted to forge bipartisan support for a comprehensive Davis-Bacon reform bill. The Administration is willing and eager to work with the Congress toward improvements that would ease the more costly burdens on employers and the Federal procurement community yet retain the basic worker protections the Act originally sought to provide.

ADMINISTRATION OF OSH ACT

Mr. Porter: What steps has this Administration taken to see that the OSH Act is being administered in a manner that is both fair to employers, particularly small employers, and effective in protecting workers from the most serious workplace hazards as opposed to the small, nit-picking things that have little bearing on safety and health?

Mr. Reich: OSHA is committed to changing the way it does business. The agency is focusing its efforts on the most serious threats to worker safety and health and redirecting its resources--enforcement, standards setting, and education, training and recognition--to where they can do the most good. First, the agency is weeding out overly specific, obsolete and silly regulations. Standards or provisions of standards that can be immediately suspended or exempted from enforcement will not be enforced. New standards will be developed on the basis of good science, good economics and strong partnerships to develop safety and health standards that are clear and sensible and that make sense to the public.

OSHA inspections will be focused on the most serious threats to worker safety and health. The recently implemented focused inspection program in the construction industry recognizes that OSHA's time can be more effectively spent investigating the most dangerous workplace conditions in construction. At the construction worksite, the OSHA compliance officer will determine whether the controlling contractor has an effective safety and health program and a person on the site responsible for implementing that program. If these conditions are met, the OSHA inspection will focus on the four hazards which account for 90 percent of the deaths and serious injuries on construction sites. A similar program for inspections in general industry is under development.

In addition, OSHA will extend the reach and magnify the impact of these focused enforcement activities by offering incentives, such as recognition programs or reduced penalties, for workplaces with strong demonstrations of worker participation and management commitment to comprehensive hazard recognition and control. OSHA is also offering incentives for employers to immediately fix problems identified in an inspection. In one pilot program, OSHA is reducing imposed penalties by 10 percent for each violation that an employer abates in the presence of the compliance officer. This program has increased the immediate abatement of hazards by nearly 20 percent. Similar pilots will be implemented in all regions this year.

OSHA is creating other incentives for employers to improve workplace safety and health. The Maine 200 program uses state workers' compensations data to target employers with bad safety records and offers those employers an incentive if they develop and implement safety and health programs with worker involvement. If such programs are developed, that employer is placed low down on the inspection priority list. The results of this program have been remarkably favorable. During the first 18 months of the program, participants identified nearly 100,000 hazards, a rate of hazard identification over 14 times that achieved by OSHA through inspections. More than half of these newly identified hazards have already been abated. OSHA is planning on implementing similar programs in other states.

Finally, the state run onsite consultation program is specifically designed to provide assistance to small employers. These programs provide safety and health program assessment and assistance, hazard identification and recommendations for control and training of employers and their employees. OSHA funds the states for 90 percent of the program costs to provide these services free of charge to small employers requesting assistance.

INCREASED EDUCATION AND TRAINING

Mr. Porter: Wouldn't it make sense, Mr. Secretary, to place a greater emphasis in OSHA on the education and training of employers and employees? At present, only a relatively small percentage of its budget is spent for these purposes, while the bulk of the funds are spent on writing and enforcing prescriptive standards that all employers must meet.

Mr. Reich: OSHA fully agrees with the importance of educating and training employers and employees as an indispensable factor in improving occupational safety and health. OSHA provides 90 percent funding of an onsite consultation program through the states which provides assistance to small business employers in understanding and complying with the agency's regulations. The consultation program provides safety and health program assessment and assistance, hazard identification and recommendations for control and training of employers and their employees. This program is free of charge to small employers requesting assistance. Similarly, OSHA has increased its funding for training and education grants to provide a wider focus in targeting the training needs of employers and employees. Particular attention will be paid to concerns relating to hazardous work environments and new standards.

On a more fundamental level, OSHA is reexamining the conduct of its standards and enforcement programs to increase the amount of training and outreach to affected employers and employees. In the standards area, OSHA is seeking to address hazardous conditions in the workplace through the implementation of both regulatory and non-regulatory means, whichever is most appropriate. The agency is implementing a standards planning process that ensures that priorities effectively address the most serious workplace conditions. OSHA will be seeking greater input from affected stakeholders to assure that standards activities are based upon clear and sensible priorities and involve the most reasonable and effective approach. Many priority hazards may well be handled more effectively through training and education or other means than through more traditional standards rulemaking.

OSHA's enforcement program is also undergoing a similar reevaluation. In addition to forceful enforcement actions, OSHA will be examining various means and incentives to improving workplace safety and health. OSHA inspections will be directed at the most serious hazards affecting workers - the Maine 200 project and the recently implemented focused inspection in construction are the forerunners of what we foresee to be the innovative type of inspection approach that will be taken in the future. Voluntary protection efforts, both formal and non-formal, will continue to be a growing element in the utilization of enforcement resources. As employers maintain effective safety and health programs, OSHA's role will be to focus on those conditions most likely to cause death and serious injury. This opportunity to work with employers and employees in addressing workplace problems is the challenge confronting us. All facets of the OSH Act must be brought to bear in solving this issue.

EFFECTIVENESS OF JTPA

Mr. Dickey: As I have met with many small business owners in my district they have discussed the ineffectiveness of the Job Training Partnership Act (JTPA). In the upcoming budget process, does the Department expect to evaluate the effectiveness of this program?

Mr. Reich: ETA has just completed the National JTPA Study, a multi-year, multi-million dollar evaluation of the net impact of JTPA on the employment and earnings (over a 30-month follow-up period) of economically disadvantaged adults and out-of-school youth who participated in the program. The study found that JTPA had modest, positive impacts on the earnings of adult participants but no impact on earnings of out-of-school youth participants. Moreover, we have studies underway to measure these impacts over a longer follow-up period (i.e., five years or more) and to use the data collected for the study to examine in more detail three crucial policy issues: 1) the effect of JTPA on the earnings of out-of-school youth, 2) what factors account for the program's impact on AFDC recipients, and 3) how the results of the evaluation can be used to improve the JTPA performance-standards system.

PROMOTION OF VOLUNTARY PROGRAMS

Mr. Dickey: In your FY 1995 budget request for OSHA, the Department justified its increase for the Compliance Assistance program by stating that the "agency will continue to develop new and innovative ways to encourage cooperation between workers and employers and promote voluntary programs." Can you inform me what new ways you have developed recently?

Mr. Reich: OSHA has established two formal programs which encourage cooperation between employers and employees and promote voluntary programs. The Voluntary Protection Program (VPP) recognizes worksites that are providing exceptional protection to their workers' safety and health with the significant involvement of their employees. In 1994, the agency added 80 new sites to this program, expanding the agency's safety and health management excellence program by over 70 percent. OSHA is working with the VPP participants and their association to determine ways to further expand this effective program and increase its impact. The association of VPP participants is working with OSHA to develop a network of cooperative efforts among organization members to provide free training to assist smaller employers. This effort will leverage OSHA resources while providing greater recognition of the occupational safety and health professions.

The onsite consultation program is funded by 90 percent federal grants to states. The consultation projects assist smaller employers, at their request, to improve worker protection through identification and control of hazards; assistance in establishing and maintaining an on-going hazard identification and control program; and training for employers and employees. These services are provided free of charge. The agency is focusing on ways to increase the number of small businesses which take advantage of this program and to give priority to employers with the highest injury and illness rates. In addition, a number of participating state agencies are working on small demonstration projects to develop new and effective ways to provide consultative services to employers. One such project is exploring the use of training via satellite and interactive audio.

OSHA is also working with business, insurers, professional societies and other Federal and State agencies in the State of Georgia to increase outreach to smaller businesses. One project included a demonstration of sawmill safety by Georgia-Pacific. The VPP sawmill site was opened for a one day seminar for over 100 representatives from small sawmill operators. Similar projects are under development. OSHA is also exploring opportunities for cooperative programs with major worker's compensation insurers to link loss control activities with worksite based "find and fix" programs.

Finally, the agency is increasing training opportunities for employers and employees. The number of education centers recognized and sanctioned by OSHA to provide training will be expanded from eight to 10 centers in 1995. By 1996, it is anticipated that over 3,600 students will be trained under this program. OSHA is also expanding its training grant program to increase opportunities for labor unions, trade associations, and community based organizations to develop and deliver training for workers and employers in hazard recognition.

WEDNESDAY, JANUARY 18, 1995.

GENERAL ACCOUNTING OFFICE

DEPARTMENT OF LABOR ISSUES

WITNESSES

LINDA G. MORRA, DIRECTOR, EDUCATIONAL AND EMPLOYMENT ISSUES, HEALTH, EDUCATION, AND HUMAN SERVICES DIVISION
SIGURD NILSEN, ASSISTANT DIRECTOR, HEALTH, EDUCATION, AND HUMAN SERVICES DIVISION
CHARLES JESSUP, ASSISTANT DIRECTOR, HEALTH, EDUCATION, AND HUMAN SERVICES DIVISION

Mr. PORTER. If Ms. Morra will come again to the witness table.

Ms. Morra, we didn't give you and your team very much time in our morning session for which we feel badly, but this time we will give you whatever time that you may need.

Ms. MORRA. I look forward to it. I am still going to summarize my statement because it was rather lengthy.

OPENING STATEMENT

We are pleased to be here today to present information on the program activities of the U.S. Department of Labor that we hope will assist you as this subcommittee considers proposed budget reductions and rescissions.

In understanding the Labor Department's budget, it is useful to keep in mind that two-thirds of Labor's fiscal year 1995 budget of $34.3 billion is composed of mandatory spending on income maintenance programs. Most of the mandatory spending is composed of State unemployment insurance benefits.

If we contrast with the Department of Education, three-fourths of its budget is discretionary; the Department of Labor, about one-third of its budget is discretionary.

To identify potential areas where this subcommittee may look for budget savings, we used three broad criteria. First, we identified programs receiving budget increases in fiscal year 1995, or which demonstrated an inability to spend prior years' allocations, and whose effectiveness has been questioned in work by us, Labor's IG, or other researchers.

Second, we identified those programs that did not receive an increase, but whose effectiveness has also been questioned. Finally, we selected areas that we believe may duplicate or overlap services or functions provided by more than one entity in the Labor Department or by other departments in addition to Labor.

In Labor's employment training area, we identified several programs with a potential for savings. These programs all come under the Job Training Partnership Act and its fiscal year 1995 appropriations will not be available to States until July 1, 1995. It is important to note, however, that budget reductions in some of these areas would likely result in a reduction in services.

Let me review these programs. The JTPA Title IIC youth training program at $598 million provides training to in-school youth aged 14 and 15, and out-of-school economically disadvantaged youth, aged 16 to 21. We believe that the Title IIC program may merit further budget review because a recent evaluation of the earnings gains of the out-of-school program participants compared to nonparticipants found the program to be ineffective.

At $1.3 billion, the JTPA Title III Economic Dislocation and Worker Adjustment Assistance Act is Labor's largest training program. While EDWAA experienced the largest growth in funding, doubling in two years, we determined that this program has had some difficulty spending its allocations, carrying over funds of $54 million from fiscal year 1993 to fiscal year 1994. However, there currently is little information available as to whether or not participants of this program are more likely to find jobs than nonparticipants.

The $1.1 billion Job Corps program is primarily a residential program for severely disadvantaged youth. Increased fiscal year 1995 funding of $59 million is earmarked primarily for increasing the number of Job Corps centers. However, given the Department's IG raised concerns about the relatively low program performance at some Job Corps centers and the need for overall program improvements, the subcommittee may wish to review its budget increase for additional centers.

The JTPA Title IIA program provides employment training services to economically disadvantaged adults to enable them to enter and advance in the labor force. The program was funded at $1.06 billion in fiscal year 1995, a $67 million increase over fiscal year 1994. Although a recent study indicated that the program had generally positive, although modest, effects on the earnings and employment of participants, its growth alone may warrant revisiting the program.

The JTPA Title IIB Summer Youth program targets disadvantaged youth age 14 to 21. The program was appropriated $1.06 billion in fiscal year 1995, an increase of $168 million, and will serve an estimated 620,000 participants. Two recent studies concluded that the program succeeded in providing participants with work experience, but that the remedial education component was not being consistently applied throughout the Nation. Effectiveness evaluation studies, however, have not yet been conducted.

Our final employment training issue concerns problems, which we have in the past reported on, created by the multitude of federally funded employment training programs. During the last several years we have studied the overlap and duplication among the government's employment training programs. In fiscal year 1995, 163 programs scattered across 15 Federal agencies accounted for $20 billion in Federal spending. We recently reported that most Federal agencies do not know if their programs are really helping people find jobs and that a major overhaul of the system is needed. Labor's share of the Federal employment training system is large, totaling almost $7 billion for 37 programs. Comprehensive legislation to consolidate and streamline Federal employment training programs across all departments could likely result in substantial budget savings in future years and improve the assistance provided to the target populations.

We have also identified four target areas, program areas where budget reductions could be considered—often in conjunction with other legislative action.

First, in 1979, we urged repeal of the Davis-Bacon Act, expressing major concerns about the accuracy of the wage determination and the Act's effect on Federal construction costs. The CBO has suggested that full repeal of the Act could yield $3 billion in budget savings. For Labor, the Department estimates that repealing the Davis-Bacon Act could yield approximately $10 million in reduced administrative costs.

Second, in 1983, we recommended repeal of the Service Contract Act, again expressing major concerns about the accuracy of Labor's wage determination surveys and the Act's effects on Federal contract costs. Labor estimates that repealing the Service Contract Act would yield about $12 million in reduced agency administrative costs.

Third, based on concerns raised by our work as well as that of Labor's IG, the Congress may not wish to extend the targeted jobs tax credit, or TJTC, which expired at the beginning of 1995. Labor officials estimate that had the credit not expired, the Department would have provided $25 million to State employment service agencies for the tax credit's administration. Labor officials have stated that in most cases this allocation would not have fully funded administration of the tax credit requiring the States to finance the remainder.

Fourth, some future budget saving can also be generated by Labor's Pension Welfare Benefits Administration's investing in a separate computer system to monitor various ERISA welfare plan reporting requirements. Right now it is estimated that Labor spends about $21 million a year to keypunch ERISA annual reports with about a $5 million investment to augment the reading. To scan or otherwise do that, dollars could be saved. In addition small savings would be achieved by narrowing Labor's rule requiring the automatic submission by plan sponsors of summary plan descriptions and, instead, requiring submission only where plan participants make an official request to Labor to review the document. There are now about 800,000 of these plans on file, whereas there are only about 1,000 requests a year for them.

In conclusion, we believe there are opportunities for budget savings within the Department's program activities. As this subcommittee continues to seek areas for savings, we are committed to assisting you in any way we can.

That concludes my prepared statement, Mr. Chairman. Mr. Nilsen, who works and directs most of our training work, and Mr. Jessup, who directs much of our protection efforts, will join in assisting me to answer your questions.

[The prepared statement of Linda G. Morra follows:]

United States General Accounting Office

GAO

Testimony

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DEPARTMENT OF LABOR

Opportunities to Realize Savings

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Health, Education, and Human Services Division

GAO/T-HEHS-95-55

88-460 95 – 24

Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to present information on the program activities of the U.S. Department of Labor that we believe will assist you as this Subcommittee considers proposed budget reductions and rescissions.

In understanding the Labor Department's budget, it is useful to keep three points in mind. First, although Labor s fiscal year 1995 budget of $34.3 billion is substantial, much of it--about two-thirds--is composed of mandatory spending on income maintenance programs. Second, of the remaining $10.7 billion financing Labor's other functions, about $6.9 billion is allocated to employment training activities--this is about eight times its planned expenditure of $863 million on enforcing workplace standards governing areas such as minimum wages, pensions, and occupational safety and health. Finally, the remaining $2.93 billion represents planned expenditures primarily on state unemployment insurance (UI) program administration ($2.4 billion),[1] with the remainder representing expenditures on the Bureau of Labor Statistics, Labor's Inspector General, and other activities.

Most of Labor's mandatory spending is composed of state unemployment insurance benefits (UI)--expenditures originating mostly from state employer payroll taxes that pass through various federal trust funds before being paid to unemployed workers. The amount of UI spending in a state is largely a function of the level of economic activity in a particular state.[2]

In recent years, we have reviewed many of Labor's programs and can therefore identify potential areas where this Subcommittee may look for budget savings. Our testimony will focus on programs, such as the Job Training Partnership Act (JTPA) Title IIC, program for disadvantaged youth and the Job Corps program, that may yield budget savings. We will also address program areas, such as the general consolidation of federal employment training programs, that may provide savings in future years, some of which are predicated on legislative action. Although we generally do not highlight

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[1]Although the Congress annually appropriates funds for the administration of state UI programs, the funds are obtained from a trust fund, the Employment Security Administrative Account, which is earmarked for the administration of state UI and Employment Service programs. The fund is financed with revenues from a federal payroll tax on employers, the Federal Unemployment Tax Act tax or "FUTA" tax.

[2]The payment of UI benefits is largely governed by state law. The federal UI trust fund is presently masking some of the federal deficit because of its fiscal year 1994 surplus of about $500 million--the difference between its revenues of $22.5 billion from the payment of taxes and outlays of about $22 billion in the form of benefits to unemployed workers.

specific budgetary savings nor do we provide an exhaustive list of areas for budgetary review, we believe that the program areas we identify can help the Subcommittee in the important but very difficult task at hand.

In developing this information, we relied on three broad criteria to select programs for budget review that were most likely to yield budgetary savings. First, we identified those programs that received budget increases in fiscal year 1995, or who demonstrated an inability to spend prior years' allocations, and whose effectiveness has been questioned in work by us, Labor's Inspector General, or other researchers. Second, we identified those programs that did not receive an increase but whose effectiveness has also been questioned. Finally, we selected areas that we believe may duplicate or overlap services or functions provided by more than one entity in the Labor Department or by other departments in addition to Labor.

BACKGROUND

Since the early 1960s, the Department has focused its training activities on serving economically disadvantaged individuals with little work experience and low skill and education levels through federally administered employment training programs. With the enactment of JTPA in 1982, the Department's role has largely followed a "hands off" approach with respect to carrying out the program and has assumed a role of providing overall policy guidance, technical assistance, and limited oversight. Funding for programs to serve the economically disadvantaged has remained relatively steady over the last decade.[3] However, funding for assistance to dislocated workers, those workers unemployed because of plant closures or permanent layoffs, has increased substantially in the last few years from $283 million in fiscal year 1989 to $1.3 billion in fiscal year 1995. The Department estimates that in fiscal year 1995 these employment training programs will serve over 2.4 million individuals.

Over the last 15 years, the Department's workplace enforcement operations have declined even as the scope of its regulatory mandate has grown.[4] For example, between 1980 and 1994, Labor's Wage and Hour Division, which enforces the Fair Labor Standards Act, the Family and Medical Leave Act, and other laws, has seen the number of its compliance officers decline 34 percent from 1,098 to

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[3]Funding for the Labor Department's employment training activities peaked in 1977 at $12.7 billion.

[4]Labor has also experienced a long-term decline in staffing, from over 24,000 full-time equivalents in fiscal year 1980 to 17,700 in fiscal year 1995.

727. The Office of Federal Contract Compliance (OFCCP), which enforces federal laws and regulations that prohibit federal contractors and subcontractors from discriminating in employment and hiring, experienced a 37-percent decline, from 780 to 488. And, today about 2,000 federal and state Occupational Safety and Health inspectors are responsible for over 6 million workplaces. These declines occurred despite a growing economy that brought millions of new workplaces and employees under the protection of these agencies. In addition, the Labor Department's workplace mission has been expanded. Since 1970, 11 laws requiring Labor's enforcement have been enacted.

EMPLOYMENT TRAINING PROGRAMS

In Labor's employment training area, we identified several programs with the potential for savings. These programs all come under the JTPA, which is funded on a program year[5] basis. That is, fiscal year 1995 appropriations will not be available to states until July 1, 1995. Most of these programs experienced budget increases during fiscal year 1995, despite the overall reduction in the Department's budget from 1994 to 1995. Figure 1 illustrates the budget changes in these programs since fiscal year 1993. The programs for dislocated workers experienced the largest growth in funding, doubling in 2 years, while, taken together, funding for programs assisting disadvantaged youth and adults were largely unchanged. The JTPA Title III Economic Dislocation and Worker Adjustment Assistance Act (EDWAA) program has had difficulty spending its prior year allocations and has carried over amounts of funds from prior years. Researchers have identified other programs, notably the JTPA Title IIC program for disadvantaged youth, as being of limited effectiveness. Finally, some savings may be achieved by consolidating the many employment training agencies operated throughout the federal government, eliminating overlap and duplication in the process.

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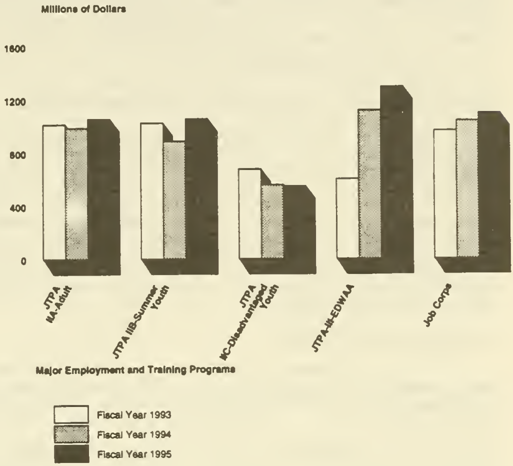
[5]A program year begins on July 1 and ends the following June 30.

Figure 1: Funding Changes in Major Employment Training Programs, Labor Department, Fiscal Years 1993-1995



We found that employment training programs only provide assistance to a small minority of the eligible population--from about 6 percent for the JTPA Title IIA program for disadvantaged workers to about 30 percent for the dislocated worker program, based on fiscal year 1995 funding levels. Budget reductions in some of these areas would likely result in a reduction in services provided to these populations.

JTPA Title IIC--Program for Disadvantaged Youth

The JTPA Title IIC Youth Training program provides training to in-school youth aged 14 and 15 and out-of-school economically disadvantaged youth, aged 16 to 21. Title IIC goals include helping youth increase long-term employability; enhancing occupational, educational, and citizenship skills; and increasing employment and earnings. The program's fiscal year 1995 budget totaled $549 million, $10 million lower than fiscal year 1994 levels. A recent evaluation[6] of the earnings gains of out-of-school program participants compared to nonparticipants found the program to be ineffective. This is a program where further budget review may be warranted.

JTPA Title III--EDWAA

At $1.3 billion, Labor's largest training program provides employment training assistance to dislocated workers. It received increases of $516 million in fiscal year 1994 and $178 million in fiscal year 1995. We determined that this program has had difficulty spending its allocations, carrying over funds of $54 million from fiscal year 1993 to 1994. However, there currently is little information available on whether this program is making a difference--that is, we do not know if participants are more likely to find jobs than nonparticipants.

Job Corps

The Job Corps program is primarily a residential program for severely disadvantaged youth. It targets youth aged 16 to 21 with severe economic and educational deficiencies (such as being a school dropout or lacking reading or math skills) and other employment barriers. The Job Corps funding for fiscal year 1995 is $1.1 billion, an increase of $59 million over 1994. The increased funding is earmarked primarily for program expansion--through increasing the number of Job Corps centers. However, the Department's Inspector General has pointed out, in recent testimony, relatively low program performance at some Job Corps

[6]Abt Associates Inc. (Jan. 1993).

centers and the need for overall program improvements.[7] Given some questions concerning the program's effectiveness, the Subcommittee may wish to review its budget increase for additional centers.

JTPA IIA--Program for Disadvantaged Adults

The JTPA Title IIA program provides employment training services to economically disadvantaged adults to enable them to enter and advance in the labor force. The program was funded at $1.06 billion in fiscal year 1995, a $57 million increase over fiscal year 1994. Although a recent study indicated that the program had generally positive, although modest, effects on the earnings and employment of participants,[8] its growth alone may warrant revisiting the program.

JTPA Title IIB--Summer Youth Program

The JTPA Title IIB Summer Youth program targets disadvantaged youth aged 14 to 21 to expose them to the world of work, enhance basic education skills and citizenship skills, and encourage school completion. The program was appropriated about $1.06 billion in fiscal year 1995--an increase of $168 million--and, according to Department estimates, will serve over 620,000 participants. Two recent studies concluded that the program succeeded in providing participants with work experience but that the remedial education component was not being consistently applied throughout the nation.[9] Effectiveness evaluation studies, however, have not been conducted.

Consolidation of Federal Employment Training Programs

During the last several years, we have studied the overlap and duplication among the government's employment training programs. In fiscal year 1995, 163 programs scattered across 15 federal agencies accounted for $20 billion in federal spending.[10] We

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[7]Statement by Charles C. Masten, Inspector General, U.S. Department of Labor, before the Senate Committee on Labor and Human Resources (Oct. 4, 1994).

[8]The National JTPA Study: Title IIA Impacts on Earnings and Employment at 18 Months, Abt Associates, Inc. (Jan. 1993).

[9]Audit of the 1992 Summer Youth Employment and Training Program, U.S. Department of Labor, Office of Inspector General, (Washington, D.C.: Feb. 24, 1993); and Study of the JTPA Title IIB Program During the Summer of 1993, Westat, Inc. (Apr. 1994).

[10]For example, see Multiple Employment Training Programs: Major Overhaul Needed to Reduce Costs, Streamline the Bureaucracy, and Improve Results (GAO/T-HEHS-95-53, Jan. 10, 1995); Multiple

recently reported that most federal agencies do not know if their programs are really helping people find jobs and that a major overhaul of the system is needed.[11] Labor's share of the federal employment training system is large, totaling about $6.9 billion for 37 programs.

Despite the efforts of people providing services to meet admirable program goals, our fragmented employment training system suffers from a variety of problems stemming from all of these narrowly focused programs delivered by agencies that often compete for clients and funds. Although we are unable to estimate the amount of savings that could accrue from consolidation, this conglomeration of programs adds unnecessary administrative costs and confuses and frustrates clients, employers, and administrators.

Although the amount of money spent administering employment training programs cannot be readily quantified and is generally not even tracked by program, the administrative costs at all levels of government are substantial. Comprehensive legislation to consolidate and streamline federal employment training programs across all departments could likely result in substantial budget savings in future years and improve the assistance provided to the target populations.

OTHER PROGRAM AREAS FOR BUDGET REVIEW

We have also identified program areas where budget reductions could be considered--often in conjunction with other legislative action. Certain administrative savings can be achieved from ensuring the nonrenewal of the Targeted Jobs Tax Credit (TJTC), repealing the Davis-Bacon and Service Contract Acts, and implementing certain changes in the administration of the Employment Retirement and Income Security Act (ERISA).

Employment Training Programs: How Legislative Proposals Address Concerns (GAO/T-HEHS-94-221, Aug. 4, 1994); Multiple Employment Training Programs: Overlap Among Programs Raises Quest ions About Efficiency (GAO/HEHS-94-193, July 11, 1994); Multiple Employment Training Programs: Overlapping Programs Can Add Unnecessary Administrative Costs (GAO/HEHS-94-80, Jan. 28, 1994).

[11]Multiple Employment Training Programs: Basic Program Data Often Missing (GAO/T-HEHS-94-239, Sept. 28,1994); Multiple Employment Training Programs: Most Federal Agencies Do Not Know If Their Programs Are Working Effectively (GAO/T-HEHS-94-88, Mar. 2, 1994); Multiple Employment Training Programs: Major Overhaul Is Needed (GAO-T/HEHS-94-190, Mar. 3, 1994).

Administration of Davis-Bacon Act and the Service Contract Act

The Davis-Bacon Act requires that workers on federally funded construction projects be paid wages and fringe benefits at least at levels determined by Labor to be prevailing in the area.[12] In 1979, we urged the repeal of the Davis-Bacon Act,[13] expressing major concerns about the accuracy of the wage determination and the act's effect on federal construction costs. The Congressional Budget Office has suggested that full repeal of the act could yield $3 billion in budget savings--as a result of reduced wages paid to workers on federal construction projects--which would accrue throughout the government. For Labor, the Department estimates that repealing the Davis-Bacon Act could yield approximately $10 million in reduced administrative costs.

The Service Contract Act provides for the payment of prevailing local wages to and fringe benefits for employees of contractors and subcontractors providing services under federal contracts. In 1983, we recommended repeal of the Service Contract Act,[14] again expressing major concerns about the accuracy of Labor's wage determination surveys and the act's effect on federal contract costs. Labor estimates that repealing the Service Contract Act would yield about $12 million in reduced agency administrative costs.

Administration of the TJTC

The Congress enacted the TJTC program to expand employment opportunities for the economically disadvantaged by providing incentives to employers to hire these workers. The tax credit available under the TJTC program compensates employers for hiring and retaining individuals from groups such as economically disadvantaged youth, welfare recipients, and the handicapped. Our past work[15] on the program, as well as that of Labor's Inspector

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[12]Other laws providing for federally assisted construction apply the wages determined by Labor under the authority of the Davis-Bacon act.

[13]The Davis-Bacon Act Should Be Repealed (GAO/HRD-79-18,Apr. 27, 1979) and The Davis Bacon Act, correspondence to Congressional Requesters (GAO/HEHS-94-95R, Feb. 7, 1994).

[14]Congress Should Consider Repeal of the Service Contract Act, (GAO/HRD-83-4, Jan. 31, 1983).

[15]Targeted Jobs Tax Credit: Employer Actions to Recruit, Hire, and Retain Eligible Workers Vary (GAO/HRD-91-33, Feb.20, 1991).

General,[16] strongly suggests that it is an inefficient vehicle for increasing employment among the economically disadvantaged, often rewarding employers who would have hired disadvantaged workers anyway. For example, we found that over half of the employers in our analysis took advantage of the tax credit without making special efforts to hire, train, or retain members of the targeted groups. TJTC expired for employees hired as of the beginning of 1995. Labor officials estimate that, had the credit not expired, the Department would have provided $25 million to state employment service agencies for the tax credit's administration. Labor officials have stated that in most cases, this allocation would not have fully funded the administration of the tax credit, requiring the states to finance the remainder. Assuming that TJTC is not resurrected, Labor estimates that it will save about $25 million during fiscal year 1995, with an additional, undetermined savings accruing to many state employment services.[17]

Administrative Changes in ERISA Reporting Requirements

Some future budget savings can also be generated by Labor's Pension Welfare Benefits Administration's developing a separate data processing system and computer software to monitor various ERISA welfare plan reporting requirements. Although implementation of a new data processing system would necessitate an initial additional one-time outlay of about $5 million, cost savings eventually totaling $5 million annually--split between Labor and the Internal Revenue Service--would begin 2 years after initial implementation.[18] In addition, small savings[19] could be achieved by narrowing Labor's rule requiring the automatic submission by plan

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[16]Labor's Inspector General concluded that the "ineffective TJTC program should be eliminated." See Semiannual Report to the Congress, Office of the Inspector General, U.S. Department of Labor,(Washington D.C.: Apr. 1 - Sept. 30, 1994) p.ii.

[17]The Office of Management and Budget estimates that TJTC cost the federal government about $305 million dollars in lost revenue during fiscal year 1994.

[18]Estimates savings calculated by the National Performance Review. For a summary of the review, see From Red Tape to Results: Creating a Government That Works Better and Costs Less, Report of the National Performance Review, Vice President Al Gore, (Sept. 7, 1993).

[19]The National Performance Review has estimated that the savings from this regulatory change would total approximately $50,000.

sponsors of Summary Plan Descriptions[20] to require submission only where plan participants make an official request to Labor to review the document.

CONCLUSION

Although much of Labor's budget comprises mandatory spending, several employment training programs--JTPA Title IIC Program for Disadvantaged Youth, Job Corps program and Title III (EDWAA)--might be candidates for budget review. These programs have either received increases in fiscal year 1995 funding, have had some concerns raised about their effectiveness, or have demonstrated difficulty in spending prior year allocations. They represent sizable investments in socially laudable objectives and the total funding for these programs is only a fraction of resources necessary to serve the entire eligible population. Nevertheless, they may warrant review during these difficult budgetary times.

In addition, other reductions may be considered through congressional deliberation on proposals to consolidate federal job training programs, repealing the Davis-Bacon and Service Contract Acts, not renewing the TJTC program, and implementing administrative changes for enforcing ERISA.

As this subcommittee continues to seek areas for savings, we are committed to assisting you in any way we can.

* * *

Mr. Chairman, that concludes my prepared statement. At this time, I will be happy to answer any questions you or other members of the Subcommittee may have.

For more information on this testimony, please call Sigurd Nilsen at (202) 512-7003 or Charlie Jeszeck at (202) 512-7036. Other major contributors included George Erhart, Larry Horinko, Tom Medvetz, and Lori Rectanus.

[20]A summary plan description is a detailed explanation of a benefit plan's provisions, including its operation, benefits calculation, eligibility criteria, and other information.

Table 1: Labor's Budget Authority, Fiscal Years 1994 and 1995

dollars in millions

Category	1994	1995	Change	Percent Change
Income Maintenance	$27,418	$23,425	($3,993)	(14.6)
Employment and Training	6,573	6,900	328	5.0
Labor Regulation/Enforcement	820	863	43	5.2
Employment and Standards Administration	237	249	12	5
Pension and Welfare Benefits Administration	64	69	5	7.6
Office of the American Workplace	27	31	4	13.6
Occupational Safety and Health Administration	297	313	16	5.3
Mine Safety and Health Administration	195	201	6	3.1
Other	3,443	2,933	(510)	(14.8)
Unemployment Insurance Administration	2,961	2,374	(587)	(19.8)
Bureau of Labor Statistics	292	352	60	20.5
Department Management	143	155	12	8.3
Office of the Inspector General	47	52	5	10.2
Total[21]	$38,510	$34,289	($4,221)	(10.9)

Totals do not add due to rounding.

Source: Department of Labor.

[21]This table excludes certain administrative expenditures Labor has for the Pension and Benefits Guaranty Corporation (PBGC).

Table 2: Funding Changes in Major Employment and Training Programs, Labor Department, Fiscal Years 1994 and 1995

dollars in millions

Program	1994	1995	Change	Percent Change
Job Training Partnership Act				
Title IIA-Disadvantaged Adult	$998	$1,055	$57	5.7
Title IIB-Summer Youth	888	1,056	168	18.9
Title IIC-Disadvantaged Youth	559	549	(10)	(1.8)
Title III-EDWAA	1,118	1,296	178	15.9
Job Corps	1,040	1,099	59	5.6
Native Americans	64	64	-	-
Migrants	86	86	-	-
Older Americans Program	410	410	-	-
Employment Service Grants	833	922	89	10.7
One Stop Career Centers	50	120	70	140
School-to-Work	50	117	67	134
Total[22]	$6,573	$6,900	$273	5.0

Source: Department of Labor.

[22]Total includes funding for employment training programs not included in this table.

RELATED GAO PRODUCTS

Multiple Employment Training Programs: Major Overhaul Needed to Reduce Costs, Streamline the Bureaucracy, and Improve Results GAO/T-HEHS-95-53, Jan. 10, 1995).

Multiple Employment Training Programs: Basic Program Data Often Missing (GAO/T-HEHS-94-239 Sept. 28, 1994).

Multiple Employment Training Programs: How Legislative Proposals Address Concerns (GAO/T-HEHS-94-221, Aug. 4, 1994).

Multiple Employment Training Programs: Overlap Among Programs Raises Questions About Efficiency (GAO/HEHS-94-193, July 11, 1994).

Employment Discrimination: How Registered Representatives Fare in Discrimination Disputes (GAO/HEHS-94-17, Mar. 30, 1994).

Multiple Employment Training Programs: Conflicting Requirements Underscore Need for Change (GAO/T-HEHS-94-120, Mar. 10, 1994).

Multiple Employment Training Programs: Major Overhaul is Needed (GAO/T-HEHS-94-109, Mar. 3, 1994).

Multiple Employment Training Programs: Most Federal Agencies Do Not Know If Their Programs Are Working Effectively (GAO/HEHS-94-88, Mar. 2, 1994).

Occupational Safety and Health: Changes Needed in the Combined Federal-State Approach (GAO/HEHS-94-10, Feb. 28, 1994).

EEOC's Expanding Workload: Increases in Age Discrimination and Other Charges Call for New Approach (GAO/HEHS-94-32, Feb. 9, 1994).

Davis-Bacon Act(GAO/HEHS-94-95R, Feb. 7, 1994).

Multiple Employment Training Programs: Overlapping Programs Can Add Unnecessary Administrative Costs (GAO/HEHS-94-80, Jan. 28, 1994).

Legislative Employment: Operations of the Office of Fair Employment Practices Could Be Improved (GAO/GGD-94-36, Dec. 9, 1993).

Occupational Safety and Health: Differences Between Programs in the United States and Canada (GAO/HRD-94-15FS, Dec. 6, 1993).

U.S.-Mexico Trade: The Work Environment at Eight U.S.-Owned Maquiladora Auto Parts Plants (GAO/GGD-94-22, Nov. 1, 1993).

Unemployment Insurance: Program's Ability to Meet Objectives Jeopardized (GAO/HRD-93-107, Sept. 28, 1993).

The Job Training Partnership Act: Potential for Program Improvements but National Job Training Strategy Needed (GAO/T-HRD-93-18, Apr. 29, 1993).

Private Pensions: Protections for Retirees' Insurance Annuities Can Be Strengthened (HRD-93-29, Mar. 31, 1993).

Mine Safety and Health: Tampering Scandal Led to Improved Sampling Devices (GAO/HRD-93-63, Feb. 25, 1993).

Dislocated Workers: Worker Adjustment and Retraining Notification Act (WARN) Not Meeting Its Goals (GAO/HRD-93-18, Feb. 23, 1993).

Family and Medical Leave Cost Estimate (GAO/HRD-93-14R, Feb. 1, 1993).

Underfunded State and Local Pension Plans (GAO/HRD-93-9R, Dec. 3, 1992).

Employee Drug Testing: Opportunities Exist to Lower Drug-Testing Program Costs (GAO/GGD-93-13, Nov. 23, 1992).

Minimum Wages and Overtime Pay: Change in Statute of Limitations Would Better Protect Employees (GAO/HRD-92-144, Sept. 22, 1992).

Pension Plans: Pension Benefit Guaranty Corporation Needs to Improve Premium Collections (GAO/HRD-92-103, June 30, 1992).

Child Labor: Information on Federal Enforcement Effort (GAO/HRD-92-127FS, June 15, 1992).

Occupational Safety & Health: Worksite Safety and Health Programs Show Promise (GAO/HRD-92-68, May 19, 1992).

Hired Farmworkers: Health and Well-Being at Risk (GAO/HRD-92-46, Feb. 14, 1992).

Employment Service: Improved Leadership Needed for Better Performance (GAO/HRD-91-88, Aug. 6, 1991).

Job Training Partnership Act: Inadequate Oversight Leaves Program Vulnerable to Waste, Abuse, and Mismanagement (GAO/HRD-91-97, July 30, 1991).

Advance Notice: Public and Private Sector Policy and Practice (GAO/T-HRD-91-19, Apr. 18, 1991).

Targeted Jobs Tax Credit: Employer Actions to Recruit, Hire, and Retain Eligible Workers Vary (GAO/HRD-91-33, Feb. 20, 1991).

Unemployment Insurance: Adminsitrative Funding is a Growing Problem For State Programs (GAO/HRD-89-72BR, May 24, 1989).

Job Training Partnership Act: Services and Outcomes for Participants With Differing Needs (GAO/HRD-89-52, June 9, 1989).

Unemployment Insurance: Trust Fund Reserves Inadequate (GAO/HRD-88-55, Sept. 26, 1988).

The Congress Should Consider Repeal of the Service Contract Act (GAO/HRD-83-4, Jan. 31, 1983).

The Davis-Bacon Act Should Be Repealed (GAO/HRD-79-18, Apr. 27, 1979).

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JOB TRAINING

Mr. PORTER. I am very interested in your further thoughts on the 163 programs for worker training that must seem to anyone to be just an incredible bureaucracy that you have to ask yourself, how did we ever allow this to grow this way and what can we do to correct it?

Apparently, only a quarter of the programs are in Labor. Where are the rest of the programs?

Ms. MORRA. It is on page 25 of our testimony. This is from the Kassebaum hearing. We have a graphic that we will provide to you that shows the Federal departments. It is very hard to read even when you are up close. It shows the Federal departments at the top and then all the offices that basically administer the programs. It is hard to read at this point because there are so many offices that basically have these programs.

Mr. PORTER. Apparently, over 100 of the programs are in departments under our jurisdiction.

Mr. NILSEN. There are about 61 programs, job training programs in the Department of Education, 37 in the Department of Labor, and I can tell you the ones in HHS in a second.

Mr. PORTER. Fourteen, I have on this list here, for $1.6 billion.

Ms. MORRA. We have just gone through, one program in the Department of Agriculture, one program in the Appalachian Region Commission, nine programs in the Department of Commerce, three programs in the Corporation for National Service, two programs in DOD, the 61 programs in the Department of Education, 13 programs in HHS. In HUD, we have six programs; in the Department of the Interior, remember, we have two programs.

Mr. PORTER. I wonder if you can give me some idea of the time frame for the growth and the multiplicity of programs. Are these in the last 10 or 15 years?

Ms. MORRA. I know when I first became aware of this, we did a briefing that is probably now three-and-a-half, four years ago; and at that point, it came to my attention for the first time, we counted 125 programs.

Mr. PORTER. So we have gone with 40 new ones since then?

Ms. MORRA. When we looked again a year ago there were 154.

Mr. PORTER. Did you go back before that time and see?

Ms. MORRA. No, we haven't.

Mr. PORTER. Do you have any thoughts about the Secretary's testimony on this, the skill grants that he is describing?

Ms. MORRA. We are encouraged by the fact that the Department intends to put forward a proposal to at least consolidate 50 of the programs.

Mr. PORTER. Do you know about the administrative costs of these programs?

Ms. MORRA. We have an estimate. It is hard to figure. There is no precise number because no one defines administrative costs the same way and there is no baseline on these.

Mr. PORTER. Do you have a ballpark number?

Ms. MORRA. We have not tried to develop a number. We think, taken across these programs, that it would be substantial.

Mr. PORTER. Each program has some bureaucracy or someone in charge——

Ms. MORRA. Exactly. What you see at the Federal level is repeated at the State and local level. We are also spending money coordinating these things. There are grants; there are coordinating councils that we fund just to try to get people to know about each other's programs. But the effectiveness has been questioned, what they really achieve. They get people sitting around talking, but what they achieve in terms of results isn't real clear.

Mr. PORTER. Mr. Miller.

Mr. MILLER. The cost—I am sure there is a cost to the Department of Labor to administer these. In my district, I have dealt with one organization; and they have been here for their annual meetings, and it is nice meeting their people for lunch. I spoke to a group in Fort Myers; because the cost filters down, they were never necessarily measured on the cost of applying for grants.

Ms. MORRA. Yes.

SERVICE CONTRACT ACT

Mr. MILLER. There is a Service Contract Act; that is Davis-Bacon applied to services?

Ms. MORRA. Essentially it is the same thing.

Mr. MILLER. If there is a Federal courthouse in Tampa, they have to have an issue as far as cleaning services. It costs more to administer that, $12 million administrative cost within the Department of Labor versus $10 million for Davis-Bacon.

Ms. MORRA. Those are Department of Labor estimates, and I am not sure how they came up with those estimates.

Mr. MILLER. I have heard a billion dollars a year. Is that $3 billion for a five-year period, and what is the Service Contract Act?

Ms. MORRA. CBO's number is the one I would use, because that is the official number. I believe that is $3 billion—over five years.

Mr. MILLER. How do they come up with this? Prevailing wage is the question, but the wage is far greater than anyone else in the marketplace. How can that be prevailing in the local markets if they are far greater than other wages from what I have heard?

Ms. MORRA. They do an elaborate survey and basically survey employers to figure out what the wage rates are that are paid to lots of different occupations. Actually, they have to estimate these things for 12,400 different occupations. So what happens is, they send this out, but the response is voluntary.

Some companies respond to the survey and a lot of employers, a lot of companies, don't respond. The average age of these wage determinations, and that has always been part of the problem with this Act—the average age that they are using is seven years, so that basically the wage determinations are seven years out of date.

Mr. MILLER. The wages seem higher than they really are.

Ms. MORRA. They are often based on as little as a 75 percent return rate, very poor. The Department doesn't go ahead and sort of run any checks to see if there is bias in that 25 percent.

Mr. MILLER. What about Secretary Reich defending Davis-Bacon, that because we are such a major employer and a marketplace that we would distort the wage base and drive down wages?

Ms. MORRA. We have no information on that. We have focused our efforts on the administration of Davis-Bacon.

Mr. PORTER. Mr. Riggs.

Mr. RIGGS. Thank you for hanging in there. First of all, let me ask for a copy of that chart.

Ms. MORRA. We would be happy to provide it to you.

Mr. RIGGS. We will blow it up.

Ms. MORRA. We have big boards that we will be happy to provide you.

JOB TRAINING

Mr. RIGGS. Let me ask as sort of a segue to the broader policy issue in question—ask you, if I correctly understand your testimony, which I believe was in this subcommittee—you may have also offered it in the authorizing committee, that in effect the Federal Government is doing a lousy job in terms of tracking the ultimate success in the work force of those people who receive Federal job training services.

Is it correct to say that the Federal Government does not know how many of those people who are served or who receive that type of Federal Government assistance ultimately get and retain jobs?

Ms. MORRA. It is true, the Federal Government has done a very poor job of tracking. There are——

Mr. NILSEN. We know it for some programs, but not very many.

Mr. RIGGS. Why is that? Is that just poor oversight from department to department, agency to agency? Why is that?

Ms. MORRA. I think that part of it was in orientation, not putting money into evaluation. For some, we are talking about basic information. Who participates in what programs? What services do they get? Do services vary by gender or do services vary by race? What are the placement rates, and how long do people stay in the jobs in which they are placed? This is basic information that should be there in any program.

Until recently, and I think because the problem hadn't been raised to people's consciousness, this information just wasn't collected on a lot of programs. If we look and we testified on JPTA—at least for JPTA, we have that kind of basic information, but that is one of the few programs for which we have it. Compared to the JOBS program—the JOBS program can't tell you that information at all.

Mr. RIGGS. Would that difference be, in part, attributable to the audit requirements of JPTA; or why would you—to what would you attribute——

Ms. MORRA. It could be the one program coming out of HHS, the other coming out of Labor. This is speculation on my part, but it may be the different histories of those programs and coming out of different Federal agencies, one coming out of welfare, the other out of job training and Labor.

Mr. RIGGS. Let me follow up with Title III, EDWAA, and any other programs of JTPA where the funding has significantly increased over the last few years. What would be the primary reason for that, aside from political decisions made in Washington, D.C.?

Ms. MORRA. Of why the funding has increased?

Mr. RIGGS. Yes. Is there a valid justification for these funding increases?

Ms. MORRA. With the Job Corps program—let's look at that—I think that people just didn't look real hard at the Job Corps for a long time. People want to have the solutions, they want to feel that something is going to work for this very difficult-to-serve population. They relied on a Job Corps study that was done in the 1970s and sort of blessed that program as a success, but that study now is over 20 years old, and it is time to relook at the Job Corps program.

Mr. RIGGS. Last point: Last week the authorizing subcommittee, as the chairman knows, introduced a bill known as the Work Force Preparation and Development Act, legislation that would eliminate duplication and fragmentation and transfer major decision-making to States and local communities and stress the vital role of the private sector, which has been a significant partner in JPTA, and establish a National Work Force Preparation System which is market driven and reinforces individual responsibility. I bring that to your attention today in hopes that we can obtain your assistance and your critique of that legislation as it does.

Ms. MORRA. We would be happy to do so.

JOB CORPS

Mr. PORTER. One closing question, if I may: On the Job Corps itself, there have been—I think the IG testified here that there have been certain locations where the program has not been effective, consistently performing below average in a lot of criteria over a long period of time. Do you suggest that perhaps we can get at that by cutting the budget for new centers? Does that really do it?

Ms. MORRA. Cutting the budget for new centers won't get at problems with existing centers, no. We have some ongoing work ourselves to look at some of the Job Corps centers to try to determine what is happening there, what their placement records are, how many people who enter those programs in different locations really end up being placed in jobs and in how many cases the jobs that they are placed in relate to the training they got in the Job Corps program.

Mr. NILSEN. Our point in the testimony was, given some of the concerns raised about the Job Corps program, maybe this is not the time to expand the number of centers until we know more about those centers that exist.

Mr. PORTER. Do we know how many centers are underperforming, as opposed to the rest of them?

Mr. NILSEN. We have some information on performance, but there are no hard standards that I know of on what is an acceptable level of performance.

Mr. PORTER. The IG seemed to indicate that there were only a handful of centers that were consistently poor performers.

Are you saying that there may be a much larger number than that?

Mr. NILSEN. We are looking into the issue of the Job Corps right now. We don't have an answer to that question. It is an area that we haven't done much work in in the last several years, and it is an area that we are developing more information on, given the level of the budget.

SCHOOL-TO-WORK

Mr. RIGGS. One other comment; that is, following up on my earlier question and my concerns about duplication and fragmentation, could you take a look for me and for other interested Members at the School-to-Work program? I should have mentioned that earlier.

I am concerned, again, about what coordination is currently taking place between, again, the different Federal departments and agencies—DOE—and then how that works with State and local government, and specifically comment again on the potential for savings by eliminating duplication and fragmentation.

Ms. MORRA. We would be happy to get back to you on that. We have some work.

We have been concerned about even out in the States how the current Perkins Voc-Ed program is relating to the new School-to-Work transition program, how that fits in even with other programs, such as the literacy programs; and I think that is an area where more work needs to be done to see what is happening, how are those programs coordinating, what is the relationship at the Federal level, at the State level and at the local level.

So we would be glad to report to you on that.

Mr. RIGGS. Thank you very much.

Mr. PORTER. Thank you very much for your testimony.

The subcommittee stands in recess until 9:30 tomorrow.

THURSDAY, JANUARY 19, 1995.

CORPORATION FOR PUBLIC BROADCASTING DOWNSIZING

TESTIMONY OF MEMBERS OF CONGRESS, THE CORPORATION FOR PUBLIC BROADCASTING, AND OTHER INTERESTED INDIVIDUALS AND ORGANIZATIONS

OPENING REMARKS

Mr. PORTER. The subcommittee will come to order, please. We convene today the fourth and last of the subcommittee's hearings on downsizing the departments and agencies under our jurisdiction.

We have already heard from the Secretaries of Labor, Education, and Health and Human Services. I would note that over the last week, as we had hearings with these Cabinet officials, who oversee discretionary budgets of about $70 billion, the level of media and public attention to our deliberations was insignificant. I am rather amazed to see all of the media attention today, considering the budget of an agency that is one-200th of the size of the departments that we have considered previously. I am rather amazed to see the lack of attention to programs for education for handicapped children, for biomedical research, for vaccine programs, for job training, and the high level of media attention to an agency whose budget is $300 million, compared to $70 billion.

Today, we have invited Ambassador Richard Carlson, the President and CEO of the Corporation for Public Broadcasting, as well as Henry Cauthen, the Chairman of the Board of Trustees to testify. We appreciate, Mr. Ambassador, your willingness to appear before the subcommittee today to help us consider funding options for CPB.

As I stated at our initial hearing last week, I am determined on two points: First, that this subcommittee will contribute substantially to government-wide downsizing efforts; and second, that we will do so responsibly and thoughtfully, not mindlessly.

I personally have been a longtime supporter of the Corporation for Public Broadcasting and I continue to believe in the value of public broadcasting, but my overriding concern for government is fiscal responsibility. We must get our deficits and our debts under control so that we do not continue to pass along a crushing debt burden to our children and grandchildren.

Let everyone understand that there are no easy choices in our bill. We must choose among programs that educate our children, serve the health of the American people, and protect and train our country's workers. In effect, we must ask, "Is public broadcasting a higher priority than Pell Grants, Head Start, the vaccine program, or worker retraining?"

Given the change in leadership in the House, we intend to examine every aspect of our budget. After 40 years, we need to critically evaluate every program under our jurisdiction to determine what things the Federal Government ought to be engaged in and what things, perhaps, they should not; what we can do better and what can be done differently either by government or in the private sector. Our hearings last week and this week are a first step in that process.

Mr. Livingston, I yield to you.

Mr. LIVINGSTON. Thank you very much, Mr. Chairman, and congratulations on a splendid statement. I think that you have put your finger on the problem.

I want to welcome Ambassador Carlson and all of the other good people who are here to testify on behalf of public broadcasting, including Ms. Beth Courtney, who is here from Louisiana, who does such a fabulous job with public television in Louisiana, and is a stellar advocate for education within public TV.

I think that there will not be an argument in this room by anybody about the merits of public broadcasting. It has served us well. It does a great service for children and for all Americans who have a chance to tune in and watch many of the splendid programs that are on public television. Some programs are controversial, some are very controversial, and I guess we will hear testimony about those specific programs.

But my point in being here at this hearing, and I am glad you have called it, Mr. Chairman, is to echo your theme. The issue that brings us here today is really not about the merits or demerits of public broadcasting, if in fact there are any demerits. The issue is the fact that over the last 25 years, stretching back over the last possibly 40 years, we have accumulated a $5 trillion debt. We are currently paying around 15 percent of our annual budget in interest on that debt. Every year we compound another $200, $250, $300 billion in additional debt through the deficit and the budget. And the burden to ultimately repay that debt, to repay the interest which is becoming a larger and larger share of our annual budget, is falling not so much on us, although we are seeing signs that the American life-style is being affected in recent years, but it is certainly going to fall on our children and our grandchildren if we do not get this problem under control.

Now, I have heard one American after another say, "yes, well, that is down beyond the deadline after which I don't have to worry about it;" or, they say, "yes, it may be a problem but I have this one program that is real important." Russell Long, former Senator, the great Senator from Louisiana, used to talk about tax law and he would say, "Do not tax you, do not tax me, tax the fellow behind the tree." And his little slogan really was intended to portray the fact that people realized that pain has to be inflicted sometimes in order to be responsible and run government, but it should not be inflicted on you and it should not be inflicted on me, it should be inflicted on the guy that we do not see or hear about so much.

Mr. OBEY. That is the way you have been behaving.

Mr. LIVINGSTON. It is appropriate. That was an appropriate example.

These days what we are hearing is, "do not cut you, do not cut me, cut the fellow behind the tree." Do not cut public broadcasting, do not cut one program or another program or any other program.

But, folks, three weeks ago we got a lesson in stark reality. Mexico found their peso collapse and the life savings of every single Mexican citizen who held his savings in pesos found his life savings devalued by 40 percent in three weeks' time.

Under President Clinton, the Congress is now debating whether or not to bail out Mexico, and we may get them over the hump and we may save the Mexican citizen and we may keep or forestall all the problems that flow from the devaluation of their currency, the loss of their jobs, the lowering of their life-style, the onslaught of immigration into the United States and so forth, but if that day comes that America suffers the same problem, who is going to bail us out?

When we are compounding debt year after year after year, what we are effectively doing is failing to get our spending in line with our inflow of capital, that is, our income does not come close to what we spend, and what it means is that one day we too may suffer the same fate as Mexico. The Mexicans' problem was caused because they spent more than they received.

We can come forward and hear all these wonderful witnesses and say, "my goodness, this is a great program," and I agree, I concur, it is a great program. In fact, it only gets $250 to $300 million a year. We do not have to cut this one, but then what do we say to the next group of folks who come in and say do not cut their program and the next one after that and the next one after that?

The current debt on the American economy amounts to $20,000 for every man, woman, and child in America, or roughly $80,000 for every American family. Is it right for us to leave that burden to our children and our grandchildren? Is it right for us to say that we can afford this program and the next program and the next program without worrying about whether one day our children face the same problems that Mexican citizens face today?

I suggest to you that it is not right. I suggest to you that, yes, public broadcasting, just like all of the other programs in the Federal discretionary budget should be on the table; that Americans have not only the right but the responsibility to ask themselves, "Can we afford this anymore?"

Public broadcasting raises 86 percent of its budget in the private arena. Only 14 percent comes from the American taxpayers. If they can get 86 percent from the private arena, is it not fair to ask whether or not taxpayers can currently afford to supply that extra $300 million, or extra 14 percent, of public broadcasting's budget?

Public broadcasting has been enormously successful. They have wonderful programs: Big Bird, Sesame Street, Barney. Sesame Street currently generates $800 million annually in gross licensing revenues. Barney has been rated by Forbes Magazine as the third richest entertainer in America after Steven Spielberg and Oprah Winfrey.

Folks, the American taxpayer does not need to come to the forefront necessarily and underwrite very wealthy entities like Big Bird and Barney. They can fend for themselves. But if it is a worthwhile project and if we can affirmatively say we can afford it, then perhaps we should continue it. But if we cannot afford it, maybe, just maybe we ought to question the entire program of whether or not the taxpayer should underwrite public broadcasting.

The Corporation for Public Broadcasting is exempt from the Freedom of Information Act. That means that we in Congress, even though we have over the many years been supplying millions, hundreds of millions of dollars, in fact over the years, billions of dollars to Corporation for Public Broadcasting, we cannot discover the truth about the multiple financial transactions occurring within the system. The Corporation for Public Broadcasting has all the public relations benefits of a charity with all the financial potential of a private company and the security of a Federal subsidy. That is not a bad deal.

Can we afford that? Do we want to afford it? And should we not be entitled to ask questions about where all of the money is going and why they should have to have 14 percent of their budget from the American taxpayer?

When the Corporation for Public Broadcasting's funds are threatened, as apparently they consider them to be today, they have lobbied the Congress, I think it is fair to say. I guess that is oversimplifying the case. In the last six or eight days, across the screen under Big Bird and Barney, and all the other wonderful programs on my local public broadcasting station, there is a tag line that says something to the effect "This program could go out of business. If you do not want it to go out of business, if you want to save Big Bird, please call Bob Livingston at 202–225–3015 or at his local district office at 504–589–2753 and let him know." I have gotten 300 or 400 calls a day, even on Martin Luther King's holiday and even, actually, last Sunday. I think that is called lobbying.

I am not sure, but I would have to say that I am reminded that there is a law passed by this Congress in 1993, in the Labor-HHS bill, which contains a section, section 509(b), that says no part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient or agent acting for such recipient related to any activity designed to influence legislation or appropriations pending before the Congress.

I am not sure, but I think a lawyer would take a look at what is happening and suggest that perhaps the law is being violated. Moreover, I would have to say, in talking with Mr. Randy Feldman of WYES in New Orleans, I was surprised to find that he did not know that the Public Broadcasting Act of 1967 specifically calls for strict adherence in balancing of ads in all matters of public controversy where public funds are appropriated, and he did not know if he spends money and time in lobbying people to call Congress that he has to give equal time to Congress to lobby back.

Now, is that an adequate or a proper expenditure of taxpayers' funds? I think at the very least that question is worthy of examination by this committee. And I know that there are a lot of people outraged, who will be here today, who will say categorically and unequivocally that the Congress must underwrite the Corporation for Public Broadcasting. We have a duty; a responsibility. We will hurt children all over America.

Folks, nobody here wants to hurt children. Nobody here wants to hurt the quality of programming that exists in public broadcasting, but we do have to question that for the good of those children and their children can we afford this program? Is it being properly run? How much are the big board members, the executive producers of the Corporation for Public Broadcasting, who are not governed by statute, how much do they make in salaries? Where are the records for the Corporation for Public Broadcasting beyond the 14 percent that is supplied?

Yes, that 14 percent may go to specific programs, but where is all the other funding going? Why should it be separated and why should not the American people be entitled to ask these questions, to look at the records, to find out exactly where all of the dollars go? Can they? I think it is an appropriate area for examination.

I think that this committee is doing the country a great service by providing a forum in which such questions can be asked. I applaud you, Mr. Chairman, for calling the hearings, and I do not know if I can stress enough; I watch public TV. I like the programming for the most part. I enjoy it. But I am not sure that I can say that we can afford public broadcasting any more than I can say that we can afford all of the other myriad of hundreds of thousands of programs in the discretionary Federal budget that are causing us to spend $250 billion a year more than we receive year after year after year.

We have a problem in this country and I do not want to see the American people wake up one day and be bewildered that they, like the Mexican citizens in the last three weeks, have lost 40 percent, 50 percent, or 60 percent of their life savings. It could happen here and I do not want it to.

Thank you, Mr. Chairman.

Mr. PORTER. We are very pleased that the Chairman of the Appropriations Committee could join us this morning and thank him for his excellent statement.

I yield to you, Mr. Obey.

Mr. OBEY. Mr. Chairman, I had not intended to take a lot of time with an opening statement this morning, but in light of the comments of my good friend, Mr. Livingston, I am going to take more than I thought I would.

Let me start by saying that I certainly agree that we have an obligation, given the financial situation of this country to review each and every program, and to look for savings wherever they can legitimately be found. I would like to think that search would be a balanced search which would ask one fundamental question. Will the country be better off or worse off after we take whatever action we are intending to take on each specific program?

I take a back seat to no one in my concern about the Federal deficit. In 1981, when this country had not yet experienced deficits larger than $70 billion, we were presented with an experiment which we were told if Congress passed it would balance the budget in four years. Instead, what it did was to quadruple Federal deficits and quadruple the national debt. We have been living with those consequences ever since.

I am happy I was here in the Congress in those days because experience is that quality which enables you to recognize a mistake when you are about to make it again. And I think that is where we are headed.

We are being presented with the necessity to move quickly on a number of financial fronts because there are a lot of people in this Congress who were elected under the banner of a so-called "Contract." That Contract alleges that it would find a way to balance our Federal budget within seven years. And it also along the way asks for additional revenue actions, which over that same seven-year period, would cost approximately $400 billion, after the deficit, if you do not find a way to cut other funding to pay for it. That means we will have to be looking for a lot of spending reductions. In my view we also ought to be looking for an awful lot of illegitimate tax expenditures which grant special favors to people in the Tax Code to the tune of about $80 billion a year.

Now, I am a good friend of public broadcasting, I would like to think. When I was in the Wisconsin legislature, I sponsored the legislation that created the authority for the statewide public broadcasting network. And I have been a strong supporter of funding for public broadcasting.

I did not support the idea of making this funding an entitlement that a lot of friends of the Public Broadcasting System did because I do not believe that anybody should be above the fray. I think that everybody ought to have to roll their sleeves up and get down in the pit with everybody else, and I think everybody ought to have to justify their budgets, each and every year. So that is why I supported the compromise under which we provided forward funding for the Corporation for Public Broadcasting so that they would know how to plan, just as we have enabled school districts to have forward funding to predict their budgets, but that is why I strenuously resisted making public broadcasting an entitlement because I do not think they are entitled to be an entitlement.

So I certainly believe that we have an obligation to look at this program just as we look at every other program to determine whether or not savings can rationally and effectively be made. But lest we hyperventilate and come to the conclusion that eliminating public broadcasting is going to solve our deficit problems, let me simply point out that this program approximates about two one-hundreths of 1 percent of the Federal budget. It spends a little under $300 million a year. The Pentagon spends $300 million every 10 hours. We spend $300 million a week on the highway systems. We spend a billion dollars apiece for B–2 bombers, three times as much as is appropriated for this program. We spend $3 billion for new aircraft carriers.

So I would submit that we ought to ask the same questions about all programs when we are searching for ways to cut the Federal budget.

I am very much concerned that this hearing today is going to be a dialogue of the deaf, because my concern is that we will have people talking past each other, neither one of us hearing each other and people will go out of this room having learned nothing that they did not know when they came in.

So I think it is important to understand one thing about this hearing. I think we need to understand the real reason that so much attention is being focused on the public broadcasting program. And in my view, everybody is entitled to their own, I guess, but in my view Corporation for Public Broadcasting is being singled out for special targeting by some in this Congress, including the new House leadership, because they believe that public broadcasting can be painted as being elitist and they feel that if they can eliminate this program that they will then have the political cover which is necessary in order to really savage a lot of other programs in the budget that are meant to sustain people who are living on the edge; programs that are aimed at people much lower down on the income scale than are most people in this room today.

So I think they believe that they can use the elimination of this program to create a political justification for whacking a lot of other crucial programs without being accused of only focusing on the poor or near poor.

I firmly believe the best way for friends of public broadcasting to respond is not to simply come here and expect to be exempted from cuts, because that is not going to happen. I think what friends of public broadcasting will need to do is to account for the way they spend appropriated money, just as anybody else has to, and then to make very clear that while they are willing to accept their fair share of budget reductions, they need to make very clear why it would not be in the interest of this country to single out a program like this for elimination or cuts far in excess of those that will be directed at programs far less deserving.

It seems to me that public broadcasting does add to the quality of life in this society. It seems to me that it does put an upward pressure on the private networks in terms of the quality that they provide to the American people.

I do not suppose I would describe network television as being the wasteland that Newton Minow said it was several years ago, but I do think there are an awful lot of junkyards lying around, and it seems to me that it is important to consider whether or not the sustaining of this effort by the Congress is an useful contribution to the civilizing of our society and to the increasing quality of what it is that the public sees when it turns on the television or it turns on the radio dial.

I also think we have to look at questions of affordability. There is no question about that. But I think we need to understand the context in which this hearing is taking place today. I also hope that you will give us ample evidence to demonstrate why, if this funding for this program is eliminated, how that, in fact, will fall geographically across the country.

I happen to represent a district that does not have a single city larger than 37,000 people. I know that if this appropriation is eliminated districts like mine will experience a far greater shock in terms of impact on public broadcasting than will some of the wealthier urban districts in this country where they have the resources to counteract the loss of funds provided by this appropriation.

So I hope rather than debating two competing cataclysmic visions today of what will happen if we continue a program that some people think we cannot afford or what will happen to destroy society as we know it if we eliminate this appropriation, I hope you will simply get both sides to the practical question of what this program does, how it spends its money, why it deserves to be continued, if it does, and where perhaps specific savings can be made but nonetheless keeping in mind the answer to that last and fundamental question, would the country be better off if congressional support for this program is eliminated. I do not think it would be, but I think that persons who are interested in saving this program need to make very, very clear today why that would not be the case.

Mr. PORTER. Thank you, Mr. Obey.

Mr. PORTER. The Chair will announce that we will continue our hearing as votes occur on the House Floor. One has just been called. I have told Members on our side to go ahead and vote. I would tell the same thing to Members on the other side, and we will attempt to continue.

Now, we are very pleased to be joined this morning by Senator Larry Pressler, the Chairman of the Senate Commerce Committee, that is the committee of authorizing jurisdiction over the Corporation for Public Broadcasting. He has asked for the opportunity to testify before the committee this morning. We are delighted that he has been able to join us.

WITNESS

HON. LARRY PRESSLER, A U.S. SENATOR FROM THE STATE OF SOUTH DAKOTA

Senator PRESSLER. Thank you, Mr. Chairman. I shall be quite brief because I know you have a vote that you have to carry out. And I will summarize my statement and place it in the record. But I am here to say that I believe very strongly that public television and radio can be priviatized at the Federal level and do very well.

Now, in 1981 to 1984, there was a study called Temporary Commission on Alternative Financing for Public Telecommunications, and this study found that the viewers of public television did not mind advertising, and since that time there has been advertising on public radio and television and it has brought in a lot of revenue. In fact, large corporations are lined up to advertise on public radio and television. There is additional revenues in that area that could be obtained.

Also, as has been pointed out by Chairman Livingston and yourself, Mr. Chairman, there are great revenues that could be obtained from getting a bigger percentage of the profits of people who appear and programs that appear on public television and radio, and, indeed, the citation of getting a bigger percentage of the Barney profits and so forth. Now we are told that the Corporation is doing a better job of negotiating for these contracts, but I think they could do an even better job.

And I would say that public broadcasting in this country already acts like a private company in many ways. For example, it advertises, it lobbies, indeed as I was coming through the National Airport the other night I saw a huge picture of my old friend Ken Bode about his weekend program and so forth. And it said down at the bottom, "paid for by the Ford Motor Company."

But the point is these grants to the public broadcasting replace Federal money. So it is all one pot. They would say we are not using taxpayers' dollars to advertise, we are not using taxpayers' dollars to lobby Congress, but if it all comes out of the same pot, it ultimately is the taxpayers' money.

So here we have a program that has one of the wealthiest audiences in the country, and I am part of that audience. It is well organized. It does nationwide grass roots campaigning for Federal money. It has hired some of the most expensive consulting firms and grass roots lobbying firms here. And there is a way to priviatize it.

Now, Al Gore has asked us to privatize as many areas as possible and I read his Reinventing Government, and this agency certainly qualifies for privatizing. It can be privatized. We have asked the chairman of the Public Broadcasting to come up with a plan, steps that could be taken.

So that is a summary of my testimony. We are not to be painted as being against rural radio. They will have more money under a privatized situation, in my judgment and according to my numbers. We are not against children's programming. There will be more of it. Indeed, Nickelodeon produces a lot of it under the private enterprise system now and is marketing it even in France.

There was seed money to get the Corporation for Public Broadcasting going. It is now a very healthy, mature, strong entity and it can be privatized. That is my message.

And I am weary of people saying that privatizing means killing. It did not kill Conrail. It did not kill the Fannie Mae, at least not according to what they pay their directors over there. There have been a lot of things that need to be privatized and this is a classic example.

And I met yesterday with a privatization expert who studies how to privatize things. He said if there is ever anything that could be privatized in this country, it is the Corporation for Public Broadcasting. And I wish the executives over there would start a study, start planning this.

They started a study in 1981 with the Temporary Commission on Alternative Financing for Public Telecommunications, but, basically, they operate just like any other station except that they get a huge subsidy and they do not need it if they just negotiate their contracts right and take advantage of the advertising opportunities that they have, which they are doing.

So, Mr. Chairman, that makes a long story short. I will place my statement in the record. I know you are under great pressure here today. Just do not let anybody say that we are trying to kill public radio and public broadcasting. We are not. We just want to privatize it and it will be just as good as the Learning Channel and Nickelodeon and all the other competing ones that sit there without a Federal subsidy. And I thank you very much.

Mr. PORTER. Senator Pressler, we very much appreciate your joining us this morning and giving us your insight on this question and we will put your formal statement in the record.

[The prepared statement of Senator Larry Pressler follows:]

STATEMENT OF SENATOR LARRY PRESSLER

CHAIRMAN, COMMERCE, SCIENCE AND TRANSPORTATION COMMITTEE

UNITED STATES SENATE

BEFORE

THE UNITED STATES HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE

REGARDING

THE CORPORATION FOR PUBLIC BROADCASTING

Good morning. Thank you Chairman Porter and members of the Committee.

I appreciate having the opportunity to testify at this important hearing concerning the Corporation For Public Broadcasting.

If one message is clear from November's elections, it is that Americans want deep cuts in federal spending, without gimmicks or special pleading. As Chairman of the Committee on Commerce, Science and Transportation, I expect to propose cuts of tens of billions of dollars from current levels of spending -- and to privatize wherever possible. The Clinton Administration as well is calling increasingly for spending cuts and for privatizing government agencies and subsidized enterprises.

A prime candidate for privatizing is the Corporation for Public Broadcasting. I want to wean public broadcasting from the $300 million annual subsidy it gets from federal taxpayers. I am convinced that the service public broadcasting is intended to provide could be better offered without costly federal spending on a posh Washington headquarters and legions of high-salaried bureaucratic personnel.

As this Committee is well aware, we in America continue to face a severe fiscal crisis. With an annual budget deficit projected at $175 billion and a national debt of over $4.6 trillion (with a "T"), we simply cannot afford to pay for all the good and worthy sounding projects which vie for American's tax dollars.

Given these trying budgetary times I am wondering what CPB proposes for the future. I am anxious to hear CPB's plans for dealing with this problem. I want to see CPB devise a privatization plan of its own. Technologies, markets, and federal budgetary realities have changed drastically since CPB was created in 1967. In today's budget climate, the $300 million annual subsidy simply cannot be justified. CPB officials must face this reality and reinvent their system. Let's see a serious restructuring plan from CPB.

Federal government funding represents only 14% of the total public broadcasting budget. The other 86% comes from private contributions, grants, sponsorship and state government funding.

Public broadcasting subsidies are frill we can no longer afford. It is impossible to argue that America does not have enough TV or radio or that it is a basic function of government to satisfy every programming taste underserved by commercial stations. It is also hard to imagine that public broadcasting's most popular programs ("MacNeil/Lehrer," "Wall Street Week," "Sesame Street," or "All Things Considered") would disappear without taxpayer subsidies. Indeed. these programs today already feature advertising -- also known by the code word "underwriting" by the public broadcasting crowd.

The very size of the deficit and national debt has now become an excuse for irresponsibility, because no single step is sufficient to make a major difference. If every single program is sacrosanct, then the cause is hopeless. Typically, public broadcasting officials claim that the taxpayer subsidy for public broadcasting is so small that it does not matter. We can simply no longer tolerate this casual cynicism.

Public broadcasting can best be described as one of government's "ornamental activities" -- pleasant but not essential. It clearly does not have as strong a claim on some of government's and taxpayer's scarce resources as the National Institutes of Health, child immunization, national defense, and a thousand other competing causes.

Public broadcasting is mired in waste and duplication. A Twentieth Century Fund study found that 75 cents out of every dollar spent on public broadcasting is spent on overhead. In 1983 an FCC staff study estimated that 40% of all public TV stations had signals that overlapped with another public TV station. CPB itself estimates that over one quarter of the PBS stations are duplicative.

When CPB was created during the heyday of the Great Society over 25 years ago, "market failure" was the fundamental, underlying premise for federal funding of the public broadcasting system.

Most Americans in 1967 had access to only a handful of broadcast stations. Since that time there has been an absolute explosion in the number of media outlets and sources of information for the American people. For instance:

- Broadcast TV stations increased from 769 to 1,688.
- Broadcast radio more than doubled from 5,249 to 11,725.
- Percentage of TV homes subscribing to cable TV grew from 3% to 65% (cable is available to 96% of TV homes).
- CNN, C-SPAN, Arts & Entertainment, Discovery, The Learning Channel, Bravo, The History Channel, and many other cable channels have programming that's a substitute for public broadcasting without government subsidy.
- Direct Broadcast Satellite is now available everywhere in the 48 contiguous states with over 150 channels of "digital" video and audio programming.
- "Wireless Cable" has several million subscribers.
- Over 85% of American homes have a VCR (VCRs were not available in 1967).

- o Close to 40% of American homes have a PC which was not available until the early 1980s.

- o Multimedia CD-ROM sales are flourishing with educational titles particularly popular.

- o The Internet and computer on-line services such as Prodigy, America On-Line and Compuserve are reaching over 6 million homes.

Most importantly, this is just the beginning of a new era of information plenty. With the passage of the new Telecommunications Competition and De-Regulation Act of 1995 which we will introduce and pass early in the 104th Congress, an explosion of still more media and information outlets will be unleashed.

Telephone companies, electric utilities and other new players will enter the media programming field. And with "digital compression" technology, broadcasters, cable companies, satellite and other traditional media outlets will significantly expand their channel and program offerings.

As a result, the days when Americans watched the same TV shows day in and day out, as they did in 1967, is history. As a result, the original justification for taxpayer funding of public broadcasting due to "market failure" no longer holds water.

At a minimum there should be a rational discussion as to the appropriate role, if any, for public broadcasting in the digital, multimedia age -- to determine how best to "reinvent" and "liberate" public broadcasting given the age of information plenty.

Equally troubling is the fact that public broadcasting provides a free, publicly subsidized platform for the promotion of related products and paraphernalia. Yet the American taxpayer who makes it all possible does not participate in this windfall.

Forbes magazine recently listed Barney, the loveable purple dinosaur, as the third richest entertainer in America after Stephen Spielberg and Oprah Winfrey! Barney is estimated to gross almost $1 billion a year. Sesame Street is close behind with $800 million.

How much of those hundreds of millions of dollars are paid as dividends to America's taxpayers? The answer is: _not a penny_.

There is in many respects a "shopping channel" mentality for public broadcasting merchandise including Bill Moyer's books, Ken Burns' "Civil War" and "Baseball" videos, Louis Rukeyser newsletters, and Frugal Gourmet cookbooks.

Millions of dollars which could be returned to the taxpayer are diverted to private parties, with non-profit entities "fronting" for profit making enterprises.

Since 1968, actual appropriations to the Corporation for Public Broadcasting have totalled almost $3 billion. This federal support has produced a system of 340 public TV stations and more than 1,000 noncommercial radio stations (about two thirds of which are "CPB-qualified" and get federal money).

But federal appropriations, large as they have been, are only a fraction of the total "federal support package." Under the FCC's channel "set aside" program, adopted in 1952, many extremely valuable TV channels were allocated to public broadcasting. Included are VHF (channels 2 to 13) stations in several major markets like WNET-Channel 13 in New York, WTTW-Channel 11 in Chicago, KETC-Channel 9 in St. Louis, and WYES-Channel 12 in New Orleans.

These stations and many others are worth literally hundreds of millions of dollars apiece. There is a similar "set aside" allocation scheme for public broadcasting in the FM radio spectrum band as well.

Non-federal support of public broadcasting totals about $15.5 billion to date. A good portion of that total comes from state college and university funds which, in turn, derives it money from federal sources in some cases. Much of it is also tax deductible gifts and grants. Under current budget accounting, these would be counted as "tax expenditures."

The Commerce Department's NTIA administers the "Public Telecommunications Facilities Program (PTFP). Over the decades, PTFP has distributed more than half a billion dollars in equipment and facilities grants. That is an enormous amount of money for a business like broadcasting which is not considered very capitial intensive.

In addition, Congress has largely funded the development of a nationwide satellite interconnection system for public broadcasting. More recently, NTIA has been given funds to help stimulate the development of children's programming.

The question is this: How much "seed" money is enough. Tens of billions of dollars have been spent to date to help get public broadcasting started. But are we now locked into a long run "federal dependency" situation?

Alternatives are available. Let us not forget that from 1981 to 1984 there was a Congressionally authorized "Temporary Commission on Alternative Financing for Public Telecommunications (TCAF). It included the Republican and Democratic members of the House and Senate Communications Subcommittees, the FCC, the Reagan Administration and the industry. TCAF authorized a test of advertising on public TV stations. (Public radio was also authorized to participate but they boycotted the experiment.)

As part of the 18 month experiment with advertising on public broadcasting, TCAF was required to conduct viewer polls -- 10,000 interviews were conducted. There was virtually no negative viewer response to advertising. The majority of the respondents were of the opinion that public broadcasting should have advertising and the majority disagreed that advertising would hurt the programs or that people would stop watching public broadcasting that ran advertising.

One of the viewers in Chicago, for example, when asked before and after the experiment, replied, "Well, I am not sure I liked the commercials -- but I sure liked them more than the old kind." She was, of course, referring to "Pledge Week", also known as "Beg-A-Thons."

Today, the American public clearly agrees that something should be done. A Louis Harris poll conducted for Business Week this month put CPB third on the list of federal agencies Americans want abolished. Only the National Endowment for the Arts and the Department of Housing and Urban Development ranked higher among the public's priorities for elimination.

Faced with this sort of sentiment, defenders of taxpayer spending for CPB have put up two "heat shields" they hope will preserve the subsidy -- rural service and children's programming.

As a senator from South Dakota, a state with smaller cities and many farms, I have heard all the scare tactics about rural and smaller city broadcasting service before. But rural service can be sustained -- even improved -- through measures that actually save money to the taxpayers.

The key is leaner management. As I mentioned earlier, in Washington and throughout the system, reports the Twentieth Century Fund, 75 percent of public broadcasting funds go to overhead. CPB requires rural stations to hire full-time paid staff in many instances where students and volunteers are willing and available. This needlessly drives up the cost of rural community broadcasting.

Let us not also forget for a moment that current funding formulas favor the large urban, "elite" stations which get the lion's share of the funds because CPB matches private donations. In addition, as of 1992, of the 340 local TV stations in the public broadcasting network, only 7 get part of the $100 million programming fund to produce programs for the PBS network. Of those 7, only 2 stations, New York and Boston, produce by far the lion's share.

CPB's campaign on children's television is even more alarmist. At a public relations event this month in Washington, CPB trotted out the president of the local PBS station from New Orleans, who gave his dire prediction of what would happen at his station without federal taxpayers' funds.

"Early morning broadcasts of Barney and Lamb Chop's Play-Along would go away," the station president said emotionally. "It would be a huge step backward for America."

That's what I call a "close the Washington Monument" strategy: Threaten to shut down the most popular and visible attraction when threatened with a marginal loss of tax dollars. And for public broadcasting, the end of federal subsidies would be but a marginal loss. To reiterate a point made earlier, only 14 percent of public broadcasting's revenues comes from federal taxpayers. The other 86 percent comes from private contributions, corporate underwriting and state government grants.

Any decently managed organization should be able to sustain a loss of one source accounting for 14 percent of revenues -- especially when its horizons are wide open for revenues from other sources.

High quality children's programming is available now through free market media that did not even exist when CPB was chartered and its taxpayer spending began to grow. The Learning Channel, the Discovery Channel, the Disney Channel are but a few. Another, Nickelodeon, has fared so well both critically and commercially that it has sold programming to television in France -- an exceedingly hard market for U.S. cultural offerings to penetrate.

"Profit" and "commercialization" are treated as obscenities by sanctimonious public broadcasting executives. These prim people remind me of the "sportin' house" piano player who swore he had no idea what was going on upstairs.

As I mentioned before, profit certainly isn't a dirty word to the creators and licensees of such successful shows as Barney and Sesame Street. While hundreds of millions of dollars were being made, thanks to the contracts negotiated by CPB's pious managers, CPB failed to reap a penny in return.

Restructured and truly privatized, CPB could be a clearinghouse for quality programming from our highly creative competitive marketplace. And it would have the right incentives to prevent squandering opportunities and resources.

The American people are right on target in making it a priority to halt taxpayer spending for the CPB bureaucracy. This is one of my top goals as the new Chairman of the Senate Commerce Committee.

Thank you, again, Chairman Porter and members of the Committee.

THURSDAY, JANUARY 19, 1995.

WITNESSES

AMBASSADOR RICHARD W. CARLSON, PRESIDENT AND CEO
HENRY J. CAUTHEN, CHAIRMAN, BOARD OF TRUSTEES

Mr. PORTER. Now, if Ambassador Carlson and Mr. Cauthen can come forward, please.

As you gentlemen might imagine, we are running behind schedule at this point. We will ask you to be as brief as you can so that we leave time for questioning.

Mr. Ambassador, we are delighted to welcome you, and welcome, Mr. Cauthen. The floor is yours.

OPENING STATEMENTS

Mr. CARLSON. Thank you, Mr. Chairman. Good morning, ladies and gentlemen. My name is Dick Carlson. I am President of the Corporation for Public Broadcasting. Hank Cauthen, who is with me, is the Chairman of our board, and also quite a distinguished figure in the world of public broadcasting. He heads the South Carolina Educational Television and Radio operation there.

Since some of you are meeting me for the first time, it might be useful if I talked about my background just for a moment. Before I came to Washington, I was executive of the Great American First Savings Bank in California, one of the largest financial institutions in this country. I mention that to you simply because I have had business experience in the past.

After I retired from banking, Mr. Chairman, I made a premature try at changing the political system by running unsuccessfully as a Republican candidate for the mayoralty in the city of San Diego. And the reason I mention that to you is the experience that it gave me was one of an unshakable respect for those politicians who not only run for public office but those politicians who win their runs for public office.

In 1985, President Ronald Reagan appointed me as director of the Voice of America, and it was my privilege to be head of the VOA in 1989 when the Berlin Wall crumbled, and then to hear how important a role it was that the U.S. Government's radios played in hastening the fall of communism.

At the Voice of America, we had always hoped that the power of communications would somehow prove to be stronger than guns or the Soviet Bloc police states. We were both thrilled and sobered to learn how effective the power of communications and those radios were.

I know why I am here today. Public broadcasting is under very fundamental challenge, and I believe the question on some of your minds is not how much money to give us, but whether public broadcasting should get any tax funds at all. I think that was eloquently stated, really, by Mr. Livingston and by Mr. Obey. I agree with both of those gentlemen in a number of points they made, one of which is we should not be above the fray.

We have never considered ourselves at the Corporation or, really, in public broadcasting as being above any fray. We ought to descend down, as was stated up here this morning, into the pits and roll up our sleeves and justify our Federal appropriation in public broadcasting. If we cannot justify it sufficiently, well, this is a democracy, a democracy is not going to fall because public broadcasting no longer has Federal dollars in it. It will have serious effects on public broadcasting, but I do not intend to sit here and offer up Washington Monument kinds of arguments to you as Mr. Livingston had said.

In fact, I think that the recent criticisms of public broadcasting in many ways raise very good and very honest and very hard questions. I hope that I can respond to some of those. I will do it in the next five minutes, then Mr. Cauthen and I can respond to them jointly.

I want to say at the outset that my experience at the VOA allowed me to see the force of information and public communications that is exerted in the modern world. That force grows stronger by the day. Communications will powerfully influence whether this country remains one nation, whether it becomes a collection of mutually distrustful and self-interested tribes, whether Americans grow more civilized, whether Americans grow more violent, whether we maintain our economic strength in this country, or whether we allow it to waste away.

Government, I don't think, should dominate these debates, but I think we should not entirely give up the idea of a public role for government in them. And I would like to persuade you of that fact as it relates to public broadcasting, even as we address, at the same time, the shortcomings of the present system.

Current criticisms of public broadcasting fall into three areas, in my opinion. First off, we hear that public broadcasting's national apparatus has become a wasteful and a complacent bureaucracy. Second, some critics say the system is foisting the values of an out-of-touch elite on the rest of the country. And, third and last, it says that broadcasting is one of those jobs that there is simply no reason for the government to be involved in and lots of reasons, in fact, for the government to stay out of it.

Let me talk about those three things one at a time. For the fiscal year 1995, the Federal appropriations for the Corporation for Public Broadcasting is $286.5 million. I do not consider that an insignificant amount of money. The money is spent prudently and it is spent rationally. It goes out to local stations and programming that reaches 99 percent of America's households.

The Federal Government's funds make up about 14 percent of the total amount of money spent on public broadcasting in this country every year. The budget for all public radio and television is about $1.8 billion. The remaining 86 percent comes from States, it comes from local governments, it comes from cities, it comes from corporations, and it comes from about 5 million Americans who contribute out of their pocket to their local radio and television stations.

The Federal contribution enables those local stations to raise money from other sources. And for many stations Federal funds really make the crucial difference between whether they survive or whether they fail. In other words, this is a budget area where Federal spending has enormous leverage. It is cost-effective, I think, more so really than all but a handful of other government expenditures. I think I can demonstrate that to you.

More specifically, the past Congresses were very well aware of the danger that public broadcasting could become a wasteful bureaucracy, as has been suggested. Therefore, by law, the administrative costs of the Corporation for Public Broadcasting are capped at 5 percent of the budget, and currently we spend about 4.6 percent. I think we spent 4.5 percent last year of our entire budget on administrative expenses.

The rest of the appropriation leaves the Corporation's hands and travels outside of Washington. Six percent goes off to industry-wide projects, professional training, technological research. We have been in the forefront in public broadcasting, in all of broadcast in America, of the new technologies, and it goes into development that directly affects the stations themselves.

The balance of the Federal money, about 90 percent of it, is passed through to public radio and television stations and programming at a ratio that was set up by the Congress of $3 for television to every dollar for radio. Within this category, fully 70 percent of the Federal money goes straight to local communities, and those local station managers make their local decisions about the programming.

This is most emphatically not government broadcasting. For about five-and-a-half years, I ran U.S. Government radio and television, so I know the difference. There is no Washington control over public broadcasting. At some point I hope we can discuss how that creates problems, in fact.

It is not centrally controlled. The Congress did not want anyone in Washington to have direct control over the operations of those thousand stations or what kind of programming they run locally. There is no public broadcasting czar, and, as I said, that is what the Congress wanted.

Virtually no organization that I am aware of, public or private, is without some waste and inefficiency, but I think if we are looking for shortcomings in the public broadcasting system, aside from the question whether it is of sufficient value to receive Federal funds, which I think you agree is the question before you, searching for them in inflated overgrown bureaucracies in Washington, the Corporation for Public Broadcasting specifically, and the way they are run, is not very fruitful. We welcome any inquiry into it, but it is an appealing thing for people to suggest.

I think the question really is whether public broadcasting, which has not been in the business of making a profit, has in fact allowed very large profits to be made at taxpayers' expense by the private companies that collaborate with public broadcasting on projects. And when I mention this to you, what I am really talking about is America's, at the moment anyway, favorite purple dinosaur, Barney. Senator Dole has called this Barneygate, and I saw quoted something about Barney being the third richest entertainer in the country. Barney and Friends is a TV program—you may not have seen it; it would not surprise me if you had not, it is for children from one to five. It is on public television every day, and it has spun off this remarkable assemblage of bibs and slippers and lunch boxes and stuffed animals, and the public has not shared in the proceeds, or so the story is told.

Like most stories that are too good to be true completely, this story is not true completely. With a show like Barney, public broadcasting usually is in on the project from the very beginning. We put up start-up funds for script development, for instance. That did not happen in this case. When it does happen, we share in the rights with the private producer. In this case, Barney was a success, a really genuine success for about two years before anyone heard about it in public broadcasting. It was the fifth most popular children's video sold privately in America. There were four Barney books produced before we were involved. The first one sold a million copies.

The Public Broadcasting Service, PBS, could, in effect, only rent the program to show on public television when it first acquired it. In the original deal, PBS promised the producer a one-year trial. It is not surprising, I do not think, that PBS failed to get ancillary rights at that time. They had, in fact, been mostly sold off before PBS came into the picture. But since then the contract has changed. Last year public television received over $1 million, $1.6 million, actually, from Barney, in video rights alone. And in future years that amount will increase. All of the money public broadcasting put into Barney will be recouped.

You will not find many deals in our history that resemble the original Barney arrangement. Much more typical is public television's production of the Children's Television Workshop. They produced Sesame Street and Ghostwriter. CTW has spent over $100 million of its own money, money that was generated through its nonprofit status from the programs it has done for public television. This makes it the largest single contributor, nongovernmentally, to public television.

This month we will see the launch of a new kids' series called The Puzzle Place. It is privately produced, partly funded by public television. On the basis of deals already concluded, we anticipate the show will generate substantial amounts of money in licensing royalties. More than 50 percent of the producer's net will come back to public television.

In sum, my point is that waste and financial incompetence are not the problem in public broadcasting. I do not think we could be fairly criticized as poor custodians of the taxpayers' interest. And if you think the service provided by public broadcasting has some value to the Nation, then I think you have to judge that we at least perform that service with reasonable efficiency.

This brings me to the last criticism of public broadcasting, and it is really, I think, the most serious one; that the service we provide is not valuable, which was the question before you, I believe. The argument is that this service is really pernicious; that it actually imposes an elite minority's, and it is generally thought of as a liberal minority's, view or standards, and more conservative taxpayers are forced to pay for the privilege of seeing their values publicly denigrated. I think that is a fair representation of what has been put forth at times.

People in public broadcasting differ in their opinions of that argument. I think that sometimes there has been a grain of truth in it, much less than you might suppose in listening to some people who truly hate the entire public broadcasting enterprise, but there is enough, anyway, to genuinely worry about it. I consider it, and the board for the Corporation of Public Broadcasting considers it, our job to worry about it.

During my tenure at CPB, we have vowed an effort to make public television and radio more diverse in the opinions that are aired on public radio and television. Our discretionary funds, as you know, Mr. Chairman, are very small. We have used a large part of them for this purpose. And I think that even some of the critics of public broadcasting are saying we are changing this situation.

I heard David Horowitz, who has been a persistent critic and a very intelligent and intellectual one, say on a radio program last Saturday that he thought the Corporation for Public Broadcasting had in fact changed in a very positive way some of the programs in public radio and television.

Maybe the most important thing about our efforts to combat imbalance is this: Because of the Federal contribution to public broadcasting, there sits at the head of the public system itself a board that has been appointed by the President and confirmed by the Congress of which Mr. Cauthen is chairman. When there is a public gripe with radio or television, the public does have a way to express its concerns through its elected public officials and then to in turn press the system for a response, as has been done.

So my point is removing Federal funding from the public broadcasting system would then remove one of the best means the voters and their congressional Representatives have for dealing with concerns they may have about fairness and balance.

Please keep in mind that the vast majority of public television has absolutely nothing whatsoever to do with any controversies over bias, ideology, or cultural views. In fact, most of the money we disburse to the stations themselves has absolutely nothing to do with politics. Instead, it is devoted to education; it is devoted to community service, in both a very strict and conventional sense, and in the broad sense; and it includes children's programming: Distance Learning, which has been very effective; community networking involving computers, and communal access with private organizations; adult literacy efforts, which, of course none of these things are engaged in by commercial broadcasters; work force training, job training.

Mr. Cauthen has been at the forefront of using public television for job training in his State and, hence, has made South Carolina the most attractive State in the Nation for foreign investment and foreign companies.

This is a subject on which the quality of debate, I believe, would greatly improve if there was more knowledge of the facts. So I tried to do that. Most people know and everyone, really, I think should know about the unparalleled work public television has done in the field of children's education. Children's television programming is not the same as children's education, which is on public broadcasting but it is not on entertainment cable systems. There are some very good examples of good kids' programs but they are all entertainment, they are not educative.

We make large and significant efforts in adult education. Three-quarters of this country's public TV stations offer for credit adult courses at different levels. Programs on 91 percent of the stations offer job training; 97 percent of the public stations offer basic education for adults. And as I said before, commercial television has over-the-air broadcasting. Public television and public radio are those things and much more.

Sometimes it takes only a small amount of Federal money to allow a local station to launch efforts. Last year, the Corporation began what we are calling the "last mile" grants. We found many local stations around the country were working on very worthwhile educational projects and needed just a little bit of money to keep them going. We provided the money. We made the projects possible. In Redding, California, we gave a station KIXE–TV $5,000 to buy equipment needed to connect the station's data services in a hookup with the schools in its district.

In Tallahassee, Florida, we gave $5,000 to a station WFSU–TV so their adult literacy program——

Mr. PORTER. Mr. Ambassador, I am going to have to ask you to finish up so that we can get to the questions, please.

Mr. CARLSON. I would be glad to do that if I can just make a couple more points, Mr. Chairman.

The rule of thumb is that the smaller the station, the larger the proportion of Federal funds. In the event of a total pull-out of Federal money, the stations that will go dark first will be the smaller ones, and many of those are found in precisely the areas where free and accessible educational services are the most scarce.

In a country as big and as varied as ours, public broadcasting is never going to be as centralized as the Library of Congress or as the Smithsonian. I mention those two institutions because the Speaker of the House has said that though he has opposed often Federal funding for a cultural effort and intellectual efforts, those are two institutions he thinks should be saved. And I think there is a comparison to be made with public broadcasting.

The variety and localism of public broadcasting and its system is its strength and it is the heart of its appeal and it is, I think, clearly what Congress wants. The country is big and diverse and we need to ensure that citizens have access to the basic elements of public communication that their community stations represent.

I look forward to answering your questions, Mr. Chairman. Thank you for having us here.

Mr. PORTER. Thank you, Mr. Ambassador.

[The prepared statement of Ambassador Carlson follows:]

CORPORATION FOR PUBLIC BROADCASTING

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STATEMENT OF

AMBASSADOR RICHARD W. CARLSON
PRESIDENT AND CHIEF EXECUTIVE OFFICER

OF THE
CORPORATION FOR PUBLIC BROADCASTING

BEFORE

THE SUBCOMMITTEE ON
LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES

THE COMMITTEE ON APPROPRIATIONS
U.S. HOUSE OF REPRESENTATIVES

JANUARY 19, 1995

Good morning, Mr. Chairman and members of the Subcommittee. Thank you for inviting me to testify today. I am Richard Carlson, president of the Corporation for Public Broadcasting. With me is Henry Cauthen, Chairman of the CPB Board and head of South Carolina Educational Television. Since some of you are meeting me for the first time today, let me give you some relevant facts about my background.

Before I came to Washington, I was an executive of the Great American First Savings Bank, one of the largest savings banks in the country, located in San Diego, California. After I retired from the Bank, I made a premature try at changing the political system by running unsuccessfully as a Republican candidate for Mayor of San Diego. The reason I mention this experience is that it gave me an unshakable respect for those politicians who not only run but who manage to win.

In 1985, President Ronald Reagan named me director of the Voice of America. It was my great privilege to be head of the VOA when the Berlin Wall crumbled in 1989 and then to hear how important a role our radios played in hastening the fall of Communism. At VOA, we had always hoped that the power of communications would somehow prove to be stronger than the guns and prisons of the Soviet-bloc police states. But we were both thrilled and sobered to learn that we were right.

I know why I am here today. Public broadcasting is under fundamental challenge, and I believe the question on some of your minds is not how much money to give us but whether public broadcasting should get any tax funds at all.

I believe that the recent criticisms of public broadcasting raise honest, good, hard questions, and I will try to address those as directly as I can.

I want to say at the outset, though, that from my experience at VOA I have seen something of the great force that information and public communications exert in the modern world. This force will only grow stronger in years to come.

It will powerfully influence whether America remains one nation or becomes a collection of mutually mistrustful and self-interested tribes, whether Americans grow more civilized or more violent, and whether we maintain our economic strength or allow it to waste away.

Government should not dominate these debates, but I think we should not entirely give up the idea of a public role in them. I would like to try to persuade you of that, even while we address the shortcomings of the present system.

Current criticisms of public broadcasting fall into three areas.

First, we hear that public broadcasting's national apparatus has become a wasteful, complacent bureaucracy.

Second, some critics say the system is foisting the values of an out-of-touch elite on the rest of the country.

Third and finally, it is said that broadcasting is one of those jobs that there is simply no reason for government to do, and lots of reasons for government to stay out of.

Let me talk about these things one at a time.

For Fiscal Year 1995, the federal appropriation for the Corporation for Public Broadcasting is $285 million. I do not consider this an insignificant amount of money.

But the money is spent prudently and rationally. It goes to local stations and programming that reach 99 percent of the country's households. The federal government's funds make up only 14 percent of the system's overall budget: The rest of the money comes from states, local governments, foundations, colleges and universities, corporations, and private citizens.

The federal contribution enables local stations to raise money from these other sources. And for many stations, federal funds make the crucial difference between survival and failure.

In other words, this is a budget area where federal spending has enormous leverage. It is cost-effective, more so than with all but a handful of other government expenditures.

More specifically, past Congresses were well aware of the danger that public broadcasting could become a wasteful bureaucracy. Therefore, by law, administrative costs at the Corporation for Public Broadcasting are limited to five percent of the federal appropriation. In Fiscal Year 1995, our administrative costs will be around 4.6 percent of our total budget.

The rest of the appropriation leaves CPB altogether. Six percent goes to industry-wide projects like professional training and technological research and development.

The balance of the federal money, some 90 percent of it, is passed through to public radio and television stations and programming -- at a ratio of three dollars for television to every dollar for radio.

Within this category, fully 70 percent of the federal funds go straight to the local communities, so that local stations can make their own local decisions about programming.

This is most emphatically not government broadcasting. For five years, I was in charge of an actual government-run radio and television operation, so I know the difference. There is no single Washington control over public broadcasting. There is no public broadcasting czar. Quite the contrary -- which is exactly what Congress intended.

Virtually no organization in the world, public or private, is without waste and inefficiency.

But if we are looking for shortcomings in the public broadcast system, searching for them in an inflated, centralized Washington bureaucracy is not the most fruitful way to find them, no matter how appealing the idea may seem on its face.

More serious, I think, is the question of whether public broadcasting, because it is not in the business of making a profit, has allowed huge profits to be made at taxpayer expense by the private companies that collaborate with it on various projects.

When we talk about this we are really talking about every little kid's favorite purple dinosaur, Barney -- or, as Senator Dole put it, Barneygate. Barney and Friends, which is shown on public television, has spun off everything from Barney books to Barney bibs to stuffed Barneys, and the public has not shared in the proceeds -- or so the story is told.

Like most stories too good to be true, or too bad to be true, this one is not wholly accurate, not wholly true.

Usually, with a show like Barney, public broadcasting is in on the project from the very early stages of its development. Therefore, we share in all the rights. Barney was different. It was created by a private producer, without any help from us. We had no original rights to it.

The Public Broadcasting Service could in effect only rent the program to show on public TV. In fact, in the original deal, PBS promised the producer only a one-year trial. So it is not surprising that PBS failed to get ancillary rights at the time.

But since then, the contract has changed. Last year public television received over a million dollars from Barney in video rights alone, and in future years that amount will increase.

Moreover, you will not find many deals in our history that resemble the original Barney arrangement. Much more typical is public TV's arrangement with Children's Television Workshop, which produces the Sesame Street and Ghostwriter programs. CTW has spent over one hundred million dollars for public television programming in the last five years. This makes it the single largest non-governmental funder of public television.

This month we will see the launch of a new children's series, The Puzzle Place, which is privately produced but partly funded by public television. On the basis of deals already concluded, we anticipate that the show will generate a substantial amount of money in licensing royalties. More than 50 percent of the producer's net revenue will flow back to public television.

In sum, waste and financial incompetence are not the problem in public broadcasting. We cannot fairly be criticized as poor custodians of the taxpayers' interest. If you think the service provided by public broadcasting has some value to the nation, I think you also have to judge that we perform this service with reasonable efficiency.

But this brings us to the next criticism of public broadcasting, a more serious one: that the service we provide is not valuable -- in fact, that it is actually pernicious because it imposes an elite minority's liberal standards on poorer, more conservative taxpayers, who are forced to pay for the privilege of seeing their values publicly denigrated.

People in public broadcasting differ in their opinions of this argument, but I think it has a grain of truth in it -- much less than you might suppose from listening to those who hate the entire public broadcasting enterprise, but enough to worry about.

And I consider worrying about it to be part of my job. During my tenure at CPB, we have mounted an effort to make public TV and radio more diverse in the opinions they air. Our discretionary funds are small, but we have used a good part of them for this purpose, and I think even some of the critics of public broadcasting are saying that we are changing the situation.

Maybe the most important thing about our efforts to combat imbalance is this: Because of the federal contribution to public broadcasting, there sits at the head of the public broadcast system a board named by the President and confirmed by Congress. When there is a public gripe with public television or radio, the public has a way to express its concerns through its elected public officials and to press the system for a response as it has done.

So removing federal funding from the public broadcast system would only remove one of the best means that voters and their Congressional representatives have for dealing with concerns about fairness and balance.

Please keep in mind that the vast majority of public television has nothing whatsoever to do with any controversy over bias and ideology. In fact, most of the money we disburse to the stations has nothing to do with politics or cultural differences in programming. Instead, it is devoted to education and community service in both the very strict and conventional sense and the broad sense. It includes children's programming, distance learning, community networking, adult literacy, and workforce training, to name but a few.

This is a subject on which the quality of debate would improve greatly if people had some more knowledge of the facts.

Most people know, and everyone really should know, about the unparalleled work that public television does in the field of children's education.

But we also make large and significant efforts in adult education. Three-quarters of the country's public TV stations offer for-credit adult courses at various levels. Programs on 91 percent of the stations offer job-related training. Ninety-seven percent offer basic education for adults.

Sometimes it takes only a small amount of federal money to enable local stations to launch these efforts. Last year the Corporation began what we named "last mile" grants. We found that many local stations around the country were already working on worthwhile education projects but needed just a little bit of money for their completion.

We provided this money and made their projects possible.

In Redding, California, we gave KIXE-TV $5,000 to buy equipment needed to connect the station's data services with schools in its district.

In Tallahassee, Florida, we gave $5,000 to WFSU-TV so their adult literacy program could be expanded.

We gave KRSC-TV in Claremore, Oklahoma, $5,000 for the equipment necessary to add interactive television to its distance learning service, so that kids and adults using the service could talk to their teachers.

In San Antonio, Texas, KLRN-TV got $3,486 to conduct professional training for low-income and minority mothers to help them qualify for jobs in health care facilities.

This is the type of service that would be the first to disappear if the Corporation for Public Broadcasting were de-funded.
As things now stand, local stations receive anywhere from four to 40 percent of their funds from the federal government, through CPB.

The rule of thumb is that the smaller the station, the larger the proportion of federal funds. The big-city stations that critics often think of when they talk about public broadcasting are the <u>least</u> dependent on federal money for their everyday operations. Any cuts will seriously affect them.

But in the event of total fund cut-off, the stations that will go dark first will be the smaller ones, many of which are found in precisely the areas where free, accessible educational services are the most scarce.

That fact, though, will not fully answer the third criticism of public broadcasting, and the most fundamental one. Even if you allow that we are not money-wasters, that we are dealing with the problem of imbalance and unfairness, and that we provide some worthy services, you might still say that, on principle, government should not be in the business of broadcasting.

In this view, any time you get government into the communications business you run the risk of producing some sort of government propaganda.

And, on the other side, if broadcast consumers really want the worthy services we provide, the market will give commercial stations an incentive to offer these services. If a local community wants a more specialized service, the argument goes, then the local community should pay for it.

I have sympathy for this case. Because of my own background in the private sector, I have had to think carefully about why I believe that public broadcasting is on the rather short list of functions in which the federal government should have some involvement.

When our new House Speaker was asked about de-funding various federal cultural agencies, he said he would spare the Smithsonian and the Library of Congress. He said, "You ought to have national institutions that are world-class. And those are the two greatest institutions in the world, and they ought to be funded." I agree with that.

But, in a country that is as big and as varied as ours, public broadcasting will never be as centralized as the Library of Congress or as the Smithsonian. We do not want public broadcasting to be uniform. The variety and the localism of the public broadcasting system is its strength -- and the heart of its appeal.

And precisely because the country is so big and diverse, we need to insure that citizens have access to the basic elements of public communication that their community stations represent.

We want citizens -- and I think we would all agree on this -- we want citizens, whatever their means, to have some way, if they choose to use it, of making themselves literate.

We want them to have before them the opportunity to better themselves.

We want them, even if they are not mobile, to be able to participate in high-quality American culture.

We want them, even if they live in poor or crime-ridden circumstances, to know that there are different worlds and different possibilities.

As Speaker Gingrich said, services like these can "revolutionize the quality of life" for parts of America. They are the services we provide.

These things are part of the modern definition of what it means, or what it should mean, to be an American, to live in a society that fosters opportunity, fosters individual energy, and fosters the ability to make good use of freedom.

These are also things that may fall through the cracks in even a well functioning collection of local markets.

If it took a vast expenditure of national treasure, billions and billions of dollars, to realize these goals, then we might have to throw up our hands and walk away from them. After all, public broadcasting is not national defense.

But it does not take billions and billions of dollars.

What it takes is, first, a judgment by Congress that public broadcasting is of sufficient value to deserve continued federal funding.

Second, it takes the determination, on the part of CPB and all public broadcasters to focus on our reason for being -- education and community service.

My job at CPB is to foster that determination. I would deeply appreciate your help.

CORPORATION FOR PUBLIC BROADCASTING

A Quarter Century of Quality Programming

CPB BIOGRAPHY

Richard W. Carlson
President and Chief Executive Officer

Richard W. Carlson is President and CEO of the Corporation for Public Broadcasting.

CPB is a private, nonprofit corporation created by Congress in 1967 which oversees distribution of the annual federal contribution to the national public broadcasting system. CPB's mission is to provide high-quality educational, informational and cultural programming for all Americans.

Under Carlson's direction, CPB has provided financial and public policy leadership to public telecommunications. CPB's congressional appropriation has grown from $253 million in FY-1993 to $315 million for FY-1997. Carlson has also focused on helping public broadcasting explore new opportunities in distribution and programming. He has encouraged expansion into international markets, and has put in place policies that will allow stations to combine certain administrative and technical services.

He has been an active promoter of diversity in the workplace and in programming. In the past two years, CPB has launched a comprehensive initiative to greatly increase minority representation in the workforce by the year 2000, and created the Minority Television Program Fund, which finances productions by and about underserved communities. To strengthen CPB's traditional role in education, Carlson has overseen the development of Ready to Learn, a national service on public television which expands preschool children's programming, as well as a $1.4 million pilot project to develop community-wide computer networks that link schools, libraries and local organizations.

Richard W. Carlson has a distinguished background in diplomacy, journalism, public service, and business. From 1991 to 1992, Carlson was the United States Ambassador to the Republic of Seychelles, where he played a major role in the decision by Seychelles President Albert Rene to hold free elections after 15 years of one-party rule.

From 1986 to 1991, Carlson was Director of the Voice of America and Associate Director of the U.S. Information Agency. His was the second-longest tenure of a VOA director in the 52-year history of the agency. He was responsible for all overseas radio and television broadcasts of the U.S. Government, including Radio and TV Marti daily direct broadcasts to Cuba and the Worldnet satellite network.

Carlson began his career in 1962 as an editorial assistant with the *Los Angeles Times*. He has been a reporter for UPI and a stringer for *Time* magazine. For more than 25 years, he hosted various television and radio broadcasts, and was the political editor and political correspondent at KABC-TV in Los Angeles. He has received 18 major journalism awards, including the prestigious George Foster Peabody Award.

A prolific writer and public speaker, his articles have appeared in numerous magazines and newspapers over the years, including *The Washington Post, The New York Times, The American Spectator* and *Roll Call.* In April 1994, Carlson served as an official observer in the first non-racial national election in South Africa's history.

Richard W. Carlson is a native of Boston. He is married to the former Patricia Caroline Swanson. They have three grown children and reside in Washington, D.C.

October 28, 1994

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Mr. PORTER. Mr. Cauthen.

Mr. CAUTHEN. Thank you, Mr. Chairman. I appreciate the opportunity to speak to you in support of the Corporation for Public Broadcasting and also in support of our 350 public television stations and 600-plus radio stations that are scattered throughout this country.

What I am going to talk to you about today, though, is not CPB or PBS or NPR. It is something I consider much more important. It is the local public television and radio stations that are scattered throughout the country. CPB and PBS and NPR are merely tools to help these stations, these local stations throughout the country, serve their communities.

I think it is important to really understand that. The stations are important institutions that have been put together carefully by the local community with private funding, with local government funding, with grants. It is not a national system of television. It is a local system of television assisted by the Federal Government. But that Federal assistance is very, very important.

You already know, of course, part of the system. The Civil War is a very good example of what you see in the evening hours. That has generated tremendous interest in history in our country. The American Experience brings about a lot of interest in our past as well. Your children and all your grandchildren have grown up on Sesame Street and Mister Rogers' Neighborhood, Reading Rainbow, and even Barney. I think Barney, for all of his attacks, has been a wonderful addition to the viewing habits of children in this country. I would rather have them watching Barney than a lot of the alternatives. We are straightening out the problems that are financial with Barney.

But the quality of programming and the cultural and historical and educational value Americans invite into their homes daily represents only one dimension of the story of public broadcasting. It has many other chapters and they are written in communities throughout this country.

I tell this story on behalf of the talented men and women that work and have devoted their lives to producing programs and operating these stations on behalf of these communities.

I would like to begin by sharing these stories with you by highlighting a chapter titled "South Carolina Educational Television." I do that because I know it best. I also happen to be very proud of the 35 years that I have spent in building South Carolina ETV. I came out of commercial broadcasting. I know how important commercial broadcast is; I know the very valuable things it does, but I feel that what we do is something very, very special indeed.

In South Carolina, we made a commitment to our viewers and our listeners and our communities and our State to provide programs that teach and inspire and provide things of true value and importance to the community. When you commit an hour's viewing time to public broadcasting in South Carolina, we want you to go away with something of value. Yes, we want you to be entertained, but education can be entertaining, and programs of value are very, very important to this country.

In fact, the foundation of most public broadcasting stations in America is built on the fundamental belief that the power of television and radio must be harnessed to serve the communities of this country, to serve them in ways that are not being served by any other media. South Carolina ETV, like many other public broadcasting systems, provides essential educational and technical resources to the public schools. We offer 350 courses to higher education. We offer 150 courses. You can get your MBA and a graduate degree in engineering totally through television in South Carolina.

We do early childhood education that prepares day care workers—not just in South Carolina but in Native American reservations, Alaskan villages, migrant worker camps, and other hard-to-reach locations throughout this country. This is what public broadcasting is all about. It is about providing resources to the children and to the adults of this country that are not going to be provided to them in any other way.

In South Carolina, we have made an extraordinary commitment to doing this job. We have built a system that goes into all of our schools, all of our colleges, our higher education institutions as well as our technical colleges, our hospitals, our law enforcement agencies, our governmental agencies. We now are saving the State something like $12 million just with teleconferencing, by cutting back on travel. This is efficiency and economy in government. It is what can happen through the proper use of technology and that is what we are trying to do in South Carolina.

We have just added to the arsenal of what we use to serve the people of South Carolina a transponder on Telstar 401. That is where public broadcasting is located. We are going to have 32 channels, 32 additional channels of service, for South Carolinians. This satellite will also reach Alaska, Hawaii, Micronesia. And the important thing is this will interconnect all the higher education institutions, all our technical colleges, with all our public schools and our private colleges.

They can exchange faculty. We can bring in advanced placement courses to all of the public schools in South Carolina. And the bottom line of this is that for the first time in the history of our State, and I think of any State, we will be in a position to provide an equal educational opportunity to every child in our State, no matter how rural that school might be, no matter how isolated they may be, no matter the lack of funding, it will have an opportunity that is unsurpassed by any other school in our State.

The same thing can happen in the rest of the country. The same thing is beginning to happen in the rest of the country, and it cannot happen in any other way.

Mr. Chairman, Members of the committee, if you could take a magic wand and say, "Okay, I am going to make an equal educational opportunity available to every child in this State and I am going to do it for 1 percent of what we are now spending on education," I suspect you would take a pretty hard look at that. That is what we are doing in South Carolina, Mr. Chairman. That is what we believe that is the importance of public broadcasting.

CPB has helped us every step of the way in doing this. CPB has helped us with the evening program, which is the beacon, the light that attracts the public in the evening hours to what we do and helps us generate the support we get for all the other work that we do.

South Carolina ETV is not unique by any means but it is one that I happen to know about. It is one that I think is important to our society, as I think the whole institution of public broadcasting is. It is the local stations in your own communities that you are talking about. You are not talking about what has been described as bloated bureaucracies in Washington. You are talking about what is going to happen to your own local community stations. And, in my view, many of them are going to go off the air and others will be tragically damaged if funding for the Corporation for Public Broadcasting is zeroed out.

I thank you for the opportunity, sir.

Mr. PORTER. Thank you, Mr. Cauthen.

[The prepared statement of Henry J. Cauthen follows:]

United States House of Representatives
Appropriations Subcommittee: Labor, Health and Human Services
Statement By: Henry J. Cauthen, President
The South Carolina ETV Network

Mr. Chairman, Members of the Subcommittee, Ladies and Gentlemen:

My name is Henry Cauthen and I would like to thank the Chairman and members of the subcommittee for giving me the opportunity to appear before you this morning in support of the Corporation for Public Broadcasting and the more than 350 public television stations across the nation. I am Chairman of the Board for the Corporation for Public Broadcasting and President and General Manager of the South Carolina Educational Television Network where I have served for more than thirty-five years.

I appear before you today not to talk of CPB, PBS, or NPR, but to tell the story of your local public television and radio stations and what will become of them if funding for CPB is eliminated. You already know part of the public television story. Many of you watched Ken Burn's **Civil War** which is credited with intensifying interest in American history and increasing attendance at Civil War battlefields. You've seen **The American Experience**, which brings our nation's past to life and preserves it for the next generation of Americans. Your children and grandchildren have grown up with **Sesame Street, Reading Rainbow**, and **Mister Rogers' Neighborhood.**

But the quality programs of cultural, historical, and educational value Americans invite into their homes daily represents just one dimension of the story. The full story of public television alone has more than 350 chapters written from community to community, night after night, day after day around our great nation.

I would like to begin sharing these stories with you by highlighting the chapter that I know best, the chapter titled South Carolina ETV.

I am not ashamed to say that education has, and always will, serve as the foundation for my vision of public television's mission in America. At South Carolina ETV, we made a commitment to our viewers, our communities and our state to provide programming that teaches, inspires, and utilizes all of our resources to improve the quality of life for each and every citizen. In fact, the foundation of most public television stations in America is built on a fundamental belief that the power of television must be harnessed to improve the quality of education in every community that we serve.

Everyday, SC ETV, like many other public television stations nationwide, provides essential educational and technical resources to public schools, colleges, technical colleges, universities, state agencies, hospitals, businesses and law enforcement agencies. For the first time in South Carolina's history, this innovative use of television technology is making equity in education an attainable goal for all children regardless of their school's size, location or funding level.

In short, public television allows our state's poorest districts to have access to the same quality teachers and courses as our state's richest districts through live, interactive programming.

Today, 98% of the students in South Carolina's public schools are served by South Carolina ETV's instructional television system.

In South Carolina, we have learned that, although we cannot afford to rebuild our education system, we can and must rethink it and revitalize it with the many resources that innovation and technology already provide. This is an ever-evolving process and one from which our children and their children will reap increasing benefits.

From our Early Childhood Professional Development Network, which delivers live, interactive seminars to Head Start teaching teams in remote and isolated areas around our country ... to our Early Childhood Department which designs programming for parents, educators, and others who care for children; from the instructional programming we deliver to more than 1,108 public schools statewide ... to the over 130 college credit courses we bring to more than 11,500 college students across our state; through our staff development education programs for teachers, our medical education training programs for hospital workers, our adult literacy and GED programs, our law enforcement training programs and our teleconferencing services, public television is serving our citizens and meeting the ever-changing needs of our growing state.

Like public television stations across the nation, SC ETV is an active partner in improving the quality of education as well as the quality of life in our communities. CPB appropriates funds to the stations and the stations use those funds to address the many and diverse needs of their communities. For example:

In Cleveland, Ohio, WVIZ has been producing over 70 instructional television series for local, regional and national distribution for more than 30 years. College credit courses are available for 18 hours a day, seven days a week, and the station ranks second in the nation in enrolling students in college courses.

Wisconsin Educational Communications delivers more than 100 instructional series during the school year, enhanced by an on-line computer service and staff development activities for teachers. An Emmy-winning project called "We the People" has organized town meetings across the state and helped citizens identify issues and concerns.

WNET in New York offers 1,200 hours of instructional programming annually reaching over 3 million public school students and initiated LEARNING LINK, a national computer system that serves students and teachers in over 900 schools through database sources, content forums, classroom exchanges and special student services.

KQED in San Francisco hosts teleconferences addressing issues like youth violence and has produced resources like "California Women's Health Guide." The station's center for Education and Lifelong Learning has also launched initiatives like Spanish and Chinese translation of materials to use to train caregivers and parents in the Preschool Education Project.

WUSF in Tampa, Florida, airs an average of 20 college credit courses per term to more than 9,000 students at the University of Florida and offers GED training annually to adult learners in the

Tampa/St. Petersburg/Sarasota area.

Maryland Public Television devoted 45 hours per week or 37% of its broadcast schedule to children's programming and provides telecourses to 28 area colleges reaching 11,000 students.

The Arkansas Network reaches 93% of public schools in Arkansas through its courses, broadcasts eight college courses each semester, and provides over 175 teacher workshops annually.

Instructional programming makes up 29% of KLRN in San Antonio's total broadcast hours. In addition, the station offers GED training in both English and Spanish and provides college courses to over 4,000 students in the area.

Mississippi ETV serves over 510,000 public school students and 38,000 teachers annually in its public school instructional programming.

KRSC in Claremore, Oklahoma, developed the Distance Learning Classroom for K-12 students, college students and adult learners in industry while providing telecourses to over 3,000 students annually.

Clearly, public television is more than what you see. The possibilities for public television are limitless. The partnership which has been formed between local, state, and federal governments, as well as corporate and private donors, is essential to our continued success. If the Federal government eliminates funding for public television, the foundation of this partnership will surely fall.

Without this foundation, public television and the many services which we provide in communities across the nation will, in many cases, cease to exist.

I hope that you will see the value of your investment in this partnership and continue with the mission that we began together more than twenty-five years ago. All Americans deserve to have equal access to educational opportunities, lifelong learning possibilities, and the information highway of the future. Public television delivers all that and more. With the continued support of each and everyone of our partners, we will continue to harness the power of television for excellence in education.

Mr. PORTER. The Chair will advise Members that owing to the lateness of the hour, we will strictly stick to the five-minute rule and I will begin the questioning.

PUBLIC SUBSIDIES

Ambassador Carlson, I know you are very well aware that in foreign assistance programs we have a concept of graduation. Countries that reach a certain level of per capita income no longer are eligible for bi-lateral economic assistance from the United States. Why should we continue to provide public subsidies to stations that have received them for maybe 30 years, are now only, say, 10 percent dependent upon them and receive 90 percent of their revenues from other sources? Why should we continue to provide those kind of public subsidies to stations? Why should we not graduate them and move on and provide the support for those who really, really are dependent on them?

Mr. CARLSON. That is a very fair question, Mr. Chairman. About a thousand stations are involved in the receipt of these funds, radio and television. About 350, roughly, TV and 650 or so radio. And they are all around the country. They are large, middle sized, and small. They get money from us directly that may represent anywhere from 4 percent of their budget, not a very large amount, generally, to 30 or 40 percent, for little stations. But they also get a considerable amount of support from us indirectly in a number of ways, which I can enumerate, if you would like.

This support raises the total considerably beyond the 4 or 5 or 6, or 20 to 30 percent. In some instances it may go as high as 50 percent, because of services we pay for at the Corporation that are made available to them.

A quick example is an umbrella insurance policy to which stations pay for riders which offer them liability insurance, a necessity in this age. Their insurance costs would rise dramatically if we were to pull out the fact that we paid for that umbrella insurance policy. We pay for their satellite interconnect. They would have to pay that themselves, absent the amount that we normally cite——

Mr. PORTER. Mr. Ambassador, let me ask this: If we were to provide less funding, and you are forward funded for two years, would you have the authority, without additional legislation, to tailor your grant program to provide for such graduation?

Mr. CARLSON. I would think that we would, Mr. Chairman. I would have to have it legally examined. I would hope we could sit down with senior staff and make those accommodations.

We have formed a task force of the CEOs of PBS, NPR, Public Radio International, National Federation of Community Broadcasters, America's public TV stations, and CPB to come up with contingency plans as to how to best accommodate cuts that are imposed on us.

Mr. PORTER. Would you provide for the record the amount of funding from CPB to each of the stations? I know you have provided it in gross and we are going to enter that in the record but I want to do it station by station. And indicate those that you believe could exist without the public subsidy and those you believe could not exist without the public subsidy.

I would assume, Mr. Ambassador, that those that could exist are largely older stations in the larger metropolitan areas as opposed to younger stations in the more rural areas. Am I correct in that?

Mr. CARLSON. I think that basic assumption, I would imagine, is correct.

[The information follows:]

The following list shows the amount of CPB funding provided to each public broadcasting station. The information is derived from the 1993 CPB Annual Financial Reports, which is the most recent year for which all financial final reports have been filed. The CPB funding includes all stations grants and CPB awards for programming or other projects.

There is really no way to predict which stations would not exist without the federal subsidy provided through CPB. While we know that for some stations the CPB support as a percent of all cash support appears high, we do not know and cannot predict how the individual local station licensees will react to a loss of federal funds. Some licensees will choose to close their stations or to sever their ties with mainstream public broadcasting (i.e., stop broadcasting national programming from National Public Radio, Public Radio International, or PBS). Other licensees may be successful in securing new funds that will help offset the impact of losses in federal funding.

The risks of losing public broadcasting stations are not limited only to those stations where high percentages of their cash support comes from the federal government. Some licensees have been able to sustain funding from other sources because of the continued support of the federal government. Loss of relatively small amounts of a budget can increase the risk of losing other major sources of funds.

Finally, one other factor makes predictions impossible on the impact federal fund cuts will have on the viability of stations. Public radio and television stations around the country currently share the costs of producing and distributing national programs through their dues and membership in PBS, National Public Radio, and/or Public Radio International. As some stations sustain major cuts or are forced to drop national programming, the other stations will face significant increases in their national dues if national programming is to be sustained at current levels of quality and quantity. These increased costs may force additional stations into financially precarious positions and threaten their long-term viability.

A list of CPB funding to each public broadcasting station follows:

THE CORPORATION FOR PUBLIC BROADCASTING
CPB Station Funding
Fiscal Year 1993

STATE	CALL/LOCATION	TOTAL CPB FUNDING
AK	KFSK-FM PETERSBURG	88,090
AK	KCAW-FM SITKA	96,347
AK	KCHU-AM VALDEZ	130,512
AK	KSTK-FM WRANGELL	92,016
AZ	KNAU-FM FLAGSTAFF	124,552
AZ	KJZZ-FM PHOENIX	295,094
AZ	KUAZ-FM TUCSON	109,586
AZ	KUAT-FM TUCSON	161,410
AZ	KXCI-FM TUCSON	22,827
AZ	KAWC-AM YUMA	119,257
AR	KUAF-FM FAYETTEVILLE	103,179
AR	KUAR-FM LITTLE ROCK	121,516
CA	KHSU-FM ARCATA	77,252
CA	KPFA-FM BERKELEY	526,777
CA	KCHO-FM CHICO	112,503
CA	KSJV-FM FRESNO	411,989
CA	KLON-FM LONG BEACH	420,629
CA	KPFK-FM LOS ANGELES	195,208
CA	KUSC-FM LOS ANGELES	1,030,341
CA	KCSN-FM NORTHRIDGE	179,411
CA	KAZU-FM PACIFIC GROVE	65,745
CA	KZYX-FM PHILO	41,604
CA	KPCC-FM PASADENA	181,415
CA	KXPR-FM SACRAMENTO	292,539
CA	KVCR-FM SAN BERNARDINO	85,594
CA	KPBS-FM SAN DIEGO	367,510
CA	KALW-FM SAN FRANCISCO	201,651
CA	KQED-FM SAN FRANCISCO	535,644
CA	KCBX-FM SAN LUIS OBISPO	144,267
CA	KCSM-FM SAN MATEO	113,986
CA	KUSP-FM SANTA CRUZ	98,121
CA	KCRW-FM SANTA MONICA	611,421
CA	KUOP-FM STOCKTON	96,509
CA	KVPR-FM FRESNO	117,176
CO	KGNU-FM BOULDER	77,651
CO	KRCC-FM COLORADO SPRINGS	118,842
CO	KCFR-FM DENVER	349,303
CO	KUVO-FM DENVER	199,881
CO	KCSU-FM FT COLLINS	88,162
CO	KUNC-FM GREELEY	107,728
CO	KSUT-FM IGNACIO	72,612
CT	WSHU-FM FAIRFIELD	155,352
CT	WPKT-FM MERIDEN	261,867
CT	WMNR-FM MONROE	32,604
DC	WAMU-FM WASHINGTON	361,525
DC	WDCU-FM WASHINGTON	104,299

THE CORPORATION FOR PUBLIC BROADCASTING
CPB Station Funding
Fiscal Year 1993

STATE	CALL/LOCATION	TOTAL CPB FUNDING
DC	WPFW-FM WASHINGTON	213,478
VA	WETA-FM WASHINGTON	533,157
FL	WXEL-FM WEST PALM BEACH	156,104
FL	WSFP-FM FT MYERS	179,131
FL	WQCS-FM FORT PIERCE	148,744
FL	WUFT-FM GAINESVILLE	218,598
FL	WJCT-FM JACKSONVILLE	166,492
FL	WLRN-FM MIAMI	186,136
FL	WUCF-FM ORLANDO	0
FL	WMFE-FM ORLANDO	165,200
FL	WKGC-FM PANAMA CITY	120,380
FL	WUWF-FM PENSACOLA	187,158
FL	WFSU-FM TALLAHASSEE	190,792
FL	WMNF-FM TAMPA	94,091
FL	WUSF-FM TAMPA	229,679
GA	WUGA-FM ATHENS	133,599
GA	WABE-FM ATLANTA	187,743
GA	WCLK-FM ATLANTA	119,073
GA	WJSP-FM COLUMBUS	248,932
GA	WSVH-FM SAVANNAH	105,008
HI	KHPR-FM HONOLULU	294,294
ID	KBSU-FM BOISE	175,487
ID	KBSX-FM BOISE	32,604
ID	KRFA-FM MOSCOW	0
IL	WSIU-FM CARBONDALE	117,808
IL	WBEZ-FM CHICAGO	453,878
IL	WNIJ-FM ROCKFORD	46,481
IL	WNIU-FM DE KALB	148,231
IL	WSIE-FM EDWARDSVILLE	102,981
IL	WDCB-FM GLEN ELLYN	109,609
IL	WIUM-FM MACOMB	154,838
IL	WGLT-FM NORMAL	99,059
IL	WCBU-FM PEORIA	176,555
IL	WVIK-FM ROCK ISLAND	146,518
IL	WSSU-FM SPRINGFIELD	192,730
IL	WILL-AM URBANA	133,627
IL	WILL-FM URBANA	187,262
IN	WFIU-FM BLOOMINGTON	172,336
IN	WVPE-FM ELKHART	70,808
IN	WNIN-FM EVANSVILLE	83,542
IN	WBNI-FM FORT WAYNE	98,062
IN	WFYI-FM INDIANAPOLIS	84,809
IN	WBAA-AM WEST LAFAYETTE	113,755
IN	WBST-FM MUNCIE	161,318
IN	WVUB-FM VINCENNES	79,392
IA	WOI -AM AMES	109,089
IA	WOI -FM AMES	131,087
IA	KUNI-FM CEDAR FALLS	132,994

THE CORPORATION FOR PUBLIC BROADCASTING
CPB Station Funding
Fiscal Year 1993

STATE	CALL/LOCATION	TOTAL CPB FUNDING
IA	KHKE-FM CEDAR FALLS	152,613
IA	KCCK-FM CEDAR RAPIDS	126,686
IA	KIWR-FM COUNCIL BLUFFS	69,774
IA	KTPR-FM FORT DODGE	69,733
IA	WSUI-AM IOWA CITY	120,534
IA	KSUI-FM IOWA CITY	118,508
IA	KWIT-FM SIOUX CITY	96,196
IA	KBBG-FM WATERLOO	63,739
KS	KHCC-FM HUTCHINSON	223,014
KS	KANU-FM LAWRENCE	323,220
KS	KANZ-FM GARDEN CITY	92,304
KS	KRPS-FM PITTSBURG	94,795
KS	KMUW-FM WICHITA	137,935
KY	WKYU-FM BOWLING GREEN	148,769
KY	WNKU-FM HIGHLAND HEIGHTS	94,165
KY	WUKY-FM LEXINGTON	142,367
KY	WFPK-FM LOUISVILLE	98,172
KY	WFPL-FM LOUISVILLE	98,780
KY	WUOL-FM LOUISVILLE	0
KY	WMKY-FM MOREHEAD	124,959
KY	WKMS-FM MURRAY	105,320
KY	WEKU-FM RICHMOND	132,220
KY	WMMT-FM WHITESBURG	32,604
LA	WRKF-FM BATON ROUGE	114,597
LA	KSLU-FM HAMMOND	94,010
LA	KRVS-FM LAFAYETTE	78,118
LA	KEDM-FM MONROE	80,274
LA	WWNO-FM NEW ORLEANS	159,642
LA	WRBH-FM NEW ORLEANS	118,275
LA	WWOZ-FM NEW ORLEANS	69,135
LA	KDAQ-FM SHREVEPORT	152,151
ME	WMEH-FM BANGOR	190,720
ME	WERU-FM BLUE HILL FALLS	51,375
ME	WMEA-FM PORTLAND	207,283
MD	WBJC-FM BALTIMORE	199,059
MD	WEAA-FM BALTIMORE	98,450
MD	WJHU-FM BALTIMORE	322,413
MD	WESM-FM PRINCESS ANNE	34,822
MD	WSCL-FM SALISBURY	120,183
MA	WFCR-FM AMHERST	219,512
MA	WBUR-FM BOSTON	548,842
MA	WGBH-FM BOSTON	737,762
MA	WUMB-FM BOSTON	113,058
MA	WICN-FM WORCESTER	79,807
MI	WUOM-FM ANN ARBOR	206,706
MI	WDET-FM DETROIT	290,100
MI	WKAR-AM EAST LANSING	133,775
MI	WKAR-FM EAST LANSING	202,772

THE CORPORATION FOR PUBLIC BROADCASTING
CPB Station Funding
Fiscal Year 1993

STATE	CALL/LOCATION	TOTAL CPB FUNDING
MI	WFBE-FM FLINT	107,782
MI	WGVU-AM GRAND RAPIDS	32,604
MI	WGVU-FM GRAND RAPIDS	92,004
MI	WIAA-FM INTERLOCHEN	185,841
MI	WMUK-FM KALAMAZOO	172,298
MI	WNMU-FM MARQUETTE	167,571
MI	WCMU-FM MT PLEASANT	151,721
MI	WBLV-FM TWIN LAKE	114,676
MI	WEMU-FM YPSILANTI	145,853
SD	KRSD-FM SIOUX FALLS	58,575
MN	KSJR-FM COLLEGEVILLE	76,818
MN	KUMD-FM DULUTH	93,213
MN	WSCD-FM DULUTH	87,131
MN	KAXE-FM GRAND RAPIDS	89,084
MN	KNOW-FM ST PAUL	516,518
MN	KMSU-FM MANKATO	116,568
MN	KFAI-FM MINNEAPOLIS	58,982
MN	KBEM-FM MINNEAPOLIS	0
MN	KSJN-FM MINNEAPOLIS	2,377,202
MN	KUOM-AM MINNEAPOLIS	166,490
MN	KCCM-FM MOORHEAD	84,769
MN	WCAL-FM NORTHFIELD	219,972
MN	KLSE-FM ROCHESTER	97,291
MS	WURC-FM HOLLY SPRINGS	93,445
MS	WJSU-FM JACKSON	90,158
MS	WMPN-FM JACKSON	147,634
MS	WPRL-FM LORMAN	71,582
MO	KBIA-FM COLUMBIA	167,501
MO	KOPN-FM COLUMBIA	80,892
MO	KCUR-FM KANSAS CITY	149,999
MO	KXCV-FM MARYVILLE	101,332
MO	KUMR-FM ROLLA	98,083
MO	KDHX-FM ST. LOUIS	58,459
MO	KWMU-FM ST LOUIS	255,011
MO	KSMU-FM SPRINGFIELD	134,478
MO	KCMW-FM WARRENSBURG	85,303
MT	KEMC-FM BILLINGS	118,091
MT	KUFM-FM MISSOULA	124,028
NE	KUCV-FM LINCOLN	145,522
NE	KIOS-FM OMAHA	97,491
NE	KVNO-FM OMAHA	95,220
NV	KCEP-FM LAS VEGAS	53,078
NV	KNPR-FM LAS VEGAS	181,326
NV	KUNR-FM RENO	110,769
NH	WEVO-FM CONCORD	200,360
NJ	WBJB-FM LINCROFT	40,786
NJ	WBGO-FM NEWARK	236,417
NJ	WWFM-FM TRENTON	110,331

THE CORPORATION FOR PUBLIC BROADCASTING
CPB Station Funding
Fiscal Year 1993

STATE	CALL/LOCATION	TOTAL CPB FUNDING
NM	KUNM-FM ALBUQUERQUE	110,348
NM	KRWG-FM LAS CRUCES	95,751
NM	KENW-FM PORTALES	65,638
NM	KTDB-FM PINE HILL	71,372
NY	WAMC-FM ALBANY	268,084
NY	WSKG-FM BINGHAMTON	136,682
NY	WFUV-FM NEW YORK	171,587
NY	WNYE-FM BROOKLYN	0
NY	WBFO-FM BUFFALO	181,194
NY	WNED-AM BUFFALO	216,547
NY	WNED-FM BUFFALO	167,039
NY	WSLU-FM CANTON	132,245
NY	WCNY-FM SYRACUSE	136,933
NY	WBAI-FM NEW YORK	287,807
NY	WNYC-AM NEW YORK	368,312
NY	WNYC-FM NEW YORK	825,007
NY	WCFE-FM PLATTSBURGH	62,473
NY	WRVO-FM OSWEGO	131,461
NY	WXXI-AM ROCHESTER	128,202
NY	WXXI-FM ROCHESTER	210,498
NY	WMHT-FM SCHENECTADY	136,760
NY	WAER-FM SYRACUSE	158,083
NC	WCQS-FM ASHEVILLE	107,382
NC	WUNC-FM CHAPEL HILL	307,181
NC	WFAE-FM CHARLOTTE	150,004
NC	WDAV-FM DAVIDSON	140,208
NC	WFSS-FM FAYETTEVILLE	110,321
NC	WTEB-FM NEW BERN	105,382
NC	WSHA-FM RALEIGH	66,098
NC	WNCW-FM SPINDALE	95,785
NC	WHQR-FM WILMINGTON	86,128
NC	WFDD-FM WINSTON SALEM	162,211
ND	KEYA-FM BELCOURT	55,080
ND	KCND-FM BISMARCK	246,437
ND	KDSU-FM FARGO	74,799
ND	KFJM-AM GRAND FORKS	69,655
ND	KFJM-FM GRAND FORKS	75,025
ND	KMHA-FM NEW TOWN	45,137
OH	WOUB-AM ATHENS	97,417
OH	WOUB-FM ATHENS	134,895
OH	WGUC-FM CINCINNATI	300,560
OH	WCPN-FM CLEVELAND	240,673
OH	WVXU-FM CINCINNATI	313,930
OH	WCBE-FM COLUMBUS	154,102
OH	WOSU-AM COLUMBUS	205,996
OH	WOSU-FM COLUMBUS	243,623
OH	WDPR-FM DAYTON	32,604
OH	WKSU-FM KENT	430,868

THE CORPORATION FOR PUBLIC BROADCASTING
CPB Station Funding
Fiscal Year 1993

STATE	CALL/LOCATION	TOTAL CPB FUNDING
OH	WMUB-FM OXFORD	165,245
OH	WGTE-FM TOLEDO	160,855
OH	WCSU-FM WILBERFORCE	17,383
OH	WYSO-FM YELLOW SPRINGS	113,084
OH	WYSU-FM YOUNGSTOWN	201,557
OK	KCSC-FM EDMOND	110,685
OK	KCCU-FM LAWTON	65,148
OK	KGOU-FM NORMAN	102,655
OK	KOSU-FM STILLWATER	115,621
OK	KWGS-FM TULSA	116,470
OR	KSOR-FM ASHLAND	102,710
OR	KSJK-AM ASHLAND	127,914
OR	KOAC-AM CORVALLIS	189,809
OR	KWAX-FM EUGENE	80,702
OR	KLCC-FM EUGENE	138,148
OR	KBOO-FM PORTLAND	100,379
OR	KBPS-FM PORTLAND	63,982
OR	KOPB-FM PORTLAND	194,262
PA	WQLN-FM ERIE	99,914
PA	WITF-FM HARRISBURG	175,352
PA	WHYY-FM PHILADELPHIA	368,829
PA	WRTI-FM PHILADELPHIA	235,246
PA	WXPN-FM PHILADELPHIA	770,796
PA	WQED-FM PITTSBURGH	203,485
PA	WYEP-FM PITTSBURGH	32,604
PA	WDUQ-FM PITTSBURGH	219,475
PA	WVIA-FM SCRANTON	104,656
SC	WSCI-FM CHARLESTON	151,581
SC	WLTR-FM COLUMBIA	139,013
SD	KILI-FM PORCUPINE	95,380
SD	KUSD-FM VERMILLION	121,946
TN	WUTC-FM CHATTANOOGA	69,651
TN	WSMC-FM COLLEGEDALE	92,975
TN	WETS-FM JOHNSON CITY	74,060
TN	WUOT-FM KNOXVILLE	180,378
TN	WKNO-FM MEMPHIS	159,389
TN	WYPL-FM MEMPHIS	23,234
TN	WMOT-FM MURFREESBORO	116,988
TN	WPLN-FM NASHVILLE	318,880
TX	KUT -FM AUSTIN	315,870
TX	KVLU-FM BEAUMONT	94,094
TX	KAMU-FM COLLEGE STATION	76,889
TX	KETR-FM COMMERCE	89,444
TX	KEDT-FM CORPUS CHRISTI	61,168
TX	KERA-FM DALLAS	239,542
TX	KTEP-FM EL PASO	81,257
TX	KMBH-FM HARLINGEN	71,621
TX	KPFT-FM HOUSTON	106,426

THE CORPORATION FOR PUBLIC BROADCASTING
CPB Station Funding
Fiscal Year 1993

STATE	CALL/LOCATION	TOTAL CPB FUNDING
TX	KUHF-FM HOUSTON	272,989
TX	KTPB-FM KILGORE	83,582
TX	KNCT-FM KILLEEN	98,205
TX	KOHM-FM LUBBOCK	47,838
TX	KPAC-FM SAN ANTONIO	121,427
TX	KSTX-FM SAN ANTONIO	147,705
UT	KUSU-FM LOGAN	91,451
UT	KPCW-FM PARK CITY	87,929
UT	KBYU-FM PROVO	394,875
UT	KRCL-FM SALT LAKE CITY	93,111
UT	KUER-FM SALT LAKE CITY	181,839
VT	WVPR-FM WINDSOR	203,324
VA	WMRA-FM HARRISONBURG	119,346
VA	WHRV-FM NORFOLK	201,722
VA	WCVE-FM RICHMOND	119,002
VA	WVTF-FM ROANOKE	187,475
WA	KDNA-FM GRANGER	61,436
WA	KSER-FM LYNNWOOD	99,935
WA	KWSU-AM PULLMAN	217,281
WA	KUOW-FM SEATTLE	266,198
WA	KPBX-FM SPOKANE	110,895
WA	KPLU-FM TACOMA	234,447
WV	WVPN-FM CHARLESTON	368,986
WI	WGBW-FM GREEN BAY	0
WI	WOJB-FM HAYWARD	77,572
WI	WGTD-FM KENOSHA	91,448
WI	WLSU-FM LA CROSSE	91,284
WI	WERN-FM MADISON	593,173
WI	WHA -AM MADISON	384,033
WI	WORT-FM MADISON	63,322
WI	WUWM-FM MILWAUKEE	145,692
WI	WHAD-FM MILWAUKEE	32,746
WI	WYMS-FM MILWAUKEE	133,656
WI	WXPR-FM RHINELANDER	73,069
WY	KUWR-FM LARAMIE	108,545
PR	WIPR-AM HATO REY	80,524
PR	WIPR-FM HATO REY	160,017
PR	WRTU-FM SAN JUAN	80,461

Information derived from the 1993 CPB Annual Financial Report.
Revenue reflects recognized amounts as reported on these audited reports.
CPB funding includes station grants (i.e. CSGs and NPPAGs), as well as specific CPB awards for programming or other projects.
No Annenberg/CPB funds are reflected in this report.

THE CORPORATION FOR PUBLIC BROADCASTING
CPB Station Funding
Fiscal Year 1993

STATE	CALL/LOCATION	TOTAL CPB FUNDING
AL	ALABAMA PUBLIC TELEVISION	837,877
AK	KAKM-TV ANCHORAGE	481,240
AK	KYUK-TV BETHEL	357,767
AK	KUAC-TV FAIRBANKS	411,555
AK	KTOO-TV JUNEAU	459,289
AZ	KAET-TV PHOENIX	830,349
AZ	KUAT-TV TUCSON	530,738
AR	ARKANSAS NETWORK	672,657
CA	KRCB-TV ROHNERT PARK	372,569
CA	KOCE-TV HUNTINGTON BEACH	801,511
CA	KEET-TV EUREKA	306,504
CA	KVPT-TV FRESNO	445,101
CA	KCET-TV LOS ANGELES	2,782,861
CA	KLCS-TV LOS ANGELES	489,024
CA	KIXE-TV REDDING	380,171
CA	KVIE-TV SACRAMENTO	749,053
CA	KVCR-TV SAN BERNARDINO	424,980
CA	KPBS-TV SAN DIEGO	885,002
CA	KQED-TV SAN FRANCISCO	2,034,675
CA	KTEH-TV SAN JOSE	646,871
CA	KCSM-TV SAN MATEO	418,071
CO	KBDI-TV BROOMFIELD	404,416
CO	KRMA-TV DENVER	794,836
CO	KTSC-TV PUEBLO	410,014
CT	CONNECTICUT NETWORK	938,170
CT	WEDW-TV BRIDGEPORT	392,626
VA	WETA-TV WASHINGTON	2,540,942
DC	WHMM-TV WASHINGTON	682,071
FL	WBCC-TV COCOA	315,968
FL	WCEU-TV DAYTONA BEACH	383,615
FL	WXEL-TV WEST PALM BEACH	472,119
FL	WUFT-TV GAINESVILLE	503,697
FL	WJCT-TV JACKSONVILLE	509,588
FL	WPBT-TV MIAMI	1,142,636
FL	WLRN-TV MIAMI	767,425
FL	WMFE-TV ORLANDO	567,648
FL	WSRE-TV PENSACOLA	460,792
FL	WFSU-TV TALLAHASSEE	465,260
FL	WEDU-TV TAMPA	619,647
FL	WSFP-TV FT MYERS	555,595
FL	WUSF-TV TAMPA	465,745
GA	WGTV-TV ATHENS	714,911
GA	WPBA-TV ATLANTA	445,173
GA	GEORGIA NETWORK	761,264
HI	HAWAII NETWORK	863,275
ID	KUID-TV MOSCOW	371,020

THE CORPORATION FOR PUBLIC BROADCASTING
CPB Station Funding
Fiscal Year 1993

STATE	CALL/LOCATION	TOTAL CPB FUNDING
ID	KAID-TV BOISE	427,369
ID	KISU-TV POCATELLO	374,033
IL	WSIU-TV CARBONDALE	437,684
IL	WEIU-TV CHARLESTON	368,642
IL	WTTW-TV CHICAGO	2,115,775
IL	WYCC-TV CHICAGO	414,851
IL	WMEC-TV MACOMB	376,772
IL	WQPT-TV MOLINE	341,622
IL	WUSI-TV OLNEY	378,241
IL	WTVP-TV PEORIA	428,949
IL	WILL-TV URBANA	454,655
IN	WTIU-TV BLOOMINGTON	544,726
IN	WNIN-TV EVANSVILLE	398,368
IN	WFWA-TV FORT WAYNE	373,282
IN	WFYI-TV INDIANAPOLIS	460,512
IN	WTBU-TV INDIANAPOLIS	2,035
IN	WYIN-TV MERRILLVILLE	366,479
IN	WIPB-TV MUNCIE	468,050
IN	WNIT-TV SOUTH BEND	433,239
IN	WVUT-TV VINCENNES	415,820
IA	IOWA PUBLIC TELEVISION	1,076,936
KS	KOOD-TV BUNKER HILL	365,818
KS	KTWU-TV TOPEKA	410,877
KS	KPTS-TV WICHITA	389,174
KY	WKYU-TV BOWLING GREEN	359,098
KY	KENTUCKY NETWORK	1,371,083
KY	WKPC-TV LOUISVILLE	461,710
LA	LOUISIANA NETWORK	791,997
LA	WLAE-TV NEW ORLEANS	420,310
LA	WYES-TV NEW ORLEANS	511,899
ME	WCBB-TV AUGUSTA	500,061
ME	MAINE NETWORK	472,942
ME	WMEA-TV BIDDEFORD	356,411
MD	MARYLAND NETWORK	1,735,714
MA	WGBH-TV BOSTON	6,466,678
MA	WGBY-TV SPRINGFIELD	522,271
MI	WTVS-TV DETROIT	1,067,032
MI	WKAR-TV EAST LANSING	675,962
MI	WFUM-TV FLINT	479,485
MI	WGVU-TV GRAND RAPIDS	586,884
MI	WNMU-TV MARQUETTE	413,573
MI	WCMU-TV MT PLEASANT	424,092
MI	WUCM-TV UNIVERSITY CENTER	427,744
MN	KWCM-TV APPLETON	368,345
MN	KSMQ-TV AUSTIN MINN	395,246
MN	KAWE-TV BEMIDJI	364,386
MN	WDSE-TV DULUTH	417,122

THE CORPORATION FOR PUBLIC BROADCASTING
CPB Station Funding
Fiscal Year 1993

STATE	CALL/LOCATION	TOTAL CPB FUNDING
MN	KTCA-TV ST PAUL/MINNEAPOLIS	1,642,039
MS	MISSISSIPPI NETWORK	780,167
MO	KCPT-TV KANSAS CITY	558,027
MO	KETC-TV ST LOUIS	654,845
MO	KOZK-TV SPRINGFIELD	424,143
MO	KMOS-TV WARRENSBURG	381,848
MT	KUSM-TV BOZEMAN	380,627
NE	NEBRASKA NETWORK	0
NE	KUON-TV LINCOLN	3,907,090
NV	KLVX-TV LAS VEGAS	512,722
NV	KNPB-TV RENO	399,981
NH	NEW HAMPSHIRE PUBLIC TELEVISION	719,003
NJ	NEW JERSEY NETWORK	1,385,262
NM	KNME-TV ALBUQUERQUE	611,071
NM	KRWG-TV LAS CRUCES	394,491
NM	KENW-TV PORTALES	425,378
NY	WSKG-TV BINGHAMTON	515,295
NY	WNYE-TV NEW YORK	529,235
NY	WNED-TV BUFFALO	914,812
NY	WLIW-TV GARDEN CITY	582,391
NY	WNET-TV NEW YORK	9,299,918
NY	WCFE-TV PLATTSBURGH	493,620
NY	WXXI-TV ROCHESTER	677,628
NY	WMHT-TV SCHENECTADY	642,554
NY	WCNY-TV SYRACUSE	648,927
NY	WNPE-TV WATERTOWN	524,571
NC	NORTH CAROLINA NETWORK	1,261,239
NC	WTVI-TV CHARLOTTE	745,601
ND	NORTH DAKOTA NETWORK	797,091
OH	WNEO-TV ALLIANCE	557,713
OH	WOUB-TV ATHENS	284,554
OH	WBGU-TV BOWLING GREEN	517,580
OH	WCET-TV CINCINNATI	592,362
OH	WVIZ-TV CLEVELAND	744,594
OH	WOSU-TV COLUMBUS	620,967
OH	WPTD-TV DAYTON	572,280
OH	WPTO-TV OXFORD	302,599
OH	WGTE-TV TOLEDO	670,564
OK	OKLAHOMA NETWORK	776,673
OK	KTLC-TV OKLAHOMA CITY	305,116
OK	KRSC-TV CLAREMORE	354,495
OR	KSYS-TV MEDFORD	359,379
OR	OREGON NETWORK	898,425
PA	WLVT-TV ALLENTOWN	687,713
PA	WQLN-TV ERIE	463,170
PA	WITF-TV HARRISBURG	700,471
PA	WHYY-TV PHILADELPHIA	1,247,426

THE CORPORATION FOR PUBLIC BROADCASTING
CPB Station Funding
Fiscal Year 1993

STATE	CALL/LOCATION	TOTAL CPB FUNDING
PA	WYBE-TV PHILADELPHIA	342,720
PA	WQED-TV PITTSBURGH	3,888,341
PA	WQEX-TV PITTSBURGH	352,916
PA	WVIA-TV SCRANTON	548,700
PA	WPSX-TV CLEARFIELD	740,787
RI	WSBE-TV PROVIDENCE	508,344
SC	SOUTH CAROLINA NETWORK	2,212,376
SC	WJWJ-TV BEAUFORT	380,639
SC	WNSC-TV ROCK HILL	379,664
SC	WRET-TV SPARTANBURG	379,226
SC	WRJA-TV SUMTER	379,708
SD	KESD-TV BROOKINGS	361,001
SD	SOUTH DAKOTA NETWORK	437,441
SD	KUSD-TV VERMILLION	379,492
TN	WTCI-TV CHATTANOOGA	387,692
TN	WSJK-TV KNOXVILLE	420,308
TN	WLJT-TV MARTIN	366,940
TN	WKNO-TV MEMPHIS	504,769
TN	WDCN-TV NASHVILLE	528,246
TN	WCTE-TV COOKEVILLE	537,083
TX	KACV-TV AMARILLO	392,619
TX	KLRU-TV AUSTIN	526,418
TX	KLRN-TV SAN ANTONIO	498,695
TX	KAMU-TV COLLEGE STATION	448,043
TX	KEDT-TV CORPUS CHRISTI	390,352
TX	KERA-TV DALLAS	762,546
TX	KCOS-TV EL PASO	374,381
TX	KMBH-TV HARLINGEN	360,629
TX	KUHT-TV HOUSTON	829,279
TX	KNCT-TV KILLEEN	408,012
TX	KTXT-TV LUBBOCK	369,624
TX	KOCV-TV ODESSA	368,557
TX	KCTF-TV WACO	257,136
UT	KULC-TV OGDEN	377,230
UT	KBYU-TV PROVO	598,581
UT	KUED-TV SALT LAKE CITY	638,133
VT	VERMONT NETWORK	595,217
VA	WNVT-TV ANNANDALE	401,137
VA	WNVC-TV FAIRFAX	413,249
VA	WVPT-TV HARRISONBURG	445,064
VA	WHRO-TV NORFOLK	585,555
VA	WCVE-TV RICHMOND	612,007
VA	WBRA-TV ROANOKE	515,489
WA	KWSU-TV PULLMAN	545,242
WA	KCTS-TV SEATTLE	1,689,131
WA	KSPS-TV SPOKANE	631,913
WA	KBTC-TV TACOMA	401,455

THE CORPORATION FOR PUBLIC BROADCASTING
CPB Station Funding
Fiscal Year 1993

STATE	CALL/LOCATION	TOTAL CPB FUNDING
WA	KYVE-TV YAKIMA	385,367
WV	WSWP-TV BECKLEY	353,888
WV	WPBY-TV HUNTINGTON	517,608
WV	WNPB-TV MORGANTOWN	546,326
WI	WISCONSIN NETWORK	865,614
WI	WHA -TV MADISON	802,106
WI	WMVS-TV MILWAUKEE	949,653
WY	KCWC-TV RIVERTON	348,363
GU	KGTF-TV GUAM	360,325
PR	WMTJ-TV FAJARDO	506,182
PR	WIPM-TV MAYAGUEZ	23,600
PR	WIPR-TV SAN JUAN	793,825
VI	WTJX-TV ST THOMAS	422,632

Information derived from the 1993 CPB Annual Financial Report.
Revenue reflects recognized amounts as reported on these audited reports.
CPB funding includes station grants (i.e. CSGs, interconnection grants), as
well as specific CPB awards for programming or other projects.
No Annenberg/CPB funds are reflected in this report.

LOBBYING

Mr. PORTER. Now, let me ask this question. Mr. Livingston raised a very serious matter. He said that there may possibly be violations of Federal law in the use of public funds, grantees of public funds lobbying the Federal Government. I wonder if you would address that question.

Mr. CARLSON. Yes. I cannot address it from a legal perspective, but I can give you my opinion.

The Corporation itself, does not engage in lobbying. It spends no money on lobbying efforts. There is, unfortunately, a lot of confusion in the public arena as to the Corporation for Public Broadcasting and the other organizations, PBS, et cetera. The localization of public broadcasting is a very appealing thing but it does have some disadvantages.

Mr. PORTER. Let me ask the question this way, then. Has CPB notified its member grantee stations that the use of public funds that you provide to them may not be used for the purpose of lobbying?

Mr. CARLSON. It has specifically notified them of that fact, Mr. Chairman, in the recent past and previous to that. My point about localism is that we do not have legal control over the actions of local stations. That is a good thing, but it also means when stations decide that they want to run a crawl, as was referred to by Mr. Livingston, we have no control over that.

As to the legality of it, if they do not use Federal funds to do so, and we certainly have stated clearly that they cannot use Federal funds to do so, then I would hesitate to make a judgment as to the legality of it.

Mr. PORTER. I would say that unless they had received specific donations for the purpose of the lobbying, apart from the Federal funds that are fungible, that there may well exist violations of the law.

Mr. CARLSON. There may. I certainly do not think that they should be running Mr. Livingston's telephone number, and we certainly told them that, in effect—that is, the industry, when we sent out a communication recently saying you cannot use Federal funds to lobby and you should not be engaged in it.

Of course, we are being broadcast live over national public radio, so Mr. Livingston, unfortunately, repeated his telephone number a couple of times.

Mr. PORTER. Thank you, Mr. Ambassador.

Mr. Obey, I yield to you.

AUDIENCE OF PUBLIC RADIO AND TELEVISION

Mr. OBEY. One of the assertions being made about public broadcasting by those who are trying to justify the elimination of congressional funding is that, in fact, it is largely elitist programming and its audience is largely cultural and economic elitists. It strikes me that, in fact, the value of public broadcasting may be considerably greater for persons down the income scale than at the top.

Example: If you are a, quote, economic elitist or cultural elitist in this town, you can shell out 200 bucks, go to the Kennedy Center and see Pavarotti. If you are a retired senior citizen living in

Park Falls, Wisconsin, you do not have the geographical opportunity, you do not have the economic ability to do something like that, but you can certainly turn on public television and see him at minimum cost. That seems to me to be, in fact, a great equalizer on the margins of our society at least. And I think there are many other examples that one could cite.

Can you tell us, in light of the assertion that you largely have an upscale elitist audience for your programming, what percentage of your viewership does not have a college degree?

Mr. CARLSON. I don't have the specific figures available to me, Mr. Obey, but I do know that based on polling data that there is a significant percentage. It may be close to 50 percent, give or take a few figures, that does not have a college degree.

Mr. OBEY. I am told, in fact, that 76 percent of your audience does not have a college degree.

Mr. CARLSON. That does not surprise me at all. Anyone who takes taxi cabs in big cities realizes that taxi cab drivers, who do not have large incomes, usually do not have lots of education, listen to National Public Radio or American Public Radio.

Mr. OBEY. Is it not true that about 57 percent of your audience has an income below $40,000?

Mr. CARLSON. Yes, it is true, and it has been an unfortunate canard that listeners and viewers of public radio and television represent only the top 3 or 4 percent of the population. It cuts across class lines, educational lines, and includes Republicans and Democrats alike. Those who like public broadcasting do not fall into any simple categories at all.

Mr. OBEY. One of the responses to persons who suggest that there will be no great harm to persons if they lose the capacity to watch public broadcasting stations, one of the arguments they make is, well, there are other alternatives available today. For instance, look at what is on cable. In my district, 47 percent of the households no not have access to cable television.

Can you tell us what percentage is on a State-by-State basis, for the record?

Mr. CARLSON. Yes, I can.

[The information follows:]

Cable Television Carriage by State

Source: NCTA Research, Feb 3, 1995

STATE	TELEVISION HOUSEHOLDS	CABLE SUBSCRIBERS	%	Notes:
Alabama	1,544,280	845,428	55%	
Alaska	150,340	97,552	65%	
Arizona	1,461,570	733,761	50%	
Arkansas	906,760	502,831	55%	
California	10,764,680	6,280,654	58%	
Colorado	1,370,400	725,735	53%	
Connecticut	1,210,870	959,669	79%	
Delaware	257,470	340,516	132%	NCTA data appears to be invalid, Nielsen reports TV households at 203,080. Based on Nielsen cable subscribers = 79%
District of Columbia	232,510	162,690	70%	
Florida	5,456,280	3,460,807	63%	
Georgia	2,494,750	1,452,043	58%	
Hawaii	374,430	347,747	93%	
Idaho	382,430	198,361	52%	
Illinois	4,237,580	2,164,219	51%	
Indiana	2,102,260	1,145,500	54%	
Iowa	1,073,760	595,150	55%	
Kansas	963,600	561,989	58%	
Kentucky	1,401,090	830,507	59%	
Louisiana	1,512,730	929,866	61%	
Maine	463,880	289,499	62%	
Maryland	1,806,140	1,008,605	56%	
Massachusetts	2,221,260	1,563,285	70%	
Michigan	3,462,130	2,066,905	60%	
Minnesota	1,697,200	784,307	46%	
Mississippi	916,380	461,406	50%	
Missouri	1,984,150	981,762	49%	
Montana	313,570	165,040	53%	
Nebraska	611,800	384,659	63%	
Nevada	526,060	331,641	63%	
New Hampshire	428,060	349,561	82%	
New Jersey	2,803,410	1,982,540	71%	
New Mexico	564,470	304,443	54%	
New York	6,558,820	3,712,249	57%	
North Carolina	2,626,910	1,452,134	55%	
North Dakota	239,560	142,886	60%	
Ohio	4,152,270	2,420,747	58%	
Oklahoma	1,219,740	667,475	55%	
Oregon	1,142,620	627,360	55%	
Pennsylvania	4,521,980	3,191,217	71%	
Rhode Island	376,900	276,831	73%	
South Carolina	1,307,730	710,996	54%	
South Dakota	264,290	151,009	57%	
Tennessee	1,911,600	1,075,270	56%	
Texas	6,313,880	2,980,175	47%	
Utah	565,340	241,673	43%	
Vermont	212,360	122,167	58%	
Virginia	2,374,770	1,440,378	61%	
Washington	1,963,940	1,166,828	59%	
West Virginia	687,340	455,529	66%	
Wisconsin	1,869,140	907,894	49%	
Wyoming	170,880	118,326	69%	
Puerto Rico	NA	193,814		No data for TV Households
Other Territories	NA	60,242		No data for TV Households
TOTAL	94,176,370	55,123,878	59%	

Mr. OBEY. To the extent you can respond now, can you give us some indication, for instance, of what percentage of the viewership of the 30 most rural stations in the United States have no access to cable?

Mr. CARLSON. About a third of American households do not have cable television. It is very expensive in many places. Many people, too, do not want cable television in their living room because of their children and the availability of programs that they deem unsuitable for their children.

Cable is effective and it offers up a lot of programs. But I can tell you that the Disney Channel, which has good fare on it, is available to 8 percent of American households that have cable. So it is quite limited.

There will always be millions of people who, for various reasons, will not have cable. And, of course, the kinds of programming that is available on public radio and public television is generally of a higher quality. There are a lot of misstatements made about the high quality of cable programming. Much of cable, as you know, is home shopping and repeats of I Love Lucy shows.

IMPACT OF FUNDING ELIMINATION

Mr. OBEY. If we were to follow the suggestion of the Speaker, for instance, and eliminate all the funding, without giving us an overly dramatic view of the world, can you tell us what you think the practical results would be on the ability of public television, public radio stations to provide the kind of services they are providing now; and give us some examples of what would happen in the real world as opposed to everybody's extreme visions?

Mr. CARLSON. I do not think there is anyone who is familiar with public television or radio who does not believe that there will be a very, very serious impact on the system we have today if the Federal funds are removed. The smallest of stations—our estimate is probably about 90 stations, radio and television—would go black. In fairly short order, the largest stations, each of them as an individual entity, and would have to be judged that way, but the largest of the stations will suffer serious impact in programming as well. And services will be cut. These stations invariably engage in community services and educational activities that have no relationship to over-the-air broadcasting as it is known in a commercial sense, and that those services most likely would be the first to go.

Mr. OBEY. I would just observe, since my time is up, that what I think you and your supporters have to keep in mind is that this is not just a one-slice pie. We are going to be under a budget squeeze for as long as any of us remain in the Congress, and certainly we are going to be under an immense budget squeeze for the next five to seven years. I think you are going to have to expect to see reductions in your appropriations over that time, and I think it is necessary for your supporters to understand that even if you escape the bullet this time, this is a continuing threat which you are going to have to be prepared to deal with.

Mr. CARLSON. Yes, sir. I think there is an increasing understanding of that.

Mr. CAUTHEN. If I could add a couple of comments in terms of impact. CPB and the national system provides the interconnection that ties together all of these stations, plus the programming in the evening hours. What we would have is a series of, well, cottage industries around the country that were not tied together, and it would take a great deal of doing to pull that all back together again.

Mr. OBEY. Thank you.

Mr. PORTER. Thank you, Mr. Obey.

I want to ask our witnesses to keep their answers as short as possible so that everyone will have a chance to get their questions to you. I yield to you, Mr. Young.

Mr. YOUNG. Mr. Chairman, thank you very much, and I want to congratulate you on the way you have started our subcommittee off on a very intense schedule and getting to the areas that are of importance to this Congress.

I welcome the two witnesses who are here today and say that we may have to call upon you to come back on occasion when we get ready to do the decision-making to help lead us in the Barney song to maybe calm things down a bit. I think we could have used you yesterday on the House Floor.

Mr. CARLSON. I am sure.

OVERALL BUDGET

Mr. YOUNG. I want to ask you about the total overall budget for public broadcasting and what the amount is and then break it down by public funding, the charitable contribution type funding, and also the earnings that come from projects like Barney.

Mr. CARLSON. Let me do that for you, Mr. Young.

As has been said, the overall amount of money spent on public broadcasting, radio and television, is $1.8 billion. The Federal contribution to that is our budget, $285.6 million for 1995. That is about 14 percent of the total.

The contributions to that total of $1.8 billion breakdown this way, Mr. Young. Membership in local stations is 22 percent. I will have to give you corresponding figures, which I do not have here. Business contributions are 17 percent. Funds that come from State governments are 14 percent. State colleges, a number of which license radio and television stations is 8 percent. Other Federal contributions, NTIA, as you know, supplies funds for equipment renewal and so on, is 6 percent. Local government itself is 3 percent. Money from foundations is 6 percent. Private colleges is 1 percent. Auction income, with which you are familiar, tote bags and coffee mugs, 1 percent. Other public colleges, 1 percent. And there is a catchall item of 6 percent, which I am unable to explain at the moment but maybe I can get some advice from behind. That totals a billion seventy-nine.

Mr. YOUNG. Of the non-Federal public funds, are any of those funds contingent upon receiving the Federal dollars?

Mr. CARLSON. Yes. And the reverse is true. We send money to stations based on a formula having to do with their ability to raise non-Federal funds. There are times where our contribution to a program spurs a private contribution from a foundation; often they say we will match it or some such event like that. But normally I am not aware of a situation like that.

Mr. YOUNG. So if the Federal funding were reduced, which would be a financial hardship on the Corporation, as you present it, that would not necessarily eliminate any of the other sources of funding that you already have.

Mr. CARLSON. No, it would not necessarily. Is there a scenario with which you are familiar?

Mr. CAUTHEN. I think it would not necessarily do it, but in practical terms it would. If quite a number of our stations should go off the air, if we do not have the attractive schedule that we now have, the corporations that give to public broadcasting are just simply not going to contribute the kind of money they have been contributing in the past. That, I think, applies to the general public as well and the others that support public broadcasting. It becomes a less important entity, thus it will be much more difficult to receive funds.

Mr. CARLSON. Mr. Young, may I make one point on that?

Mr. YOUNG. Yes.

Mr. CARLSON. If there was a severe decline in Federal funds, that caused some stations to go off the air—say some small stations went off the air because they are unable to survive because they get 40 percent of their budget directly from us. That in turn has an effect on NPR, on the distribution of services on PBS because their membership ends; their contributions to PBS and NPR disappear, and the total share in the purchase of programs disappears. So we could, in fact, in the scenarios having to do with various amounts of budget cutting to CPB, offer up to you for your interest what effects that might have and then qualify it.

Mr. CAUTHEN. It has the potential of a real domino effect.

Mr. YOUNG. Now, in my area in Florida, we have two excellent public stations WEDU and WUSF and I have an opportunity to watch them when I am back home in the district and I see oftentimes this program was made possible by a grant from the so-and-so foundation. But I do not recall ever seeing a tag line that said this programming was made possible by a contribution from the American taxpayer.

Mr. CARLSON. Oh, there is such a line. Yes, sir. In fact, it is mandated by the Congress that any program that carries Corporation for Public Broadcasting funds has on it an imprimatur, and it does say this is brought to you by the American people, by the American taxpayers.

Mr. YOUNG. Thank you very much.

Mr. CARLSON. Yes, sir.

Mr. PORTER. Thank you, Mr. Young.

Ms. Pelosi.

Ms. PELOSI. Thank you, very much, Mr. Chairman.

I want to thank Ambassador Carlson and Mr. Cauthen for their excellent testimony here today, and not only that, for their fine work at the Corporation for Public Broadcasting.

I want to put my bias right out on the table, Mr. Chairman. I consider myself a very strong supporter of the Corporation for Public Broadcasting. I thank you for the work that you are doing.

I am pleased to hear that the Chairman wants to put all of the appropriated funds on the table, both Mr. Livingston and our subcommittee Chair, because I think that that is a scrutiny that the

Corporation for Public Broadcasting can take better than many of the other programs in our 13 appropriation subcommittees.

And I am also pleased to hear that the Chairman is pursuing the point about lobbying, because I am relieved to know I will no longer be called by representatives of the defense industry and the rest who profit so much there from the largess of the American taxpayer. And I think it will be news to them that they are not supposed to be, in light of the fungibility of money, using any of their funds for lobbying efforts.

Mr. Chairman, I also want to make the point that when you talk about the budget deficit, and the Chairman knows I have a very high regard for his values and the work that he has done on this committee, but the leadership of this Congress is trying to balance a huge budget deficit and addressing a large national and growing national debt by addressing a small item on the budget. As pointed out, it is a small percentage of our national budget. As pointed out by Mr. Obey.

I think no matter how small we should subject all our spending to scrutiny, however, let us not delude ourselves into thinking that this is an answer, because, indeed, this money spent on the Corporation for Public Broadcasting is not only money spent, it is money invested and, I believe, saves us money in the long run. So when we subject these programs to that scrutiny, I hope we will see not only how the money is spent and how well it is husbanded on the books but what we get back in return for it.

I also want to put on the record as rejecting the notion, and I do not even give at this time status of an idea, the notion that because there is cable TV, there is less need for what we called all of our lives educational TV. Indeed, I think there is even more need. And as you pointed out, not everybody in America can afford cable TV, even if it were an answer, which it is not.

NUMBER OF STATIONS

Mr. Ambassador, I had a question, because it is one that comes up in my conversations with people who support Corporation for Public Broadcasting but we do have this question. Can you tell me why there are so many stations?

Mr. CARLSON. I don't know that I can adequately address the basis in which they all evolved. They have evolved in this very uniquely American way. They are localized. They are connected with universities. They have separate boards of trustees, et cetera. They did not all enter this having anything to do with Federal funding. But they coalesced over the years into separate radio and television networks, sometimes jointly depending on their affiliations with the university, with a State system or not. They came to us in many ways. Ultimately they started bicycling programs back and forth, literally, and then metaphorically and ended up with a distribution system, and now a very sophisticated satellite service.

There are many public broadcasting stations. There are very serious questions of overlap involving some of those stations. There is nothing wrong per se with two stations having signals cross each other. It happens every day in a really crowded America. But there are duplications of services. Sometimes there are production facilities that are underused when two stations are reasonably near each other. The Corporation has taken a very aggressive position in the last year or so in encouraging stations to reduce duplication of services, to streamline and use this money effectively. We have encouraged them through a grant process that helps them out.

We are playing a role right now, in New York and in Connecticut, in combining duplicative services between the two broadcasting entities that are large, but have a number of things that they engage in that they might share in and save a considerable amount of money.

In Maine—and this will be my last example—there were two public stations. It is a small State. They overlapped each other. And, in part through the Corporation for Public Broadcasting, and through the good sense of the station managements there is always a turf problem when there are any groups of people who get together—they combined into one station very effectively.

Ms. PELOSI. Thank you, Mr. Chairman.

Mr. PORTER. Thank you, Ms. Pelosi.

Mr. Bonilla.

Mr. BONILLA. Thank you, Mr. Chairman.

Mr. Ambassador, it is good to see you again, as usual.

Mr. CARLSON. Nice to see you. Thanks.

Mr. BONILLA. In preparing for this hearing, we asked around the office, as well as looked in my home, and there is no shortage of the Barney paraphernalia, and I will never forget the sight of my son's face when he heard that Barney was coming to Capitol Hill, and my little girl and son very often could not go to sleep at night without sleeping with Big Bird or Elmo, which they have owned since they were very young.

There is no question that these characters have filled a void in our society when there has been a lack of role models in many cases for young people and the values that they have been taught by public TV. Specifically, these programs have been something they will carry with them for a long time.

But we must make tough decisions in the coming months and we are here for that reason, as stated by our Chairman in his opening remarks, and I want to identify myself with his remarks. I think they were totally appropriate and concur with what I believe.

The fundamental question I think we have today is if we were not already doing this, could we afford to start? And I think that is a fundamental question we must all ask ourselves on this committee.

NEED FOR PUBLIC FUNDING

I want to begin with a question about Barney, because after all, with all the publicity that he has received, with all the money he makes, he is approaching the popularity of some of the greatest rock stars, movie stars, we have ever seen. Why does a character like this need public funding to survive? Could it not have a life of its own and continue the good positive effect it has had on young people in this country?

Mr. CARLSON. Barney, as you have suggested, is a very unique situation, Mr. Bonilla. I talked last night, actually, so I could better understand this all, anticipating questions on the subject, with

Dick Leach, who basically is the owner, with his son and daughter-in-law, of the company that produces Barney. He had some very interesting things to say to me about this.

I mentioned in my statement quickly that Barney was a successful enterprise before public broadcasting ever heard of it. I went through with Mr. Leach the $1 billion that has been floated as the amount of money that has been raised by Barney. I said, "Is that true? Is there a person who would be better equipped to understand the revenue on Barney?" He said, "There is no better person equipped than me." He said, "I have no idea whether Barney made"—this is a direct quote—"I have no idea whether Barney made $1 billion last year. We did not." He said, "Let me explain the merchandising rights."

He said, "We get anywhere from 2 to 6 percent in licensing on these slippers and lunch boxes, et cetera. But that is not 2 to 6 percent of the retail sales. Someone has gone around and computed, maybe rightly," he said, "but probably not, all of the sales. Kmart sells the Barney doll for $10 and, I don't know, Neiman Marcus sells it for $20. I am only guessing at this. And totaled, it all," he said, "it is $1 billion in sales, but our revenues are only 2 to 6 percent of the source cost."

What is a source cost? "Well, something that is sold retail rather for $10 might be sold wholesale itself to the store for $4.50 and the source cost is $1.50." The Barney Company gets 2 to 6 percent of that dollar and a half.

It is my estimation, based on conversations with them, that they probably netted close to $20 million last year. A significant amount of money. We are sharing in it now. We did not realize, had no conception this was going to take off as it has done. But, of course, public broadcasting at large—and I personally did not have anything to do with it—were limited to getting ancillary rights because Barney had already done fairly well in the marketplace. Barney has been an enormous success on public broadcasting, and that means it has brought a lot of money into public broadcasting.

Two points: We are reducing our financial commitment to Barney because of its profitability, and, ultimately, in the next year or two that will be erased. All of the funds will be recouped. There has already been a million that has come into Connecticut Public Television because of Barney sales and videos. And, of course, Barney raises millions of dollars for PBS and stations through its success to use for other public television shows, including a new one for kids called Wishbone, done by the Barney producers. It is an educational show. They are not entertainment shows per se. They employ educators and experts to determine the story lines and the plot lines and they benefit kids in a lot of ways that none of the cable shows do.

Mr. BONILLA. Yesterday, in our hometown newspaper, as many Members have referred to already, I was the subject of the lead editorial in a newspaper that serves well over a million people. I was surprised, though, to hear of the phone calls that did come into my office, that we only had one or two from rural areas, and representing an area that is largely rural with 58,000 sq. miles, 600 miles along the Texas-Mexico border, what kind of contrast do you see in the receivership of programming of public TV contrasted between big cities and rural areas? Is it primarily a big city program?

Mr. CARLSON. No, it is not, and Hank Cauthen has a lot of expertise particularly in an agricultural State like South Carolina he might want to address this. He has better experience than me directly.

Mr. CAUTHEN. We have studied the audience composition on a number of occasions and it is essentially a mirror image of our population both in terms of salary, in terms of income, in terms of location, rural, urban, what have you. No, it is not a big city thing. It is essentially a reflection of our population.

Mr. BONILLA. Thank you. Thank you, Mr. Chairman.

Mr. PORTER. Thank you, Mr. Bonilla. Mrs. Lowey.

Mrs. LOWEY. Thank you, Mr. Chairman and Ambassador Carlson.

Mr. CARLSON. Good morning, Mrs. Lowey. Nice to see you again.

Mrs. LOWEY. Nice to see you.

This hearing has been called to discuss the downsizing of the Corporation for Public Broadcasting. Unfortunately, as we all know today, in spite of our outstanding Chairman's commitment, this exercise is actually designed to pave the way for the new Majority in Congress to abolish public broadcasting altogether. It seems the House Republican leadership has launched an attack against the CPB as wasteful government spending and its "culturally elite."

In my judgment, nothing could be farther from the truth. All of us on this subcommittee know that children are constantly bombarded by violence on TV. We have had these discussions before and we are all sickened by it. Thankfully, there is an alternative for the 83 percent of preschoolers who watch public TV. PBS is the primary source of nonviolent educationally oriented television for millions of children in America. Public television offers our children an island of quality educational programming in a sea of Morphin Power Rangers and Teenage Mutant Ninja Turtles.

Mr. Chairman, I would like to take this opportunity to introduce to you today two witnesses who, frankly, were not called and who are very relevant to this hearing as well. Now, this is Ernie, Mr. Chairman, and this is Bert, Mr. Chairman. And I want to tell you, as a mother of three grown children, I can tell you that the Muppets are among the best friends that not only a kid ever had but any mother has ever had. Anyone who wants to take the Muppets off public television will have a lot of explaining to do to the children of America—and to their parents, too.

Make no mistake about it, Mr. Chairman, this debate is about Big Bird, and Oscar the Grouch, and Barney, and Kermit. And the new Republican Majority has put them on the chopping block.

Mr. Chairman, Mister Rogers' Neighborhood is much more popular than Mr. Gingrich's, and Sesame Street is a far healthier environment for children than Capitol Hill, and the Muppets are far more popular than this Congress and we should think twice before we eliminate them.

So I ask my colleagues, should children be learning from Sesame Street instead of from the streets of a violent society?

Further, some members of Washington's most conservative think tanks have said funding for the CPB represents a subsidy for the cultural elite in our society, and frankly that is an insult to the millions of working and middle-class Americans who watch public TV and listen to public radio every day.

In fact, as Mr. Obey said, low- and middle-income households account for more than half the audience for public television. Fifty-nine percent of regular viewers of public television come from households with incomes of less than $40,000 a year and 48 percent of public radio listeners live in households with combined incomes of under $40,000 per year.

So again I ask? Who says that the middle class does not watch public television or listen to public radio? Maybe what we have is actually a case of the Republican leadership not listening to the American people. So I just ask my colleagues—and I have one very brief question, because my time is up—before you make this decision on this cut, I just think we should all remember Ernie and Bert. I also want to ask Ambassador Carlson, if I am not correct, was not whether Sesame Street offered to commercial television before public television?

And perhaps you can briefly, in the minute or so we have left, explain what happened?

Mr. CARLSON. Yes, ma'am. Mrs. Lowey, I was going to wear my Barney slippers but I was afraid to. Now I wish I had. Thank you.

The response to your question is that Sesame Street 25 years ago was offered by CTW to commercial broadcasters and they turned it down on the very real basis that they could not make money from it through the sales of commercials. Dick Leach, the principal owner of Barney, said to me last night that they too had offered their original tapes to syndication and to commercial broadcasting. The network and syndicators told them it is not broadcasting—emphasis on the broad—meaning it will not bring in sufficient audiences. It will go for one-year-olds to five-year-olds and they will not be buying anything.

They were wrong about that. So, of course, it would not have made it on commercial television.

Mrs. LOWEY. Well, thank you. And for the mothers and the children of the world, Ernie and Bert, we all thank you.

Mr. CARLSON. Thank you.

Mr. PORTER. Thank you, Mrs. Lowey.

[The prepared statement of Honorable Nita M. Lowey follows:]

STATEMENT OF THE HONORABLE NITA M. LOWEY
ON THE
CORPORATION FOR PUBLIC BROADCASTING

Good morning. This hearing has been called to discuss "downsizing" the Corporation for Public Broadcasting. Unfortunately, as we all know, today's exercise is actually designed to pave the way for the new majority in Congress to abolish public broadcasting altogether.

The House Republican leadership has launched an attack against the CPB as "wasteful government spending," and as "culturally elite." Nothing could be farther from the truth, as I'll explain.

All of us on the subcommittee know that children are constantly bombarded by violence on television, and we are sickened by it. Thankfully, there is an alternative for the 83% of preschoolers who watch public TV. PBS is the primary source of non-violent, educationally-oriented television for millions of children in america. Public television offers our children an island of quality, educational programming in a sea of Morphin Power Rangers and Teenage Mutant Ninja Turtles.

Mr. Chairman, I'd like to take this opportunity to introduce two individuals who weren't called as witnesses today, but who are very relevant to this hearing none the less.

This is Ernie, and this is Bert. As a mother of three children I can tell you that the muppets are among the best friends that any kid will ever have. Anyone who wants to take the muppets off public television will have a lot of explaining to do to the children of America. And their parents too. Make no mistake: this debate is about Big Bird, and Oscar the Grouch, and Barney, and Kermit. The new Republican majority has put them on the chopping block.

Mr. Chairman, Mr. Rogers' Neighborhood is much more popular than Mr. Gingrich's. Sesame Street is a far healthier environment for children than Capitol Hill. The muppets are far more popular than this Congress, and we should think twice before we eliminate them.

So I ask my colleagues: shouldn't children be learning from Sesame Street instead of from the streets of a violent society?

Further, some members of Washington's most conservative think tanks have said that funding for the CPB represents a subsidy for the "culturally elite" in our society. Frankly, that's an insult to the millions of working and middle-class americans who watch public television and listen to public radio every day.

-- more --

In fact, low and middle-income households account for more than half the audience for public television! Fifty-nine percent of regular viewers of public television come from households with incomes of less than $40,000 a year. And 48% of public radio listeners live in households with combined incomes of under $40,000 per year.

So again, I ask: who says that the middle-class doesn't watch public television or listen to public radio? Maybe what we have here is a case of the Republican leadership not listening to the American people.

So, my colleagues, in conclusion, before you make this cut, just remember Ernie and Bert.

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Mr. PORTER. Mr. Miller.

Mr. MILLER. Thank you, Mr. Chairman.

The statement by the gentlelady from New York brings up the whole problem we are facing with balancing a budget. I am a very strong fiscal conservative and my argument and debate on the issue of the Corporation for Public Broadcasting is not so much the elite argument as it is we have to balance the budget. The American people spoke on November 8 in saying that government is too big and spends too much and we have to look at everything.

Tuesday, this subcommittee was out at NIH looking at gene research, cancer research, and we had the Secretary of HHS in talking about Head Start. There are so many programs but we have to ask the basic question, the basic question is what is the role of the Federal Government in this.

When we go back to 1967, when public television was created it was a different era in television. Basically, the three major networks dominated. Things have changed dramatically in the past 25 years and we are on the verge of another major expansion in telecommunications and we will probably pass some legislation, if not this year, next year, where we will open it up dramatically with the telephone companies being able to get into television and wireless television and such. There are so many things getting ready to happen.

So the argument and debate from back in the days of Sesame Street in the late 1960s and early 1970s is a very different argument today. The argument that keeps me enthroned is are we going to lose Barney and Ernie and Bert and all that. That is not the argument; we will keep those. That is not the argument. The argument is the rest of cable television, whether it will take on the support for educational programs and such.

As George Will made the statement, intellectually, it is easy to balance the budget but politically it is very difficult, and when we start talking about Ernie and Bert and Barney and all that, you are making it politically very difficult. But we have to balance that budget. We have no choice, in my opinion.

FIVE-YEAR PLAN

So, how do we justify not looking at and say let us put it on a glide path to elimination of Federal funding over a five-year period? I think it is really a risky thing to say we will cut you all off this year maybe. That is not a fair position, but start that glide path to go to privatizing.

A lot of companies have done downsizing and are able to downsize by 10 percent and are able to go out and privatize organizations and such. Should we be in that function? So I have a hard and difficult position to say we need to keep doing this and keep doing this, especially with the telecommunications that will make it available to the rural areas of America.

It seems like it is even going to be harder to justify that. It seems you could be stronger if you could get away from the Federal purse strings that are going to be there and you know you are going to be cut every year. Even Mr. Obey acknowledges that. So it seems you should be able to move towards that glide path. So what sort of contingency plans do you have to move towards, say, a five-year game plan to cut that cord to the Federal Government of Federal funding? Because you are not going to go out of existence.

Maybe some small stations will go out of existence but they will still get it from the satellite or the new telephone companies bringing on these services. What would your plan be over the five-year period?

Mr. CARLSON. I cannot give you specifics, Mr. Miller, but we are working on such a plan. I would expect we could work with the staff and this committee and other relevant committees on such a plan and on the details. The devil is in the details of this.

I think you framed the question, I had said this earlier, about survival of public broadcasting perfectly. It is a question as to whether this is worth it to the elected Representatives of the American people. All the other things are somewhat irrelevant. There are some people who really do not like public broadcasting for sometimes emotional reasons. They are few and far between and their arguments sometimes get presented.

I think the argument you have made and the Chairman has made is perfectly right. You have to decide whether this is worth it. There are a lot of elements that must be considered. We have presented some to you and we will present others in writing to this committee as they are developed.

I want to mention to you when you discuss CPB and its values, that I had a call last night from Ambassador Walter Annenberg. You may not know this, but Ambassador Annenberg has been an enormously generous American, one of the most generous. He has given $750 million in the last 15 months to educational projects in America. What you may not know is there is a project called Annenberg/CPB. The Ambassador has given us, since 1984, $125 million that we have expended on teaching math and science more effectively to tens of thousands, perhaps hundreds of thousands, of students in this country. It has been very, very effective. It is now used by 1,600 or so universities.

That is part of what the Corporation does. We hardly ever mention it to you, but it is something that the Federal dollar has played a part in and it is very important. There are many things like the Annenberg participation that must be closely examined before making significant cuts in the Federal budget.

Mr. Bonilla made a terribly interesting point. Could we do this—public broadcasting—today with the costs that we have for things? We probably could not. The investment has been enormous, and it was made at times where things were so less expensive. The investment of the Federal Government and the taxpayers have made in this unique and very well functioning system has to be considered.

Mr. MILLER. Thank you.

Mr. CAUTHEN. I would like to point out the fact that I agree with you that the technology is moving very rapidly, but it will be 20 years before fiber optics will be universally available in the country. Satellites are certainly there, but a satellite dish at best is $750, and then you have your monthly program rental of about $30. That $700 would buy you 700 years of public broadcasting.

In the perspective of things, it is I think one of the best investments that the Federal Government is making right now to serve not only rural America, but all America.

Mr. PORTER. Thank you, Mr. Miller.

Mr. Hoyer.

Mr. HOYER. Thank you, very much, Mr. Chairman. I apologize, Mr. Ambassador, for missing your testimony. I am the Ranking Member on another committee and we are having contemporaneous meetings.

Mr. CARLSON. Not at all, Mr. Hoyer. Thank you for saying that.

Mr. HOYER. But I will read your testimony.

I was here for Mr. Livingston's opening statement. I am one of those Democrats who has the last two times voted for the balanced budget amendment. It is my intention to vote for the balanced budget amendment this time, the Stenholm version of that amendment. I do so because I believe we have a fiscal crisis confronting the country. We are putting my granddaughter, who is eight years of age, into a position where she will have no discretionary dollars to spend 20 years from now, on CPB or anything else, if we do not get a handle on this.

But I think it is fundamentally dishonest and undermines the quality of debate if we do not recognize that the dollars that the Appropriations Committee deals with, in terms of discretionary financing, are the only item of the budget that has gone down in the last 14 years. The only item in the budget that has gone down in the last 14 years is the amount of dollars that we deal with. It is not the Appropriations Committee or the application of discretionary dollars that is causing us to budget deficit.

As a matter of fact, in 1953 we spent 18.3 percent of GDP on discretionary spending in this country through the Federal budget process. In fiscal year 1995 we are going to spend less than 8 percent. Now, as all of us on this committee know, it is not because the percentage of dollars that we spend of the GDP has gone down substantially. It has not. But it is because entitlements have risen very, very rapidly. Now, that is a controversial subject.

Mr. Miller talked about intellectually making decisions and politically making decisions and George Will saying intellectually it was easy to balance the budget. I am not sure it is either intellectually or politically easy, but I know it is not politically easy. But it will not be made easier if we do not tell the American public the truth.

I was not here for Mr. Obey's full statement. This is a very, very, very small percentage of the discretionary dollars, much less than the $1.5 trillion that we spend. That does not mean by any stretch of the imagination we should not determine whether or not the $258 or $300 million that this committee allocates to this objective is, in fact, cost effective for the American taxpayer.

We have some fundamental problems in this country. Violence is a big problem. Newton Minow referred to broadcasting as a wasteland. I think he was probably right then, and I certainly think to a large degree he is right now, in the sense that much of what we see on television is, A, not fit and, B, undermines the values of this country and the performance of this country.

I look at the talk show hosts, and I don't have a TV Guide in front of me right now, either with the Contract or without it in front of me. I guarantee you if I go through the subject matter, that Sally Jesse Raphael, Geraldo, and Oprah—although Oprah is getting better, by the way, in my opinion. I want to say that because I think she is dealing with a higher level of subject. We deal with some of the most dysfunctional behavior in America, as if that ought to govern. We did the Bobbitt trial on CNN gavel to gavel, and projected that throughout the world as something that America thought was important. Disgraceful.

And if, in fact, commercial television is in many respects a wasteland of dysfunctional behavior and trash and violence, public broadcasting is an island of sanity and of thought and of elevation of our culture and human spirit in America. And it is on that basis that we ought to make this judgment.

I think it is correct for people to raise the issue. If we do not do it, will it survive? I think that is a proper question, because, clearly, one of the reasons that in Maryland, as a State senator, I supported our public broadcasting, and why I have supported the Corporation for Public Broadcasting at the Federal level, is because I am not confident that we would have the quality programming and the access to programming that we have without the public sector leveraging. In fact, we only pay 14 percent and through that leveraging we get the other 86 percent, hurray for us. Isn't that many a great success?

My time is up, as the sports broadcaster in our town says. Thank you for yours.

Mr. CARLSON. Thank you for yours very much, Mr. Hoyer.

Mr. PORTER. Thank you, Mr. Hoyer.

Mr. HOYER. You do not have to answer that question.

Mr. CARLSON. Yes, sir.

Mr. PORTER. Mr. Riggs.

Mr. RIGGS. Thank you, Mr. Chairman.

Good morning, Mr. Ambassador.

Mr. CARLSON. Mr. Riggs.

Mr. RIGGS. I appreciate the gentleman's remarks from Maryland, but let me ask you a question or let me premise my question first with the comment and observation that in a capitalistic society commercial broadcast for profit media is probably responding to consumer taste. And as that media expands to meet the market need, I think those tastes are going to be reflected in more and more diverse programming.

DUPLICATION IN PROGRAMMING

But let me ask you, how much overlap or duplication is there between programs or programming that is shown on commercial broadcast media and programming that is also shown on public broadcasting stations?

Mr. CARLSON. There is some, Mr. Riggs, but there is not very much. I must say that there are arguments that sometimes the media leads public taste, as opposed to simply to responding to them. Of course with commercial broadcasting, and I don't want to make invidious comparisons, there is a necessary descending to the lowest common denominator in the strongest possible way to draw in audiences. Therein lies the problem often with trash television.

Mr. RIGGS. I am a self-admitted political junkie, otherwise I would not be sitting here, but I know on one coast I can watch the McLaughlin Group commercial free, and on this coast I may have to watch it with commercials, and I suspect that that occurs with other programs, in a certain percentage of programming.

Mr. CARLSON. Yes.

Mr. RIGGS. In large metropolitan areas, there is strong support for public television. In your testimony, there is a reference to KQED, which is probably your flagship station on the West Coast, or certainly in the San Francisco Bay area.

Here in the Washington-Baltimore area, there are four PBS stations currently operating. My question is how many PBS stations serve a metropolitan area of less than 250,000? And do these stations receive a larger share of their budget from CPB?

Mr. CARLSON. I don't know the specific numbers of stations, but there are stations throughout the country serving geographical sites of less than 250,000 in population. Invariably, and as a rule, the smaller stations do receive a much larger percentage of Federal funds on a direct basis from us than do the biggest of the stations. They also receive, as I alluded before, indirect support. Costs are picked up by us that would, in fact, be borne by them if we had not done so. So the Federal contribution to some of those larger stations is even in greater sum than we normally spell out in our statements.

Mr. RIGGS. Could I get a specific answer to my question for the record at your convenience?

Mr. CARLSON. Yes, sir, of course.

Mr. RIGGS. I think it is important in light of the argument that if we are to cut altogether funding Federal taxpayer subsidies for the Corporation for Public Broadcasting, the stations to suffer the most will be the rural public television and radio stations.

[The information follows:]

In general, stations that serve metropolitan areas of less than 250,000 people receive a larger share of their budgets from the federal government because stations that serve larger areas are able to draw on a larger pool of outside support. However, federal money is vital seed money for stations serving larger areas, although it constitutes a smaller percentage of these stations' overall budgets. That seed money is able to generate increased outside support, such as membership revenue, underwriting revenue, foundation support and the like. This outside support in turn funds programming that is distributed throughout the system and supports the schedules of stations serving smaller areas.

The smaller area stations do not have the same pools of outside support to draw on as larger area stations. Therefore, CPB funds are even more vital to sustaining their activities. Just as important, however, is the programming that larger area stations produce with CPB support because it represents a stable source of high-quality programming around which the smaller stations can build a schedule, raise money and complement with local programming.

Following is a list of stations that serve areas of less than 250,000 people. A majority of these stations receive a grant directly from CPB. However, some of these stations are parts of state networks that apply for a single grant from CPB and then distribute the grant accordingly.

CPB-SUPPORTED TELEVISION STATIONS
LOCATED IN METROPOLITAN STATISTICAL AREAS
WITH POPULATIONS OF LESS THAN 250,000

WUSI	OLNEY	IL
WIPM	MAYAGUEZ	PR
KCDT	COEUR D'ALENE	ID
WABW	PELHAM-ALBANY	GA
KLPA	ALEXANDRIA	LA
KACV	AMARILLO	TX
KAKM	ANCHORAGE	AK
WUNF	ASHEVILLE	NC
WGTV	ATLANTA	GA
WMEB	BANGOR-ORONO	ME
KBME	BISMARCK	ND
WTIU	BLOOMINGTON	IN
KAMU	COLLEGE STATION	TX
WETK	BURLINGTON	VT
WILL	URBANA	IL
WHTJ	CHARLOTTESVILLE	VA
WDSE	DULUTH	MN
KFME	FARGO	ND
KAFT	FAYETTEVILLE	AR
WFIQ	FLORENCE-RUSSELLVILLE	AL
WJPM	FLORENCE	SC
WUFT	GAINESVILLE	FL
KGFE	GRAND FORKS	ND
WPNE	GREEN BAY	WI
WNTV	GREENVILLE	SC
WRET	SPARTANBURG	SC
KIIN	IOWA CITY	IA
WMPN	JACKSON	MS
WUNM	JACKSONVILLE	NC
KOZJ	JOPLIN	MO
WHLA	LA CROSSE	WI
KLTL	LAKE CHARLES	LA
KRWG	LAS CRUCES	NM
WCBB	AUGUSTA-LEWISTON	ME
KUON	LINCOLN	NE
KTXT	LUBBOCK	TX
KSYS	MEDFORD	OR
WBCC	COCOA	FL
KLTM	MONROE	LA
WIPB	MUNCIE	IN
KYUK	BETHEL	AK

CPB-SUPPORTED TELEVISION STATIONS
LOCATED IN METROPOLITAN STATISTICAL AREAS
WITH POPULATIONS OF LESS THAN 250,000

KUAC	FAIRBANKS	AK
KTOO	JUNEAU	AK
WIIQ	DEMOPOLIS	AL
WDIQ	DOZIER	AL
WGIQ	LOUISVILLE-TEXASVILLE	AL
WCIQ	MT. CHEAHA	AL
KETG	ARKADELPHIA	AR
KTEJ	JONESBORO	AR
KEMV	MOUNTAIN VIEW	AR
KEET	EUREKA	CA
WDPB	SEAFORD	DE
WCLP	CHATSWORTH-DALTON	GA
WDCO	COCHRAN-MACON	GA
WACS	DAWSON-AMERICUS	GA
WXGA	WAYCROSS-VALDOSTA	GA
KMEB	WAILUKU	HI
KTIN	FT. DODGE	IA
KYIN	MASON CITY	IA
KHIN	RED OAK	IA
KUID	MOSCOW	ID
KISU	POCATELLO	ID
WSIU	CARBONDALE	IL
WEIU	CHARLESTON	IL
WSEC	JACKSONVILLE-SPRINGFIELD	IL
WMEC	MACOMB	IL
WQEC	QUINCY	IL
WVUT	VINCENNES	IN
KOOD	HAYS-BUNKER HILL	KS
KSWK	LAKIN	KS
WKYU	BOWLING GREEN	KY
WKGB	BOWLING GREEN	KY
WKZT	ELIZABETHTOWN	KY
WKHA	HAZARD	KY
WKMA	MADISONVILLE	KY
WKMR	MOREHEAD	KY
WKMU	MURRAY	KY
WKON	OWENTON	KY
WKPD	PADUCAH	KY
WKPI	PIKEVILLE	KY
WKSO	SOMERSET	KY
WGPT	OAKLAND	MD

CPB-SUPPORTED TELEVISION STATIONS
LOCATED IN METROPOLITAN STATISTICAL AREAS
WITH POPULATIONS OF LESS THAN 250,000

WCPB	SALISBURY	MD
WMED	CALAIS	ME
WMEM	PRESQUE ISLE	ME
WCML	ALPENA	MI
WUCX	BAD AXE	MI
WCMV	CADILLAC	MI
WCMW	MANISTEE	MI
WNMU	MARQUETTE	MI
WCMU	MT. PLEASANT	MI
KWCM	APPLETON	MN
KSMQ	AUSTIN	MN
KAWE	BEMIDJI	MN
KAWB	BRAINERD	MN
KMOS	WARRENSBURG-SEDALIA	MO
WMAE	BOONEVILLE	MS
WMAU	BUDE	MS
WMAO	GREENWOOD	MS
WMAW	MERIDIAN	MS
WMAB	MISSISSIPPI STATE	MS
WMAV	OXFORD	MS
KUSM	BOZEMAN	MT
WUND	COLUMBIA	NC
WUNK	GREENVILLE	NC
WUNE	LINVILLE	NC
WUNP	ROANOKE RAPIDS	NC
KDSE	DICKINSON	ND
KSRE	MINOT	ND
KWSE	WILLISTON	ND
KTNE	ALLIANCE	NE
KMNE	BASSETT	NE
KHNE	HASTINGS	NE
KLNE	LEXINGTON	NE
KRNE	MERRIMAN	NE
KXNE	NORFOLK	NE
KPNE	NORTH PLATTE	NE
WEKW	KEENE	NH
WLED	LITTLETON	NH
KENW	PORTALES	NM
WNPI	NORWOOD	NY
WCFE	PLATTSBURGH	NY
WNPE	WATERTOWN	NY

CPB-SUPPORTED TELEVISION STATIONS
LOCATED IN METROPOLITAN STATISTICAL AREAS
WITH POPULATIONS OF LESS THAN 250,000

WOUB	ATHENS	OH
WOUC	CAMBRIDGE	OH
WPBO	PORTSMOUTH	OH
KWET	CHEYENNE	OK
KOET	EUFAULA	OK
KOAB	BEND	OR
KOAC	CORVALLIS	OR
KTVR	LA GRANDE	OR
WEBA	ALLENDALE-BARNWELL	SC
WJWJ	BEAUFORT	SC
WHMC	CONWAY	SC
WNEH	GREENWOOD	SC
WRJA	SUMTER	SC
KDSD	ABERDEEN	SD
KESD	BROOKINGS	SD
KPSD	EAGLE BUTTE-FAITH	SD
KQSD	LOWRY	SD
KZSD	MARTIN	SD
KTSD	PIERRE	SD
KUSD	VERMILLION	SD
WCTE	COOKEVILLE	TN
WLJT	LEXINGTON-MARTIN	TN
WMSY	MARION	VA
WSBN	NORTON	VA
WVPT	HARRISONBURG-STAUNTON	VA
WVER	RUTLAND	VT
WVTB	ST. JOHNSBURY	VT
WVTA	WINDSOR	VT
KCKA	CENTRALIA	WA
KWSU	PULLMAN	WA
WHWC	MENOMONIE-EAU CLAIRE	WI
WLEF	PARK FALLS	WI
WSWP	GRANDVIEW-BECKLEY	WV
WNPB	MORGANTOWN	WV
KCWC	LANDER-RIVERTON	WY
KFTS	KLAMATH FALLS	OR
KIPT	TWIN FALLS	ID
KJRE	ELLENDALE	ND
KOCV	ODESSA	TX
WFSG	PANAMA CITY	FL
WMEA	PORTLAND-BIDDEFORD	ME

CPB-SUPPORTED TELEVISION STATIONS
LOCATED IN METROPOLITAN STATISTICAL AREAS
WITH POPULATIONS OF LESS THAN 250,000

KTSC	PUEBLO	CO
KBHE	RAPID CITY	SD
KIXE	REDDING	CA
KTNW	RICHLAND	WA
WBRA	ROANOKE	VA
KSIN	SIOUX CITY	IA
WNIT	SOUTH BEND	IN
WPSX	CLEARFIELD-UNIV. PARK	PA
WFSU	TALLAHASSEE	FL
KTWU	TOPEKA	KS
KCTF	WACO	TX
KRIN	WATERLOO	IA
WHRM	WAUSAU	WI
WUNJ	WILMINGTON	NC
KYVE	YAKIMA	WA

TOTAL COUNT: 179

Mr. RIGGS. Now, let me ask another question. Several shows on PBS, as you have pointed out in your testimony, have been huge successes, especially children's shows, and we have had references this morning to Sesame Street and Barney.

Can you tell me the gross revenues for enterprises like Sesame Street and Barney both in direct revenue and the marketing of video tapes and toys related to the programs?

I would also like to know what salaries are paid to those employed by those two shows and what changes you might be able to bring about in this area to make CPB truly self-sustaining and self-supporting.

Mr. CARLSON. Yes, I can. In some ways I will certainly try.

Let me focus a little on Barney. I mentioned some of this before. I don't want to be repetitive but I want to answer your question, certainly.

The relationship with Barney and public broadcasting began three years ago. The show itself has grown in popularity and has brought in lots of money to public broadcasting by virtue of that popularity. CPB, and PBS put money into the production of Barney. We now have contractual agreements we did not originally have back at the inception of this broadcast that promise, in effect, to replace all of the funds we have put in from public broadcasting into the Barney shows.

Of course the producer, producers themselves, bore the cost of this in a typical free market fashion and the risk of losing their sums initially. Consequently, they expect, rightly in my opinion, to draw most of the revenue back to themselves because it is such a risky venture.

Mr. RIGGS. Excuse me, Ambassador. I know time is short and I want to ask a quick follow up.

Given the enormous revenues that have been generated by these popular successes, does that actually provide you with a market incentive, an entrepreneurial motive to reexamine some of your licensing agreements and some of your production agreements so that, again, you can put CPB on a self-supporting, self-sustaining footing?

Mr. CARLSON. It certainly has spurred that interest in all of public broadcasting, without question, and it is quite proper that they have done so. There have not been many commercial successes in public broadcasting. But there have been a couple of big ones. Sesame Street is one, Barney is another, the Civil War is another. In all of those instances there is now under way, or has been in the recent past, contractual agreements that will bring back funds to public broadcasting. But it is not a common situation.

I must say I am also sort of amazed. It is a good thing these shows are successful, yet they immediately draw—and I don't mean from you—fire of the most interesting kind. There is strong dislike of the fact they have been successful on the part of some critics, not Congressman Rohrabacher over there, who is smiling at me.

Mr. RIGGS. I think it is wonderful and I want to see you expand on those successes. Thank you, Mr. Chairman.

Mr. PORTER. Thank you, Mr. Riggs.

Mr. Wicker.

Mr. WICKER. Thank you, Mr. Chairman, and I guess I have an observation in response to the statement of my new colleague, Mr. Hoyer.

I have observed him for many years and I have a great deal of respect for his opinion, and I am a fan of public broadcasting. I listen to the Morning Edition, All Things Considered, and certainly the various television programs in my State of Mississippi. But Mr. Hoyer has touched on something very important, and that is that he says he is for a balanced budget and he is going to put his vote where his heart is a week from now and vote for a balanced budget amendment. And he acknowledges we cannot balance the budget through the discretionary money alone. We are going to have to look at entitlements by the very statement that he makes. We are going to have to make tough votes on entitlements; including medicare and medicaid, presumably. I don't intend to speak for the gentleman but he certainly told you and this audience where the money is.

Certainly there is money in national defense, something that is vitally important to this Nation. We will have to look at defense. We are going to have to look at everything, except social security, which is off the table, and I think properly so.

And so I would just observe for those in the room today that I do not see how we can make the tough, tough decisions on the entitlement programs, things that are vitally important to the future of the United States—health care, national defense, our own international security—without being willing to make a very tough and perhaps unpleasant decision with regard to the Corporation for Public Broadcasting.

So I would simply say to you, Mr. Chairman, that I commend you for having contingency plans. I think that public broadcasting will prevail ultimately and I think, actually, we have a tougher job in balancing the budget with these very difficult decisions that Mr. Hoyer has outlined than you do in succeeding under austere budgetary circumstances.

Mr. CARLSON. Thank you, Mr. Wicker. I agree with you. And I know I speak for Hank Cauthen as well when I say that we have the utmost respect for the argument having to do with facing up to these terrible decisions about who is going to be funded and to what extent they will be funded.

We look forward to working with the Chairman of this committee and the Members in restructuring, to the extent that your decisions about Federal funding require, those parts of public broadcasting that will be affected.

Mr. WICKER. Thank you.

Mr. PORTER. I want to thank Mr. Carlson and Mr. Cauthen for spending——

Ms. PELOSI. Mr. Chairman, may I ask you one question?

Mr. PORTER. You may ask me one question.

Ms. PELOSI. I will be very brief. Would it be possible to have our witnesses or Ambassador Carlson give us for the record the number of small donors, under $100, that comes in to the whole system for public television, for public broadcasting?

Mr. CARLSON. Yes, I think we have even a breakdown. It is about 5 million people but I don't know that hundred dollar figure applies necessarily. I am sure it does not totally. I will get the figures and submit it for the record.

[The information follows:]

According to PBS, 75% of the approximately five million contributors to public television (or approximately 3.75 million) donate less than $100 over the course of one year.

According to an informal poll of a dozen representative public radio stations, approximately 84% of conributors donate less than $100. This translates to approximately 1.34 million of the 1.6 million annual contributors.

Ms. PELOSI. In the interest of time, I will turn it back. Thank you, Mr. Chairman.

Mr. PORTER. Thank you, Ms. Pelosi.

We again want to thank Mr. Carlson and Mr. Cauthen.

We are going to have Members of Congress following you right now. You are welcome to stay and listen to them, if you would like. This afternoon we are going to have two panels, one of detractors, I would say, the other of supporters, and we will meet with them between the hours of 2:00 p.m. and 5:00 p.m. and, again, you are welcome to be a part of the audience.

We thank both of you very much. We will obviously take your testimony, which is very candid and direct, and we appreciate it very much, under advisement.

Mr. CARLSON. Thanks for listening to us, Mr. Chairman.

Mr. CAUTHEN. Thank you, very much, yes.

[The following questions were submitted to be answered for the record:]

Mr. Dickey: Given the limited amount of available funding and the certainty that some programs will be funded and others will not, what criteria do you use to determine which programs will receive funding and which will not? What do you believe our role should be, in this Committee and Congress as a whole, to choose which programs to fund and which programs to deny funding? Do you believe it is a proper role of government to make these broadcast programming decisions? If so, why?

Mr. Carlson: CPB's Television and Radio Program Funds select programs for funding through mechanisms that involve staff and peer review of proposals. Their priorities for programs for the national public broadcasting schedule are determined through the annual Statement of Programming Objectives and the Radio Program Fund's priorities--both approved by the CPB Board. The Statement of Programming Objectives is based on consultation with pubic broadcasting officials, essays expressing the opinions of experts in the various areas treated in the Statement, and an evaluation of current pubic opinion polls on cultural, social, and economic issues. The current Statement of Programming Objectives and Radio Program Fund's priorities are attached.

The Television Program Fund is required by law to use, "to the extent practicable," peer panels and outside evaluators in its decision-making process. Panels are advisory, and final funding decisions rest with the director of the Television Program Fund, the senior vice president of programming, and the president of CPB, based on the panels' recommendations. The Television Program Fund also adheres to the annual CPB Board-approved Statement of Programming Objectives (SPO). This list of themes reflects priorities of the American viewing public. PBS national programming officials also incorporate the annual statement into their planning.

The mechanisms CPB uses to attract program ideas include content specific solicitations that employ invitations for proposals sent to more than 7,000 independent producers and 350 public television stations. CPB also conducts general program review that involves formal staff evaluation of the large number of over-the-transom, or unsolicited, proposals which arrive at the Fund. Additionally, the Television Program Fund commissions production teams to research and develop ideas around a specific priority for public broadcasting audiences. The CPB/PBS Challenge Fund also awards grants, where CPB Television Program Fund staff first review all proposals, station and independent producers further evaluate and recommend finalists, and the director of the Television Program Fund, consulting with the executive vice president of Programming and Promotion at PBS, makes the final decisions on awarding grants.

The role of Congress and the committee is precluded from the decision-making process for program funding by the legislation under which CPB is authorized. [Public Telecommunications Act, Sec. 398 (c), which prohibits federal interference in or control of program content].

Mr. Dickey: In what ways do you and the Corporation for Public Broadcasting make programming decisions to ensure that only proper and decent programming is made available to minors on public television and radio? How has this method changed over the past year or two?

Mr. Carlson: In its panel and review processes, CPB draws upon child experts in many fields in reaching decisions on children's program proposals. In addition, it is standard operating and development procedure for the producers of programming for minors to use child experts in the planning and review of television projects. CPB takes into account the stature and input of these advisory professionals in its evaluation of children's or educational projects.

Otherwise, the Corporation, by law, does not control the scheduling or selection of programs on public radio or television stations and therefore has no input into the program offerings during various times of day. The manner of program decision-making within CPB related to children's programs has not changed over the past year or two.

Mr. Dickey: Does the Freedom of Information Act apply to the Corporation for Public Broadcasting? If not, why not?

Mr. Carlson: As a private, nongovernmental corporation, CPB is not subject to the Freedom of Information Act (FOIA). Congress specifically removed CPB, in 1974, from a list of organizations to which FOIA would apply.

However, it has long been and remains CPB policy to follow the spirit of FOIA. Under this policy, CPB will disclose any information in its file other than exempt information of a nature consistent with the types of information which is statutorily exempt under FOIA, and consistent with CPB's private status and program-related activities covered by the First Amendment and the Public Broadcasting Act.

[Exempt information includes: proprietary commercial information of a privileged or confidential nature; internal documents reflecting the deliberative process prior to the formulation of a final policy or decision; internal working papers; confidential personal information (such as a specific individual's salary, release of which would constitute an invasion of personal privacy, except that the salaries of CPB officers are considered public information); and other information which, if released, could impair the Corporation's capacity to carry out its mandated responsibilities free from governmental direction, supervision or control.]

Mr. Dickey: Does CPB scrutinize the practices of public television and radio stations that receive CPB money to ensure that federal tax dollars are segregated from those dollars used to pay for lobbying and advertising? If not, why not?

Mr. Carlson: Stations are required to account to CPB for the use of CPB funds. CPB recently reminded the stations that they may not use any federally appropriated funds for any lobbying-type activities, and that they need to account for any such expenditures in a way that would enable auditors to verify that no CPB funds have been used for such purposes. CPB will monitor station compliance.

Whereas stations are permitted to engage in lobbying activities so long as they do not use federally appropriated funds, public radio and TV stations are prohibited from advertising, under Section 399(b)(2) of the Communications Act of 1934, as amended. Accordingly, CPB's Office of Inspector General audits stations to ensure that this prohibition is not being violated if it receives any inquiry or allegation indicating that there may be a problem.

Mr. Dickey: Are you certain no federal money was used to finance the recent letter writing campaign by public television and radio stations? How do you come to your conclusions?

Mr. Carlson: It is not possible for CPB to be absolutely certain about the activities and expenditures of any station. However, we are taking every step we can to ensure that no federally appropriated funds are used by any station for letter writing campaigns or any other activity that may constitute lobbying.

In addition to our recent reminder, all stations receiving community service grants and other similar operational grants will be required to certify, in order to be eligible for the next payment in March, that they will not use CPB funds for these prohibited purposes. In addition, CPB will monitor station compliance to verify, among other things, that the stations are not using CPB funds for lobbying.

Restricted CPB grants (e.g., production funding grants) contain terms prohibiting the use of such funds for any purpose other than the narrowly stated purpose of the grant, and periodic audits ensure that there is no improper use. We are not aware of any case in which an audit disclosed use of restricted grant funds for lobbying activities.

Mr. Dickey: What standards do you and CPB employees follow to ensure ethical behavior? (Please supply a copy of any printed rules of conduct or policy directives.) Are you held to the same ethical standards to which we hold commercial broadcasters? Has any CPB employee, officer or director ever been disciplined for any breach of ethics rules? If so, what were the circumstances?

Mr. Carlson: CPB Directors, officers, employees and personal services contractors abide by a Statement of Ethical Conduct, a copy of which is attached. We do not know to what ethical standards commercial broadcasters are held, but would be surprised if our standards are not at least as strict.

CPB Personnel Policies (#107 and #402) (also attached) state that failure to comply with the terms of the Statement of Ethical Conduct will lead to immediate dismissal. To our knowledge, no one has ever had to be dismissed or otherwise disciplined for failure to comply with the terms of this Statement. There have, however, been instances in which employees had to be dismissed because of deliberate falsification of written records or misuse of corporate funds or property. Such instances are an unfortunate part of any business from time to time. As would any responsible and well-managed organization, CPB handles these situations quickly and thoroughly.

REVITALIZING THE VISION: DEVELOPING THE BEST IN PUBLIC TELEVISION PROGRAMMING

The Corporation for Public Broadcasting's 1994 Statement of Programming Objectives For Public Television

January 1994

INTRODUCTION

The Corporation for Public Broadcasting issues this 1994 *Statement of Programming Objectives* as part of its ongoing efforts to revitalize the vision of outstanding public television programming for the American people. The *Statement* renews and reaffirms the eight objectives from the 1993 *Statement*--education, health, culture, children, America's international roles, government, history, and community. CPB strongly encourages producers to include these themes as they develop the best in public television programming during coming years.

Titled *Revitalizing the Vision: Developing the Best in Public Television Programming,* this fourth annual *Statement* highlights themes gleaned from a needs assessment that included responses from public television leaders and essays by experts in the various topic areas as well as an evaluation of major national public opinion polls on cultural, social, and economic issues. The poll evaluation revealed that 13 of the 15 issues mentioned most frequently by the public during the past five years are addressed by five of the program objectives: education, health, America's international roles, government, and community. The essays submitted by experts in the topic areas serve as Appendix A to this document, and the national public opinion poll data are in Appendix B.

In a 1990 report to Congress, CPB outlined a plan by which public television could better serve the American public with outstanding national programming. That plan, titled *Meeting the Mission in a Changing Environment,* was implemented in 1991 through an Agreement between CPB and PBS. The Agreement calls for CPB to conduct an annual needs assessment to determine programming themes that interest the public television audience, and the annual *Statement of Programming Objectives* is based on that assessment. Under the Agreement, the PBS Chief

Programming Executive shapes a program plan that responds to the needs identified in the *Statement of Programming Objectives*.

The first set of programming objectives in 1991 drew largely upon consultation with opinion leaders, the general public, and the public television community. In 1992, the same groups recommended the addition of "community" issues as an objective and the de-emphasis of the "environment," which was among the 1992 objectives. CPB concluded that the "environment" theme should be held at a maintenance level and renewed only if programming on that theme decreased noticeably. This 1994 Statement does not eliminate any of the 1993 objectives but refocuses and expands them to include new approaches and topics.

CPB's authorizing legislation for 1994-96, the Public Telecommunications Act of 1992, reiterated that CPB develop "public telecommunications in which programs of high quality, diversity, creativity, excellence, and innovation, which are obtained from diverse sources, will be made available to public telecommunications entities, with strict adherence to objectivity and balance in all programs or series of programs of a controversial nature." CPB expects PBS to cooperate closely in accommodating the wishes of Congress as to "strict adherence to objectivity and balance in all programs or series of programs of a controversial nature."

As an outgrowth and continuation of its predecessors, the 1994 *Statement of Programming Objectives* continues to set forth the ways in which public television can explain, amplify, and respond to the major issues in American society by developing the best in public television programming. The eight themes discussed here are a framework within which to fashion a schedule that is second to none, where viewers find excellent programming that enlivens the imagination, satisfies the curiosity, and sharpens the mind.

1994 Programming Objectives for Public Television

Education–Showing What Works and Involving Everyone

Public television's commitment to education is rooted in the first programs it aired. In succeeding years, programs for classroom instruction and those like *Sesame Street* and *Mr. Rogers' Neighborhood* for preschool-age children have earned many accolades. Between June 1988 and June 1993, education was mentioned as the most important issue facing the country by some Americans in 92 percent of major polls. Problems like illiteracy, scholastic standards, and grade erosion--which received national coverage in public television programs--led the nation's governors to set education goals for the country to reach by the year 2000. Today public television is spearheading efforts that will help youngsters enter school ready to learn and will train teachers how to use new technology, such as interactive video, to increase their effectiveness in the classroom.

National programming about education can explain new trends--"what works"--and explore the methods, approaches, and successes of outstanding schools and teachers. These programs can highlight ways of working with the disadvantaged, the physically handicapped, and the ill, particularly those with AIDS. By avoiding predictable stories about what is wrong with the education system, producers can show how parents, single people, and the elderly can be involved in the educational process.

Programming about education can highlight the classroom's impact in solving workforce problems, such as job retraining, and emphasize the importance of education in the emerging global economy. Producers can provide examples of civic collaboration where citizens volunteer to solve education problems in a community, with emphasis on such topics as reducing illiteracy. Outreach projects can also be useful, especially as related to educational use of primetime shows, with viewers' guides and supplementary reading materials.

Health—Presenting Alternatives and Examining Results

In 69 percent of the major polls conducted in the past five years, health care received some mention as the most important issue facing the country. Within that context, the introduction of a new national health plan provides public television with a unique opportunity to present programming that deals with implications of the plan that have no other spokespersons. Public television is the public's natural representative, and it can ensure that the debate includes all points of view. Programming can extend beyond news briefs and other public affairs efforts that generally present only highlights or predictable coverage dictated by daily exchanges from Capitol Hill or the White House.

Over the next few years, programming can record the new health program's possibilities and shortcomings. Producers can delve into how the new plan broadens the services of some who lack them or face barriers to getting those services. They can show how those who have not been able to pay for health care and health insurance will be able to do so. Programs can feature the complex systems associated with poor health--preventable diseases, poverty, personal behavior, or lack of exercise--and focus on the individual's responsibility for his or her health.

A whole range of health-related topics can be given in-depth treatment, such as the value of medical testing, the side effects of medication, the results of healthy living--wellness--as it pertains to longevity, and the need to care for the growing elderly population.

Culture--Embracing Traditional and Cutting Edge Programs

The *quality* of public television's programming is the major factor distinguishing it from offerings on any other video source. At the same time, public television is characterized by its unique and outstanding contributions both to cultural programming and to the country's multicultural milieu. In a pre-500 channel era, public television is challenged to continue this achievement, on national and local levels, to satisfy an audience lured by the technologies of cable, direct satellite, broadcast, and, eventually, telephone.

A wide range of programs can continue to feature good stories told in theater, dance, and music, from many sources, including Hispanic, Asian, Native American, and African American. Producers can provide both traditional and cutting edge productions in dance, classical music, jazz, and drama in high quality performances that can offset the appeal of presentations carried by other media. It is important for public television to continue developing programming that breaks new ground in content, theme, and style.

To respond to the observation that some public television programming is too avant-garde, programs can be produced to appeal to "common folks," using traditional themes, techniques, and styles of presentation. By ensuring that performance programming is more accessible to the general audience, such presentations will reach not only the "converted" but the average viewer. Going behind the scenes to meet the "real person" who performs, for example, provides a useful context for cultural programming in music, drama, and the arts. Additionally, drama, theater, and art programs can be designed for special audiences like children, young people, and young families, providing a common ground for parents and their offspring to enjoy this type of programming together.

Children—Focusing on Values and Family Relationships

The excellence of noncommercial, general programming for children and youth has been a hallmark of public television for a quarter of a century. It has been applauded by many from the President to parents and public school teachers for its educational, developmental, and social influence on a generation of young people.

In recent years, public television has developed a block of children's programs, adding to its schedule such outstanding offerings as *Lamb Chop's Play Along, Ghostwriter,* and *Where in the World Is Carmen Sandiego?* to complement the earlier mainstays, *Sesame Street, Mr. Rogers' Neighborhood,* and *Reading Rainbow. The Puzzle Factory,* a half-hour, daily program for 2- to 8-year-olds, is scheduled to premiere in early 1995. Public television can continue this record with programming that encourages children to read and write and to understand the wonders of science. Through afterschool dramas, it can reaffirm the whole range of basic values: honesty, fairness, tolerance and appreciation of racial and ethnic diversity, and nonviolent solutions to problems.

To maintain this record and continue its commitment, public television can produce programs that deal with children and their needs rather than simply targeting them as audience. Such programming can inform parents about how to care for young children and can focus on developmental and educational needs of preschool and preteen viewers as well as meet the social and educational needs of 12- to 17-year-olds. Preparing children to enter school ready to learn is a key element in this kind of programming.

Programs can emphasize the need for more parental/guardian support of children and complement family values training. By creating programming in various languages for children and young people, public television can increase the audiences for these programs. It can further stimulate interest in other languages among young people who will find a second language useful as they mature in an increasingly global environment.

America's International Roles—Clarifying Complex Global Relationships

Between June 1988 and June 1993, foreign affairs was considered the most important issue facing the country by some of the American public in 78 percent of major polls. The trade deficit was mentioned in 63 percent of major polls. Worldwide changes that dominate the daily headlines provide almost limitless possibilities for programming that explores and clarifies America's international roles. Though some believe that programming in this area can be too political, producers can examine in an even-handed way the complex issues of global relationships.

Programs can treat the potential for the United States to help shape global politics and international development. Especially now, the volatility of an increasingly splintered nationalism and the growing interdependence among nations are areas that deserve treatment.

Government–Understanding Economic Difficulties and Defining Ethical Values

While much media coverage emphasizes the negative aspects of government and the downside of the economic scene, there are possibilities for exploring the flipside of these issues. By investigating the ways government works as well as how it manages to correct problems like corruption and mismanagement that gain headlines, programming can deepen the public's understanding of the branches of government and how they relate to the individual. The theme of reinventing government featured in the Vice President's report issued in 1993 will be useful as the basis for other programming.

Sixty-five percent of the major polls conducted in the past five years show that some Americans believe government to be the most important issue facing the country. Issues related to the economy mentioned as the most important were the deficit (100 percent of the major polls), unemployment (97 percent), the economy (95 percent), and inflation (65 percent).

Producers can explore ways to help viewers deal with difficult economic times with programming targeted to those who are out of work and trying to make ends meet and to parents trying to get their children through college. Information and resources can be provided to help viewers improve the quality of their lives. Programming about the successes and failures of large and small businesses provides more perspective on how the nation is dealing with the aftermath of the recession and the onset of new economic policies.

In a global context, programming can help Americans understand how their performance standards measure up to those in industry in the rest of the world. To meet competition and realize economic success, people in the U.S. will need to "benchmark" their performance in relation to the best performance abroad and then do what is necessary to meet that competition.

History–Building a Society and Giving Perspective

The historical character of the United States is revealed in many ways--its people, events, values, and traditions. The timeline that marks the watershed events and highlights the names that helped shape this country is a striking way to visualize the elements that have gone into gaining the United States a place in world history.

Public television can meld these elements into fascinating and stirring programs about this nation's background and people. Such programs can make history live. They can provide perspective and interpretation of the events and people who built this country and show how the American people have achieved--or dissipated--their society. Producers can present the stories of human struggles, failures, and triumphs through the many voices and cultures that have taken part as eyewitnesses of the tragedies and victories in America's history.

Community--Providing Citizen Viewpoint and Offering Solutions

This "community" theme was added to the Statement of Programming Objectives in 1993 to reflect increasing public concern about the issues of family breakdown, crime and the drug problem, and poverty and homelessness. In the five-year period from June 1988 to June 1993, 98 percent of major polls showed that some Americans thought drugs were the top issue facing the country. Other issues related to "community" declared most important were morals/ethics (94 percent of the major polls), homeless/poverty (89 percent), and crime (88 percent).

Already many television programs explore these problems and the extent to which they exist in communities. But public television can expand the coverage of these topics by providing a citizen's perspective on them and by emphasizing how to arrive at community solutions.

To provide citizens' perspective, producers can focus on how children grow up in a big city, using a *cinema verite* approach, or show how youngsters are recruited into gangs. Public television might also observe community programs that address issues of personal responsibility, focusing as well on success stories about the moral choices of parents and young children. The concept of discipline in the family and in society can also be developed in this context.

Programming on the "community" theme can also emphasize citizen action and solutions--not in a mere laundry list of concerns--and present rural and suburban viewpoints. Ideally, programming should be seen by those whose lives are affected by these tragic issues--the drug users, homeless, and abused--if it is to have a true impact. Programming can help define what government is doing to help solve the problems and can remind the American people that, while government is not always going to be able to save them from these problems, other areas, like education and religion, may help to find solutions. Grassroots and outreach activities can supplement these programs and be adapted to various community situations.

CONCLUSION

These guidelines are just that--statements setting forth a suggested course of action in national public television programming. They should not be taken as specific subjects for programs or series but should be the basis for further study and development of ideas for projects that inform, educate, and illuminate the viewing public.

Each objective embraces approaches that can yield an impressive array of programs. By using the objectives as a starting point for developing the best for the American viewer, public television can retain--and polish--its reputation for having unique, quality programming that distinguishes it from all other channels on the national television schedule.

Appendix A

Essays Concerning Programming Themes*

Education

Diane Ravitch
Brookings Institution

Education in the United States is afflicted with many problems, and there is great public confusion about what to do and how to help. Through its programming, CPB could address some of the underlying issues.

Let me suggest first what is probably not needed. We probably do not need more exposes to tell us that there are problems with both our formal educational system and with the informal education that is provided by family, community, church, and other institutions. At this point, those who care about the problem know that it exists but need help in finding productive responses.

The following represents my vision of what is needed. We as a society need programs:

1. That show us "what works."

2. That help to heal the great racial and social divisions in this country.

3. That provide inspiring models of civic collaboration to solve problems.

4. That establish the importance of education in the new, emerging global economy and that combat the anti-intellectualism of American culture and American teenagers.

The first category, "what works," means programs about outstanding teachers like Jaime Escalante and Marva Collins and effective schools like St. Augustine's in the Bronx (which teaches poor kids about discipline and effort through the arts). Every school system has a roster of hero teachers. Find them, celebrate their gift, help to make teaching an honored profession, let people see gifted teachers at work. Find those schools, public and private, that inspire youngsters to reach beyond their grasp. Celebrate the schools that enable children to discover the joy of learning, the schools where teachers turn history, science, math and poetry into adventures of the mind.

The second category is critical. Our society will be less able to solve our mutual problems unless we recognize that we are all in this together. Yet throughout our nation there are bigots of different races who foster suspicion and fear. Avoid the easy stereotypes; go beyond them to discover the common ground that unites us as Americans. Help to heal this nation by showing us the ways in which we are equals, partners, fellows. A recent article in the *New York Times* quoted several teenagers who said that there is no such thing as American culture, and so they seek their identity in the lands that their grandparents came from. How can this society work unless we all feel a common stake? Develop programs that allow us to appreciate our shared fate.

The third category grows from the second. DeToqueville commented upon the extraordinary willingness of Americans to work in volunteer organizations. President Bush called for "a thousand points of light." President Clinton has called for a national service program. Millions of Americans regularly give of themselves in their communities. We are not a nation in which people wait for the government to take care of everything; we pitch in, and the pitching in brings people together. Show that side of the American spirit, not to disparage the role of government, but to show the generous side of the American community. Give viewers the models of community service, civic devotion, and unselfish giving that heal and build.

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The fourth category is directed to our values. Many people have noted that intellect is greatly needed in this society but not greatly regarded. We all know the saying "If you're so smart, why ain't you rich?" Kids quickly recognize that getting smart is not cool. It is better to be a good dresser, good-looking, and a good athlete than to be smart. Many studies show that smart kids run the risk of unpopularity and that some kids hide the fact that they bring books home from school. How will we ever change the achievement levels of our students if it is considered disreputable to read or do homework or strive to learn more? We need programs that demonstrate the accomplishments of men and women who use their minds well. If ever the day comes that intellect is viewed as of equal importance to athletics or pop/rap/rock singers, our schools will be places of delight.

Health Care

Bob Meyers
Washington Journalism Center

The Clinton Administration's health care proposals will keep the subject in front of the public for the next year and beyond. During that time there will be no shortage of commercial stakeholders and ox-owners (as in, whose ox is being gored) ready to comment on the development of legislation and tell the public what it needs, which not surprisingly will be the subject the speaker is in the business of supplying.

What the public is going to need, I think, are simple, clear and thoughtful approaches to the implications of the health care package that have no natural spokesmen. What society will need is its own representative.

Supplying that is an appropriate job for public broadcasting.

Let me sketch out three areas where some good analysis and broadcast programs will be needed in the months to come:

- **The idea (not the reality) of getting less care.**

One of the ways special interest groups will seek to protect themselves will be to say they support the Clinton plan enthusiastically, but that there is just this one little area which threatens to deny coverage or treatment for affected groups, and so the whole plan has to be scrapped. Change is always threatening, and denial of coverage equally so. No one wants to receive less than he or she is receiving now; no one wants to see solutions placed out of reach. What will be obfuscated is that we currently have *de facto* rationing in this country, enforced by limitations in coverage, or lack of coverage entirely, etc. Many of us will thus be threatened with losing what we don't have. We need to be on guard against this, and, if true, be vigilant in showing how the Clinton plan would broaden a wide range of services for those who currently don't have them, or face barriers to getting them today.

- **The end of the magic bullet.**

It is a hallmark of our technology-driven, cure-oriented society that every ailment has a solution and all difficulties a prosthetic answer. This is the high-tech, John Wayne solution: "Hey, podner, plug that bad guy with this magic bullet." In such a world, it is suggested, what we need to do is make--or spend--enough money, and the technological intervention will be developed which we will be able to afford. All we need to do is find the magic bullet. Unfortunately, it doesn't work that way. Most society-wide problems aren't solved with waves of the hand, injections, medicines, or simple and elegant interventions. Most things are a part of systems that are complex. Magic bullets only address part of the problem--wiping out smallpox in India was a wonderful intervention, but it did not eradicate poverty, which is a constant factor in many other health problems. Thus, one of the best things that could be done by public television would be an emphasis on the complex and messy systems that are associated with poor health and are hard to fit into simple soundbite analysis--preventable diseases, poverty, personal behavior, lack of exercise, etc.

- **Taking increased personal responsibility for health.**

Disbelieving in the magic bullet theory does not mean turning away from the modern medical miracle stories that are often so genuinely uplifting, but it means entering a world where those issues are not the only ones raised. That leads to an increased emphasis on taking increased personal and social responsibility for our own health. Tobacco use is seen by an overwhelming majority of Americans as a vile and dangerous personal habit; unfortunately, it is not seen that way by many teenagers, especially girls, who view it as a cool habit rather than a lethal one. Adults have their own habits, too, including an avoidance of exercise by people who whould rather rely on a magic bullet-style diet than doing something for themselves. It's just a hunch, but I bet that the rest of the '90s will see an emphasis on stress reduction as a factor in improving health (the wildly popular Bill Moyers show on the mind had no small connection to stress reduction and health; it may eventually be seen as a precipitating event in this issue). An emphasis on personal control of one's life is a role for public television.

The wizards in public television can figure out ways of making these ideas palatable to the American public; these are a few ideas to start them on their way.

Culture of Pluralism

Henry Louis Gates Jr.
Harvard University

Once upon a time there were three networks, and, locally, three commercial channels; in those days, the supplemental role of public broadcasting seemed clear. It would be responsive to the interests of minority taste communities (those interested in fine arts, for example); it would provide educational programming for children; it would be a forum for the sort of programming that was commercially inviable for the networks, and yet for which there was a demonstrable need. But as we approach a cable-wired era of 500 channels, an era of niche-marketing run amok, as it sometimes seems, what is the special brief of public broadcasting?

Even today, such cable channels as Nickelodeon, the Disney Channel, the Discovery Channel, CNN, C-Span, Bravo, and the Learning Channel, among others, seem, to varying degrees, to encroach on the public broadcasting turf. Public television, once seemingly removed from the crass constraints of the marketplace, now has competition. If public television has demonstrated that its unique contribution to public culture in this country remains undiminished, it is through the quality of its programming, both national and local. And here public broadcasting has much of which it can be proud. Its children's programming, despite growing imitators, remains unequalled, as does the national programming associated with series like *American Playhouse, Masterpiece Theatre, Great Performances,* and *Frontline*. Which isn't even to mention successes such as *The Civil War*, and *Eyes on the Prize*; and the controversial but extremely valuable programming presented in the *P.O.V.* series.

I say all this because it is all too easy, especially for those with an only desultory acquaintance with the subject, to scant the achievements and contributions of public broadcasting; all too easy to take these contributions for granted. I find that it comes as a surprise to many people to find that the work presented in the *Great Performances* series now encompasses hip hop as well as traditional high art; that public broadcasting now runs the gamut from Anna Devere Smith to Arthur Miller.

I believe, however, that much successful multicultural programming will continue to be produced locally, and the ongoing support for such efforts by the CPB remains vital. Programming by local stations--Boston's *Say Brother*, the *Detroit Black Journal*, etc.--makes sense because local stations are best able to respond to the local interests and exigencies of their communities; and public broadcasting at its best has always combined local efforts with national programming resources.

Beyond the further underwriting of local cultural programming of this nature, the CPB should consider an expansion in its adult education programming. In the last presidential campaign, we heard a great deal about "job retraining"; and public broadcasting can be a part of that mandate. In addition, public television will have to be alert to the expanding technologies of interactivity that are currently in development at all the major media corporations, and that may, a few years hence, change the nature of contemporary television.

But in updating cultural programming in an age of changing demographics, it is important to avoid two fallacies that frequently recur in the conversation about the public arts institutions. These are the fallacies of cultural equity and of neutrality. Cultural equity, or cultural democracy, contains the germ of a sensible idea: ethnocentrism has frequently blinded us to the merits of cultural work different from that which we are accustomed to; it has lead us to exalt the culture of a particular "dominant" subculture as having universal validity and value. The problem with the model of "equity," however, is that it presupposes some universal metric by which we could evaluate all cultures and declare them "equal." In fact, we must make judgments of cultural worth; and to say that these judgments may be conditioned by our own particular background is not to lessen the necessity that we judge, to allow us to shirk the hard work of making discriminations. Quality is not a verity revealed to us by Plato, or God, but neither is it decided by plebescite. Thus, the PBS can (and does) enable the presentation of much fresh, vital, and engaging programming under the rubric of multiculturalism: but it should not be misled by these desiderata to a notion that all cultures must be represented in accordance with demography, as if to enact some imaginary parliament of cultures.

The issue of neutrality--known as "balancing" in the realm of the media, viewpoint or content neutrality in the domain of law--is an even more vexed topic. Again, it contains the germ of a sensible idea. Public broadcasting's mandate requires that it not appear to be in the service of a narrowly partisan vision; we expect, and receive, a plurality of perspectives. In recent years, conservatives have alleged that public broadcasting in this country was disproportionately hostile to their interests--a charge that closer inspection reveals to be greatly exaggerated. But the notion that an achievement of perfect balance is desirable or possible is finally incoherent. It assumes that there is a discernable "middleground" around which the spectrum of plausible opinion can array itself.

But, of course, choosing that center itself is a profoundly political act. Radical media critics like Noam Chomsky frequently allege that the American media frames debates in a way that actually excludes more radical perspectives: so for example, the debate on a military operation will be over tactics, while the underlying premise that the objectives themselves are justified goes without scrutiny. On the other hand, no one but a moral cretin would insist that, say, Hitler should get "equal time" with one of his victims. So the problem with "neutrality" is that, if we follow its logic to its conclusion, it turns out to be either unintelligible, implausible, or vacuous.

Public television in this country has been buffeted by social and political pressures from across the spectrum: for that is the way with public institutions in a democracy. What is remarkable, in fact, is the constancy with which it has stayed its course, showing itself to be responsive to new cultural constituencies without abandoning older ones. By continuing to promote diverse cultural perspectives without surrendering its critical faculties to the *ignis fatuus* of "cultural equity" or of "neutrality," whether cultural or political, it will be better prepared to secure its continued contributions to a national audience in a time of profound change.

Children

Joan Ganz Cooney
Children's Television Workshop

Whenever I'm asked about the programming needs of America's children, my immediate response is, these are needs without end. Only public television can help stem the general trend downward that we see today in children's programming. It is shocking to me that this trend is so strong and visible when we are in the midst of a national crisis in education, when so many of our children are in desperate need of significant educational help.

As an educator, television has crucial strengths: it is accessible, it is cost effective, and it works. We know that carefully designed educational programming can help children learn--help motivate them to read and write, for instance, or improve their understanding of geography, or help improve their mathematical problem-solving skills, or encourage them to get involved in science-related activities, such as conducting experiments, after the set is turned off.

We know this kind of programming works because public television has always done it so well. In my own field of educational programming, public television has been a pioneer since its very beginnings. Recently, I read *Quality Time?*, the report of the Twentieth Century Fund Task Force on Public Television, which hails public television's accomplishments in education and calls for adequate federal funding for educational programming. I was delighted that the report states in no uncertain terms: "Educational programming must be expanded and commercialization resisted."

However, just because we in public television succeeded so well in the 1970s and 1980s in establishing a distinguished track record in children's educational programming, we cannot relax. There is so much we could expand on--right now. Despite occasional blips on the screen--for example, Saturday morning television network programming has become somewhat more educational--the quality of children's programming is falling lower and lower.

This is particularly distressing because television is such an available and proven tool for helping children learn wherever they are, both in and outside the classroom. Our children need programming that educates them about the world they are entering. Television can introduce them to and make them passionate about the subjects they need to succeed. We can produce more science programming. We can use television to entice more children to read and write. We can design after school dramas that teach them the importance of basic American values, such as personal responsibility, honesty, justice, fairness, community and cooperation, reconciliation, tolerance and appreciation of racial and ethnic diversity, nonviolent solutions to personal and social differences.

Surely no one knows better than we in public television do how to give our children programming that is rich in educational content. Rather than complaining about bad children's programming--and there's plenty to complain about--let us work as hard and as imaginatively as we can to put good television to work for our children's education.

Government/Economy

Lester C. Thurow
Massachusetts Institute of Technology

From the perspective of a country that must live in a global economy, the American public knows very little about the rest of the world. Most (eight out of nine) will never leave the United States in their lifetime and the American news media systematically says almost nothing about the factors that contribute to economic success in the rest of the world. Americans have to get used to the idea that if they want to be economically successful in the century ahead, they will have to be outward looking and willing to "benchmark" themselves relative to the best performances found abroad. Americans don't have to organize themselves exactly as others do, but they do have to meet the performance standards set by others.

All studies, for example, show that the performance of the American high school lags far behind that found elsewhere in the industrial and increasingly, the developing world. Yet surveys show the American parents to be far happier with the schools their children attend than parents in countries such as Japan or Taiwan. Americans are happier because they compare themselves with the past or with their immediate neighbors (Massachusetts boasts that its schools are better than those in New York) and don't know what the real world standards are. The schools system is not going to get better as long as most parents are happy with what they have.

The Corporation for Public Broadcasting should focus its activities on helping the American public to be outward-looking and help it honestly benchmark itself vis-a-vis the rest of the world. What should be done is the kind of thing that I did with *60 Minutes* in a program that aired in February 1993. In that program, we attempted to benchmark the United States vis-a-vis Germany. We first visited Airbus Industries in Hamburg to look at the European strategy for taking civilian aircraft manufacturing away from the United States. We then looked at how world class infrastructure (riding the ICE train) affects economic success. This was followed by a visit to the apprenticeship training program at Daimler Benz in Stuttgart, an investigation of value added taxes as a device for discouraging consumption and encouraging investment, a visit to a high wage garment factory that could export, and a visit to a high tech machine tool company that had to simplify its machines to sell them to American companies since U.S. workers were not well-trained enough to use the German version. *60 Minutes* condenses all of this into 20 minutes, but each of those could have been the subject of a separate program. One would of course want to find some areas where the U.S. leads as well as areas where it lags.

One might look at some of the U.S. business firms that have gone through a benchmarking exercise and how this is affecting what they do in the United States. Or one might look at how a company such as Hewlett Packard acts very differently in its U.S. and its German factories (in its German factories, it provides a lot more training).

The bottom line understanding that has to be imparted to the American public is simple. If you aren't willing to benchmark vis-a-vis the rest of the world and do whatever is necessary to meet the performance standards found in the rest of the world, your real income will fall in the 21st century. Americans don't have to become Germans or Japanese (they couldn't even if they wanted to), but they do have to match the competition by finding something in American history, tradition, or culture that allows them to perform at the same standards of excellence.

Community

James Q. Wilson
University of Southern California

Americans are deeply concerned about weakened families, poorly supervised children, high levels of crime and drug abuse, and inner-city poverty. Most people tend to view these problems as moral and communal in nature. Our political leaders, by contrast, tend to describe them in material and individualistic terms. As a result, the dialogue between rulers and the ruled is disjointed, unconnected, and frustrating. When people express their yearning for stronger families, a revival of public morality, and a greater sense of personal responsibility, public officials respond by talking about welfare reform, tax incentives, job training, and prison sentences. As a result, many Americans feel that they are being misunderstood or ignored. Parents, in particular, often feel that they are parenting against the culture, or at least the governmental version of that culture.

There are at least two reasons for this disjunction in our public discourse. The first is that politicians have only a few, crude policy instruments with which to cope with communal problems; feeling a political necessity to do something, they are limited in what they can do. The second reason is more subtle but perhaps more important: the Constitution called into being a regime that is secular in orientation, limited in authority, and pluralist in operation; the government, though it has changed greatly since the 18th century, has no tutelary functions and copes only awkwardly with moral issues. America's uniqueness is reflected in the fact that here it has chiefly been in the courts, our least democratic branch, that many of the great issues of moral moment--slavery, segregation, pornography, abortion--have been settled.

The media have produced many stories about crime, violence, joblessness, and drug abuse; we do not suffer from a lack of attention to these matters. What we lack is the citizen's perspective on them. Let me sketch what I think such a perspective might include.

First, it would focus on how children grow up in the big city. People believe that children suffer from parental neglect, excessive temptations, and dangerous neighborhoods. There is no doubt some truth in these beliefs, but how warranted are they? Showing "a day in the life of a child," and using children from various backgrounds as exemplars, might help put these matters in perspective. Pick a locale--say, a public-housing project or a neighborhood that is reasonably mixed ethnically--and find out what proportion of children go home after school to two parents, one parent, or no parent, and what alternatives there are (other relatives, neighbors, gangs) for children without an intact family. Follow, *cinema verite*, a few such children.

A similar perspective might be taken on how boys are recruited into gangs. Some people think that gangs exist to deal drugs and fight battles, but I am not so certain. They may exist to provide safety for freightened boys living on streets where informal social controls have collapsed or attachment for abandoned boys who lack a decent home. "Joining a gang" might explore the several routes and social meanings of gang affiliation.

Another way into the life of the child is to take advantage of the home visitation programs that now exist in some states (Hawaii is frequently cited as a model). Home visitors (common at the turn of the century and now being revived) go to homes to teach parenting skills and advise mothers of at-risk children. Following a home visitor on his or her (probably her!) rounds might reveal the full range of problems, success stories, and failures to be found in troubled families.

Second, observe community programs that address issues of personal responsibility. Some of these are church connected, some are not; most are nongovernmental. These include programs to persuade men to agree in advance to care for any children they may father, to help drug addicts to recover, and to teach children and their parents how to control their anger and improve their ability to deal with others. There are various organizations that can identify good examples of such efforts, though whether on close inspection they are really successful remains to be seen.

Finding any success stories (or the constructive lessons from well-intentioned failures) that address the moral choices of parents and young children is especially important given the relative lack of success of rehabilitative programs aimed at teenage delinquents or older criminals. My view is that to help children one cannot start too early in their lives and that useful help is not akin to a polio vaccine--you cannot be inoculated against problems, you can only be taught how to cope with them.

This inquiry would make a special effort to identify church-related programs that seem helpful. Our government, for constitutional and political reasons, is hesitant about becoming entangled in church activities, yet churches have been the principal source of moral redemption since the founding of the republic. The role of some churches in political advocacy and civil rights issues is a familiar feature of public television; the role of some of them in performing their core task--moral reaffirmation and redemption--is less common.

My argument is not meant to deny the reality of material problems or the want of real opportunity; it is only intended to direct your attention to the other, larger, and less easily or frequently portrayed aspect of community issues.

Community

Ben Wattenberg
American Enterprise Institute

My first thought is that you are right to stress the topic. Notwithstanding the 1992 election campaign, what ails America is not the economy, stupid. With all the economic churning that's been going on, America remains the most prosperous nation in history, with the highest standard of living, doing very well compared to other industrial nations, and growing moderately. The whole economic argument boils down to whether the richest nation in history will grow by 2 percent per year or 3 percent per year. Important, but not apocalyptic.

I am not one of those who believes that "America is in decline." But--I hesitate to say it--I do not know the future with absolute certainty. I will, however, bet on this: if America founders it will founder on "community" issues and "values" issues, not on economics.

I think public television could play a leading role in focusing American thinking toward these issues, and in a very particular way.

The community issues that are haunting us--crime, welfare, education, race relations, poverty, homelessness, to name a few--are generally presented as national problems, and with potential government solutions. That, at the very least, is what is coming from the liberal side of the political spectrum. The predicate behind such views is that America is at fault, that America has created victims, and that therefore the American government must redress the grievances.

But another view deserves to be surfaced, and seriously. Government may not be the solution. In fact, it may be part of the problem.

Government, at one level or the other, dumbed down our educational system; it softened our criminal code; it created a bizarre welfare system which encouraged the formation of female-headed households with out-of-wedlock children, which yielded more people in poverty; it changed the vagrancy laws, which encouraged homelessness; it encouraged racial, ethnic and even sexual separatism by stressing proportionalism, preference and sometimes quotas in hiring and education. Not a great record.

There are two plausible responses to this situation. First is to change what government is doing wrong. Then-Governor Clinton said it well, and endlessly, during the campaign: "No More Something For Nothing." We shall see how well he delivers.

Second, is to remind the American people that their government is not likely to save them. Maybe we ought to rethink John Kennedy's challenge: "Ask not what your country can do for you, ask what you can do for your country." The best advice today may be "Ask what you can do for yourself." Big Daddy Government is broke, and it hasn't done very well recently at helping folks.

I attended a conference in Los Angeles recently, on "Reducing Poverty in America," which looked particularly closely at welfare. Liberals and Conservatives, blacks, whites and Hispanics, despaired at the mess we've created. One theme surfaced from some surprising places: we'd better look to religion for some solutions. That's a good idea. I haven't read Stephen Carter's new book yet, only about it. But here is a black man, generally liberal, and a Yale law professor--making the case that we'd better rethink what we think about religion. CPB could do a whole lot worse than do a series, with Carter, based on that thought.

There is a book about homelessness, *Madness in the Streets*, that shows how government got us to where we are today. It's worth a look.

I don't have anything so definite in mind for dealing with "discipline," and "responsibility," but that is what we should be talking about in the 1990s. The on-going celebration of group victimization is not helping anyone. People can help themselves best if they understand that early, and surely.

The issue of welfare ought to be explored. As I have looked at it afresh recently, I have come to the conclusion that it is not only costly--that's all right; we're a rich nation--but it is, by now, downright counterproductive. The panoply of AFDC, Food Stamps, Medicaid, housing subsidies, etc., is encouraging a dependency class, usually female-headed, with little male support. It is hurting the people it wants to help. Why not a series on that?

This is controversial programming, designed to open us up to some new ways of looking at things. But public broadcasting rightly prides itself on rocking the boat.

Appendix B

Public Opinion Poll Data on Major Issues

Research of the issues discussed in the *Statement of Programming Objectives* is reflected in the summary tables and charts on the following pages. The data were collected by major public opinion polls conducted between 1988 and the present.

Top Issue Mentions

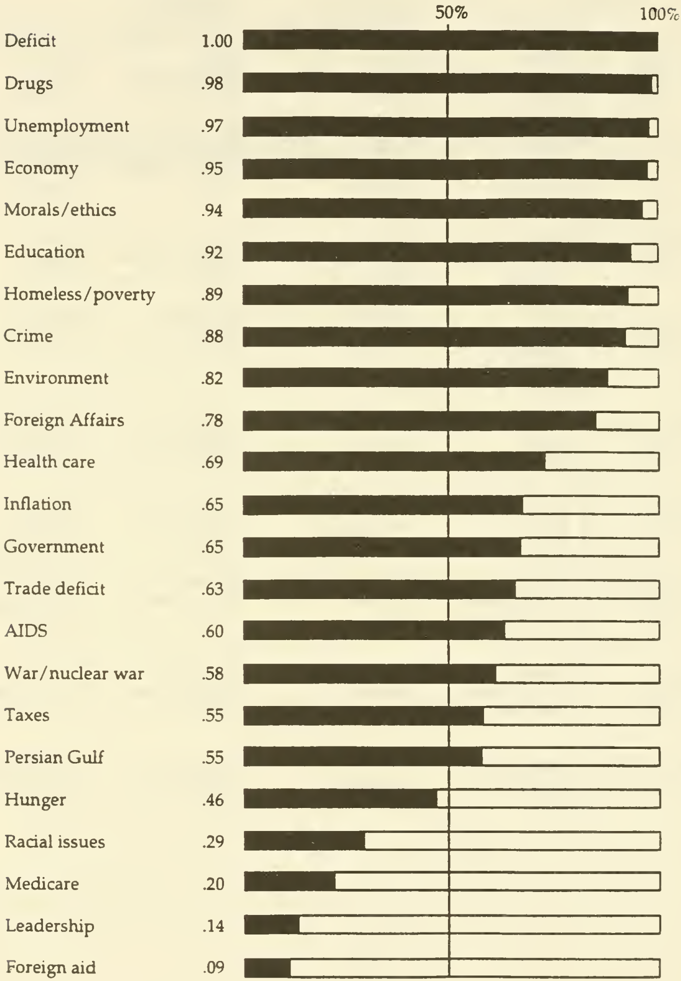
Four major polls (1988 - 1993)

	Gallup	ABC News/ Washington Post	CBS News/ New York Times	LA Times
July - Sept. 1988	Deficit Economy Drugs	Drugs Unemployment Deficit	Drugs Deficit Economy	Drugs Deficit Economy
April - Aug. 1989	Drugs Poverty/Homeless Economy	Drugs Poverty/Homeless Economy	Drugs Poverty/Homeless Deficit	Drugs Deficit Economy
Nov. 1989 - Jan. 1990	Drugs Poverty/Homeless Economy	Drugs Poverty/Homeless Deficit	Drugs Poverty/Homeless Deficit	Drugs Crime Deficit
Oct. - Dec. 1990	Deficit Drugs Economy * Persian Gulf *	Persian Gulf Deficit Economy	Persian Gulf Deficit Economy	Crime Education Deficit
Mar. - May 1991	Economy Drugs Poverty/Homeless	Persian Gulf Economy Drugs	Economy Unemployment Drugs	Economy Drugs Unemployment
Sep. - Oct. 1991	Economy Drugs Poverty/Homeless	Unemployment Persian Gulf Economy	Unemployment Economy Education	Economy Drugs Unemployment
Jan. - April 1992	Economy Unemployment Poverty/Homeless	Unemployment Economy Drugs	Economy Unemployment Drugs	Economy Unemployment Poverty/Homeless
May - July 1992	Economy Unemployment Racial unrest	Unemployment Economy Drugs	Economy Unemployment Deficit	(No poll taken)
January 1993	Economy Unemployment Deficit	Economy Social issues	Economy Unemployment Deficit	Economy Unemployment Deficit

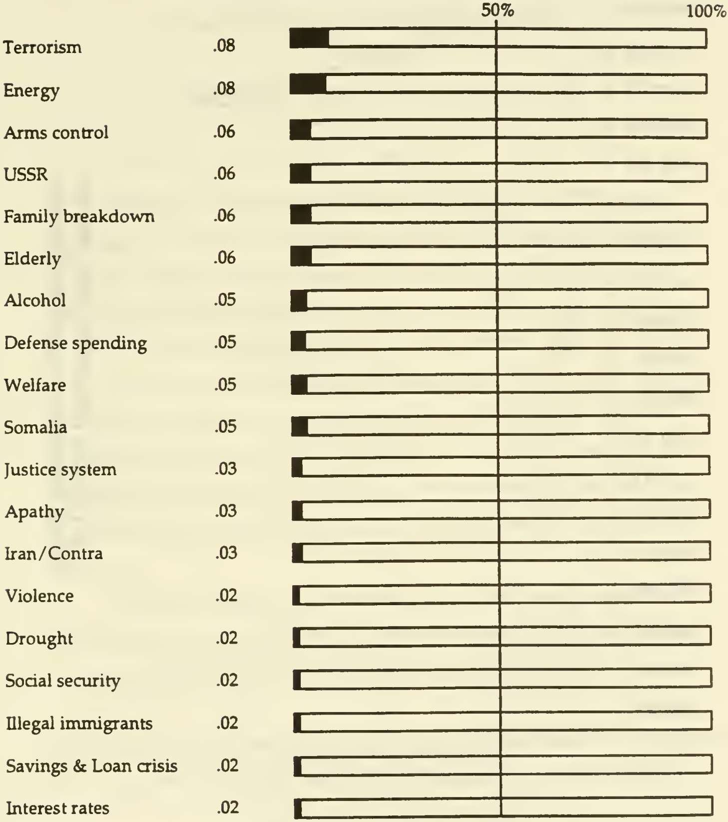
* tied

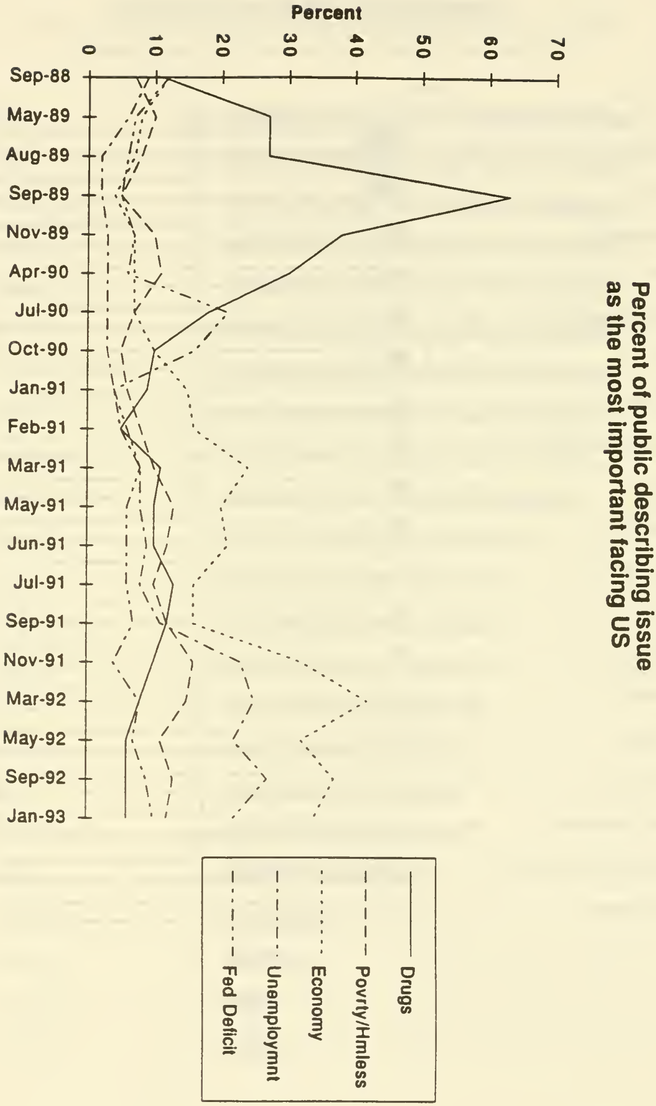
Range of Issues of Major Public Concern

Percent of polls where issue was mentioned by at least 0.5% of sample public
(among 65 major polls taken between June 1988 and June 1993)



Range of Issues of Major Public Concern




Percent of public describing issue as the most important facing US
Percent
0
10
20
30
40
50
60
70
Sep-88
May-89
Aug-89
Sep-89
Nov-89
Apr-90
Jul-90
Oct-90
Jan-91
Feb-91
Mar-91
May-91
Jun-91
Jul-91
Sep-91
Nov-91
Mar-92
May-92
Sep-92
Jan-93
Drugs
Povrty/Hmless
Economy
Unemploymnt
Fed Deficit

STATEMENT OF ETHICAL CONDUCT
FOR
DIRECTORS, OFFICERS, EMPLOYEES,
AND PERSONAL SERVICES CONTRACTORS
OF THE
CORPORATION FOR PUBLIC BROADCASTING

The District of Columbia Non-Profit Corporation Act and the Public Broadcasting Act of 1967, as amended, impress the directors, officers and employees of the Corporation for Public Broadcasting with significant responsibilities for the stewardship of corporate funds, property and interests. Personal services contractors undertake special responsibilities within their contracts to the Corporation.

By acceptance of service with the Corporation, each director, officer, employee, or personal services contractor acknowledges these responsibilities and agrees to regulate his or her personal conduct in a manner that assures the Corporation, its public and private sources of revenue, and his or her CPB colleagues and supervisors of undivided loyalty to these responsibilities and uncompromised integrity in their discharge.

By Resolution adopted August 24, 1979, the Board of Directors of the Corporation has adopted this Statement of Ethical Conduct for Directors, Officers, Employees, and Personal Services Contractors, to guide their conduct:

1. Each director, officer, and employee has a continuing obligation to protect and conserve all corporate money, property, and other resources, expending them

(in the best interests of the Corporation) strictly in accord with policies adopted by the Board of Directors, and authorities and procedures duly established by the Corporation.

2. Except by virtue of good reputation derived from service to the Corporation for Public Broadcasting, no director, officer, employee, or personal services contractor shall seek to use his or her relationship to the Corporation for his or her personal benefit, or professional advancement.

3. No director, officer, employee, or personal services contractor shall solicit or accept, directly or indirectly, anything of substantial monetary value (including any gift, gratuity, favor, entertainment, loan or any other consideration) from any person, corporation, association, or other entity which has, or is seeking, a contractual, donative, employment, financial or other beneficial relationship with the Corporation for Public Broadcasting, which relationship may be subsequently affected by that director's, officer's, employee's, or contractor's performance of his or her duties to the Corporation.

4. Each director, officer, employee, and personal services contractor shall avoid any conduct which might result in the loss of public confidence in the responsible performance of the Corporation's functions, the impairment of corporate efficiency or economy, or might reasonably give the appearance of:
   (a) the extension of preferential treatment to any person, group, organization, or other entity; or

(b) the compromise or loss of complete impartiality of judgment and action; or

(c) the making or implementation of a corporate decision outside of standard corporate policies and procedures.

5. No director, officer, employee, or personal services contractor shall make use of, or permit others to make use of, any information obtained as a result of his or her relationship with the Corporation, which information is not generally available to the public, whether for direct personal gain or for advice to others with whom he or she has family, business, financial, or professional ties.

6. Each director has a continuing fiduciary duty of loyalty and care in the management of fiscal and investment affairs, and acts in violation of that duty if:

(a) he or she fails, especially if assigned to a particular committee of the Board having stated financial or investment responsibilities under the by-laws of the Corporation, to use diligence in supervising and periodically inquiring into the actions of those officers, employees, and outside experts to whom any duty to make day-to-day financial or investment decisions has been assigned or delegated; or

(b) he or she knowingly permits the Corporation to enter into a business transaction with himself or herself, or with any corporation, partnership or association, in which he or she holds a position as trustee, director, partner, general manager, principal officer or substantial shareholder, without previously having informed all persons charged with approving that transaction of his or her interest or position and of any significant facts known to him or her indicating that the transaction might not be in the best interest of the Corporation; or

(c) he or she fails to perform his or her duties honestly, in good faith and with reasonable diligence and care.

7. No officer of the Corporation, other than the Chairman and any Vice Chairman, shall receive any salary or other compensation from any source other than the Corporation during the period of his or her employment by the Corporation.

8. No officer or employee may:

(a) have direct or indirect financial interests, or engage in any outside employment or activities, which conflict substantially, or have the appearance of conflicting substantially, with his or her corporate responsibilities and duties; or

(b) engage, directly or indirectly, in financial, business, trade or professional transactions as a result of, or in primary reliance upon, information obtained through his or her employment, or the discharge of his or her corporate responsibilities.

9. While it is recognized that directors appointed to the Board of the Corporation for Public Broadcasting are to be representative of such fields as education, cultural and civic affairs and the arts (including radio and television), no director may knowingly:

(a) have a direct or indirect financial interest, or engage in any outside employment or activities, which conflict substantially, or have the appearance of conflicting substantially, with his or her corporate responsibilities or duties, without --

(1) previously having informed the Board of Directors of his or her interest or position which would be affected by a matter under consideration by the Board;

(2) previously having informed the Board of Directors of any significant facts known to him or her indicating that a transaction to be approved or policy to be adopted by the Board may not be in the best interest of the Corporation; and

(3) disqualifying himself or herself from a vote affecting his or her interest or position if the Board of Directors determines that a substantial conflict exists.

(b) engage, directly or indirectly, in financial, business, trade or professional transactions as a result of, or in primary reliance upon, information obtained through his or her employment, or the discharge of his or her corporate responsibilities.

10. The agenda for every meeting of the CPB Board of Directors will include, immediately after the approval of the agenda, an item entitled "Invitation to Disclose Possible Conflicts of Interest." This agenda item will consist of the Chairman's oral invitation to Board members to disclose any conflicts of interest they believe they or other Board members may have concerning any items on the agenda. Upon the disclosure by any Board member of any such

potential conflict of interest, the Board shall satisfy itself that no Board member will take any action during the deliberations of the meeting that would give the appearance of a conflict of interest, and, if necessary, will recuse himself or herself from the discussion and vote on the item in question.

11. Each officer of the Corporation (other than the Chairman and any Vice Chairman), employee, or personal services contractor shall file with the General Counsel, and promptly and continuously update, a written disclosure of: any outside employment or application for employment with or in, or membership with or in, or participation in the affairs of, any person, corporation, group or association, or other entity which has, or is seeking, a contractual, donative, employment, business, financial, or other beneficial relationship, which may be substantially affected by that officer's or employee's performance of his or her duties to the Corporation.

12. The conduct or interests of individual officers (other than the Chairman or any Vice Chairman), employees, or personal services contractors may be further or otherwise reasonably restricted in light of special circumstances, duties, or responsibilities. Such restrictions shall be transmitted to the individual in writing by the President upon recommendation of the General Counsel and shall be subject to review by the Board or a committee of the Board, upon written application of the individual.

May 17, 1988

Effective August 1, 1992

Excerpted from Personnel Policy
#107

A. Immediate Dismissal: Examples of conduct that will lead to immediate dismissal include, but are not limited to:

(1) Threatening or committing violent acts against CPB staff, officers, security guards, guests or property, whether or not the employee is engaged in work-related activities or on CPB premises.

(2) Gross insubordination: Open, flagrant or abusive disregard for the authority of the employee's supervisor or other superior.

(3) Deliberate falsification of any written records, including but not limited to official documentation.

(4) Disruption of the working environment to the extent that one or more other employees are impeded or prevented from carrying out their assigned duties.

(5) Failure to maintain the confidentiality of sensitive or proprietary information, including but not limited to financial data, competitive proposals and personnel records.

Effective August 1, 199

(6) Misuse of corporate funds or property.

(7) Failure to comply with the Terms of the Statemen of Ethical Conduct (see Policy Number 402, Statement of Ethical Conduct).

(8) The possession, use, or dispensing of illegal drugs while on CPB premises.

B. Review of Dismissal Decision: An employee dismissed under this section may request in writing that the President review the dismissal decision. The request for review must include the employee's reasons for believing he or she should not be dismissed and copie of any memos or other documents directly related to the dismissal decision. Lost wages and benefits will be restored if the decision is reversed. An employee who is dismissed, or is permitted at the Corporation's sole discretion to resign, under this section is not entitled to severance pay

Effective August 1, 1992

ETHICAL CONDUCT

Policy Number 402

POLICY

It is the policy of the Corporation to require all new employees to agree, in writing, to the terms and conditions of CPB's Statement of Ethical Conduct for Directors, Officers, Employees, and Personal Services Contractors and to comply with that Statement at all times.

PROCEDURES

1. Consequence of Failure to Comply: Failure to comply with any of the terms of the Statement of Ethical Conduct, including failure to disclose outside employment, can be grounds for dismissal.

National Radio Program Production Fund 1995 Request for Proposals July 1994

Purpose, Priorities, and Preferences

The Corporation for Public Broadcasting (CPB) has available a fund of up to $4.9 million to support national radio program production in 1995.

The ***purpose*** is to fund production of programs of high quality, diversity, excellence, and innovation obtained from diverse sources, with strict adherence to objectivity and balance in programming of a controversial nature.

Priorities are for projects that

- increase and/or diversify public radio's audience;
- yield quality programming that is illuminating and inspiring as well as appealing; and
- seek programmatic innovation.

Projects meeting the first—and most important—priority will hold the prospect of emerging as major new services or series or will be original and compelling projects of national significance but more limited in scope. Regardless, funded projects will reflect the diversity and complexity of life, culture, and society, including the unknown or underrepresented corners of life.

Projects meeting the second priority will present artistic and cultural work of the highest quality, provide programming alternatives to those that are available from other media, or improve the overall quality of national programming.

Projects meeting the innovation priority will seek innovation in content and approach.

CPB expects to fund national projects by or about racial and ethnic minorities and projects produced by independent producers.

> *Over the Radio Fund's history, projects by or about racial and ethnic minorities and projects produced by independent producers have received more than 74 percent of radio production awards made by CPB, more than 56 percent of funds disbursed by CPB, and have yielded about 72 percent of all of the original hours directly funded by CPB (or 41 percent of all original hours if the AIROS and Satélite projects are excluded).*

CPB anticipates that all selected projects will be consistent with the Radio Fund's purpose and priorities. While they may not apply to each funded project, CPB also has ***preferences*** for

- proposals providing evidence that part of the total project costs of major projects will be available from sources other than CPB, and
- programming ideas that have the potential to enable stations and producers to create new uses for their programs that extend the original (and primary) public radio purpose and thereby increase the project's public service opportunity.

For more information on the latter preference, see Attachment E.

Deadline

Complete Project and Budget Summary Application Forms (Preliminary Proposal—Tier One as set forth in Attachment A) must be received by the Director, Radio Program Fund, CPB, 901 E Street N.W., Washington, D.C. 20004-2037, by the close of business (5:00 p.m., ET) **Tuesday, Sept. 13, 1994.**

Mr. PORTER. I would ask our Members to come forward and take their places at the table. We will take two at a time, beginning with Mr. Rohrabacher and Mr. Boehlert. As Members are under time constraints, we will take additional Members as they arrive. And, Dana, we will start with you.

THURSDAY, JANUARY 19, 1995.

WITNESS

HON. DANA ROHRABACHER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. ROHRABACHER. Mr. Chairman, Members of the subcommittee, thank you for allowing me to testify today.

The citizens of this country sent a strong message to us on November 8 to cut both the size and the scope of the Federal Government. If they were serious about reducing the dangerously high level of deficit spending, we must have the courage to cut from the Federal budget anything that is not absolutely necessary for the Federal Government to do. The Corporation for Public Broadcasting is one such unnecessary program. Nice, yes. Thought provoking, yes. Essential, no. Absolutely necessary, absolutely not.

The Corporation for Public Broadcasting assumed $319 million of Federal money in fiscal year 1993; $13 million alone was spent for administrative costs. Liberals argue that the Corporation for Public Broadcasting benefits the poor and underprivileged. That is true to a small degree, but by and large the Corporation for Public Broadcasting is a subsidy for America's affluent, allowing them to view their favorite opera, ballet, or hear a trendy politically correct commentator.

American taxpayers can no longer be asked to subsidize entertainment and information which is already available without taxpayers' dollars. It is said that programs such as Sesame Street and Barney will be eliminated. You and I both know, we all know, that is not true. The company which produces Sesame Street generates almost $1 billion a year in merchandising and other revenue. It has a stock and bond portfolio of $58 million. Barney grosses $500 million in merchandising and nets some $50 million annually. In fact, Forbes lists this singing dinosaur as the third richest entertainer in America. Now, given their popularity, we have to believe that the bidding over these programs will be fast and furious in the private sector.

Mr. Chairman, I am not here today to suggest that these government-sponsored programs are not entertaining and are not educational. Clearly, much of what the Public Broadcasting does is worthwhile and I will say that Dick Carlson, who heads up the Corporation for Public Broadcasting, has done a good job. I am not here to complain about that.

But in an age when American viewers are faced with a barrage of news and entertainment from literally thousands of different sources, a government-run Corporation for Public Broadcasting is totally unnecessary. Most of these stations are financially viable, or they could be with a little bit of an extra fund-raising effort. In fact, Federal funding only makes up about 20 percent of public broadcasting's income for fiscal year 1993.

Contrary to what many of you believe or some may have said, taking the Federal funds out of this picture would not cause most of these stations to shut down, unless, of course, their product is totally out of sync with the tastes and the values and the desires of the American people who they are supposed to serve. It is very reasonable to suggest that contributions may turnaround many public broadcasting stations and they could be actually turned into nonprofit privately funded enterprises and perhaps they could even become commercially based—oops, I said that horrible word, a commercial, what a horrible word—that they could even be turned into commercial providers of education and cultural programs.

I am doing my part, for example, to help out an NPR radio station in my area, KCRW, in Santa Monica, by taping a pitch for a subscription drive to KCRW. I am doing my part. That is what I am doing, and I think, as we would reduce funding or eliminate funding for the Corporation for Public Broadcasting, more people would step up, if indeed the programming is the quality programming that we have heard about.

In conclusion, if we cut out unnecessary spending, like the Corporation for Public Broadcasting, we are keeping faith with our people. How can we cut out more essential programs? How can we make cuts in things where people's lives are depending on it if we do not have the guts enough to cut out and zero out unnecessary spending like the Corporation for Public Broadcasting? We have plenty of other alternative means to have entertainment and information in this society.

Finally, the naysayers notwithstanding, the positive parts of the Corporation for Public Broadcasting will survive in the private sector without government subsidies. The bottom line is we can make Barney and Big Bird taxpayer friendly by transforming them from government bureaucrats into free market entrepreneurs.

Mr. PORTER. Thank you, Mr. Rohrabacher.

THURSDAY, JANUARY 19, 1995.

WITNESS

HON. SHERWOOD L. BOEHLERT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. PORTER. Sherry Boehlert of New York.

Mr. BOEHLERT. Thank you, Mr. Chairman and members of the committee. I come before you today as an unabashed supporter and fan of public broadcasting. I listen to Morning Edition, I watch MacNeil/Lehrer, and somewhat of what I know about history and science and the arts, not to mention baseball, I have learned from PBS programming. And, most importantly, my grandsons watch Sesame Street.

Yet, I grew up in a working class family. I almost did not attend college, and I never attended an elite one, and I vote Republican. Some of public broadcasting's critics would have you believe people like me do not exist; that I can only be conjured up by some demographic sleight of hand, but here I am, a Republican, supporting public broadcasting.

I mention all this because I fear that too much of the debate over public broadcasting revolves around the theory rather than facts, around caricature rather than credible description.

Let us take, for example, the notion that the rise of cable television has made public broadcasting obsolete. First, this line of reasoning is irrelevant to the debate over public radio, but the state of radio broadcasting is instructive. The proliferation of radio stations has hardly blessed us with a dial brimming with in-depth news and information, intelligent cultural programming, and thoughtful discussion. Instead, commercial imperatives have largely produced a series of sound-alike stations, a repetitious stream of news bulletins, and an AM band that has come to sound like one, day-long screech.

Perhaps cable TV's bright promise of 500 stations will produce something different, but the jury is still out. The cable industry is young and ownership is in the process of consolidating.

I am old enough to remember in the 1950s when broadcast television was paled as the Nation's salvation, offering endless educational and entertainment possibilities, possibilities that did not seem outlandish in the medium's golden age.

And yet by the early 1960s, Newton Minow famously surveyed the broadcasting landscape and saw nothing but a vast wasteland. It seems a little early to conclude that cable will produce more than a still vaster one. The promise of cable remains theoretical. Today much of the best on cable was originally produced for PBS.

And as I am sure many people will mention here today, cable TV does not reach about a third of the Nation's homes, and specialty channels reach even fewer. It strikes me as a bit odd at a time when we are concerned about universal access to the Internet and laptop computers, to an array of educational technologies, it strikes me as odd to be talking about eliminating access to the one educational technology that is available to just about everyone from coast to coast already.

And it is a technology that the general public, voting with its remote controls, does take advantage of. And I would add public broadcasting is a resource the public needs now more than ever. As the commercial media becomes ever more competitive, they reach reflexively for the lowest common denominator a flashy, empty programming, often laden with excessive violence and unnecessary sex.

Is it in the public interest that alternatives be offered that the market is slow to provide? And I say yes. The Federal funding in public broadcasting is minimal and I see no reason why we should poor mouth our way into an impoverished culture. Twenty-nine cents per American for national public radio; 80 cents per American for public television.

Let me add that I think conservatives have little to fear from the content of public broadcasting. As the vast liberal conspiracy that is public broadcasting beamed its wares, the American public somehow managed to elect the most conservative Congress in at least 60 years. With two more years of such an effective conspiracy in place, we Republicans should easily be able to recapture the White House.

In all seriousness, Mr. Chairman, let me reiterate my unwavering support for public broadcasting. It is not a plaything for the rich or the elite, it is not outmoded, it does not survive solely because of government largess.

Public broadcasting survives and needs to survive to meet real legitimate unmet public needs. Just as the government removes some land from the real estate market because the civilization needs parks, the government needs to take some frequencies out of the broadcasting spectrum so that the public can have free space to play, to learn, and think in ways the market cannot be expected to provide.

And, finally, I listened attentively to some of the comments of those who might suggest that public broadcasting is attractive only in the major metropolitan areas of the country. Let me tell you that the people in Binghamton, New York, and Syracuse, New York, and Utica, New York, and Schenectady, New York, and places like New Berlin and Old Forge think it is very, very special to them, and I hope it will prove to be very special to this Congress and it will continue funding.

Mr. PORTER. Thank you, Mr. Boehlert and Mr. Rohrabacher.

[The prepared statement of Honorable Sherwood Boehlert follows:]

Testimony of Congressman Sherwood Boehlert
Appropriations Subcommittee on Labor-HHS-Education
2358 Rayburn House Office Building
Thursday, January 19, 1995

Mr. Chairman:

Thank you for giving me the opportunity to testify. I come before you today as an unabashed fan of public broadcasting: I listen to "Morning Edition" on the way to work; I watch "Macneil-Lehrer" to catch up on the news in the evening; some of what I know about history and science and the arts, not to mention baseball, I have learned from PBS programming; and, most importantly, my grandson watches "Sesame Street."

And yet I grew up in a working class family, I almost did not attend college -- and I never attended an elite one -- and I vote Republican. Some of public broadcasting's critics would have you believe that people like me do not exist, that I could only be conjured by some demographic sleight-of-hand, but here I am.

I mention all this because I fear that too much of the debate over public broadcasting revolves around theory rather than fact, around caricature rather than credible description.

Let's take, for example, the notion that the rise of cable television has made public broadcasting obsolete.

First, this line of reasoning is irrelevant to the debate over public radio, but the state of radio broadcasting is instructive. The proliferation of radio stations has hardly blessed us with a dial brimming with in-depth news and information, intelligent cultural programming and thoughtful discussion. Instead, commercial imperatives have largely produced a series of sound-alike stations, a repetitious stream of news bulletins, and an AM band that has come to sound like one, day-long screech.

Perhaps cable TV's bright promise of 500 stations will produce something different, but the jury is still out. The cable industry is young, and ownership is in the process of consolidating.

I am old enough to remember, in the 1950s, when broadcast television was hailed as the nation's salvation, offering endless educational and entertainment possibilities -- possibilities that did not seem outlandish in the medium's "golden age."

And yet, by the early 1960s, Newton B. Minow famously surveyed the broadcasting landscape and saw nothing but "a vast wasteland." It seems a little early to conclude that cable will produce more than a still vaster one. The promise of cable remains theoretical; today much of the best on cable was originally produced for PBS.

And, as I'm sure many people will mention today, cable TV does not reach about one-third of the nation's homes; specialty channels reach even fewer. It strikes me as a bit odd, at a time when we are concerned about universal access to the Internet, to laptop computers, to an array of educational technologies, to be talking about eliminating access to the one educational technology that is available to everyone already.

And it is a technology that the general public, voting with its remote controls, does take advantage of. And, I would add, public broadcasting is a resource the public needs more than ever. As the commercial media become ever more competitive, they reach reflexively for the lowest common denominator of flashy, empty programming, often laden with violence and sex.

It is in the public interest that alternatives be offered that the market is slow to provide. The federal funding in public broadcasting is minimal, and I see no reason we should "poor mouth" our way into an impoverished culture.

Let me add that I think conservatives have little to fear from the content of public broadcasting. As the vast liberal conspiracy that is public broadcasting beamed its wares, the American public somehow managed to elect the most conservative Congress in at least 60 years. With two more years of such an effective conspiracy in place, we Republicans should easily be able to recapture the White House.

In all seriousness, Mr. Chairman, let me reiterate my unswerving support for public broadcasting. It is not a plaything for the rich or the elite; it is not outmoded; it does not survive solely because of government largess.

Public broadcasting survives, and needs to survive to meet real, legitimate, unmet public needs. Just as the government removes some land from the real estate market because a civilization needs parks; the government needs to take some frequencies out of the broadcasting spectrum, so that the public can have free space to play, learn and think in ways the market cannot be expected to provide. Thank you.

Mr. PORTER. I would advise the Members that we are expecting, momentarily at least, two Members of Congress, and perhaps if anyone would like to ask a question or make a statement at this point in time—Mr. Hefley is here now. All right, we are fine. Thank you gentlemen.

Mr. ROHRABACHER. Thank you very much.

Mr. BOEHLERT. Thank you.

THURSDAY, JANUARY 19, 1995.

WITNESS

HON. JOEL HEFLEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF COLORADO

Mr. PORTER. We are pleased to welcome our colleague, Joel Hefley of Colorado. Mr. Hefley.

Mr. HEFLEY. Mr. Chairman, I hope I have not held you up. I was tied up on the Floor and I apologize for that. I appreciate the opportunity to testify before the subcommittee.

For the past two years and the way I got into this whole thing with public broadcasting had to do with the Pacifica network, which is funded through Public Broadcasting, and I have offered amendments on the Floor to cut out the amount of money necessary to fund the Pacifica network. This is roughly $1 million a year. It is what they receive each year. I offer this amendment every year because I believe the Federal Government should quit funding this sensationalist hate programming that Pacifica is known for.

Let me describe a few of the broadcasts included in the taxpayer-funded subsidized Pacifica. One of the quotes from one of the programs: General Mohammed Aidid, whose actions are to blame for the deaths of our American soldiers, soldiers who were in Somalia to help the people of that country survive, General Aidid was praised on the air in words of this broadcaster: "Aidid is the person who the major media in the country continues to call a warlord in Mogadishu, but he is the brother whose forces put a whipping on the best United States forces that they have been able to put on the battlefield. We have General Aidid to thank for that." That was August 17, 1984. That is right after, remember, 18 of our people were killed in Somalia. They are praising Aidid for that action. Previous broadcasts have included some of the following:

Jewish doctors are injecting black babies with the AIDS virus.

There is a plot out to genetically annihilate the black race.

The U.S. Government funded a 40-year experiment with syphilis on the entire black population.

A recent measles epidemic was a genocidal plot by whites against the black community.

The white Jewish population in America is establishing the impoverishment of black people.

All of this was brought to you with the help of Federal subsidies.

In response to my amendment, which was agreed to on the Floor of the House but reinstated in the Senate committee, the Denver Regional Director of the Anti-Defamation League states, "The message should be clear that you will not tolerate such hate speech supported by public funds."

A member of the CPB's own board also wrote to me, saying, "As the lone member of the CPB board to speak out against the funding of hate programming in public broadcasting thank you for alerting both your colleagues and the public in this matter."

Mr. Chairman, no taxpayer should be forced to pay for sensationalist filth that continues to be aired on Pacifica, the network which stages fake program cancellations to keep Congress at bay and then continues to broadcast the same filth and the same programs with different names. But Pacifica aside, I am here today to testify that the CPB should no longer receive funding from the Federal Government.

For all of the trash that is broadcast on Pacifica there are also many good programs—the Civil War, Masterpiece Theater. We know that the public broadcasting is certainly not all bad by any means.

I have no reason to believe that discontinuing the Federal subsidy, which only accounts for about 14 percent of their budget, will cause these quality programs to shrivel up and die. Today, when the cable industry is expanding to make literally hundreds of cable channels available for Americans, there is a demand for quality programming—in fact, a thirst for quality programming across the spectrum.

The Federal Government set up the CPB in 1967, when the three major networks had a monopoly on national programming in this country, to "include all that which is of human interest and importance"—this is a quote—to "include all that which is of human interest and importance which is not at the moment appropriate or available for support by advertising."

As we all know, today the CPB has enlisted the help of corporations like Mobile who underwrite programs and advertise this fact for all to see. Today, the CPB reaches 98 percent of the people in this Nation with only 14 percent of its funding coming from the Federal Government. With figures like these, who can argue that the CPB has not met the goals outlined in 1967 and much more?

Sesame Street alone generates almost $1 billion in sales annually. Suffice to say that privatization of the CPB will not cause Sesame Street to shrivel up and die. On the contrary, I believe the Corporation for Public Broadcasting will thrive under its own auspices.

Unfortunately, privatization will not cause the racism and anti-Semitism of stations like Pacifica to shrivel up and die either, probably because somehow racism seems to sell, as an increase in private contributions to Pacifica prove. But the CPB is supposed to exist in order to give people a choice. By providing Federal funding for stations like Pacifica to thrive, thereby forcing the American taxpayer to subsidize hate programming, the CPB is taking that choice away from the American people.

Freeing the CPB from the strains of Federal funding will bring back choice to the American people. This is what CPB should be all about.

The CPB has already met and exceeded the goals set for it 28 years ago at its inception. Today, the CPB is able to thrive on its own two feet. It is time for us to let it do so.

I guess I would say, Mr. Chairman, when it comes to this, that the Corporation for Public Broadcasting, in many respects—Pacifica and things like that aside—in many respects is a nice want to, that a lot of us might want to provide funding for CPB, but it is not a have to.

And given the austerity approach, given the idea that we might actually get to a balanced budget by the year 2002, these want tos that are not have tos, I am afraid, we are not going to be able to continue putting money into.

Thank you, Mr. Chairman and committee.

Mr. PORTER. Thank you, Mr. Hefley.

[The prepared statement of Honorable Joel Hefley follows:]

CORPORATION FOR PUBLIC BROADCASTING TESTIMONY
Congressman Joel Hefley (R-CO)
Committee on Appropriations
Subcommittee on Labor- Health and Human Services -Education
Thursday, January 19, 1995

MR. CHAIRMAN--

I appreciate the opportunity to testify before the subcommittee.

For the past two years, I have offered amendments to the Labor/HHS/Education appropriations bills to increase the Corporation for Public Broadcasting recission by $1 million. This is roughly the amount that the Pacifica radio network receives yearly from the CPB. I offer this amendment every year because I believe the federal government should quit funding the sensationalist hate programming that Pacifica is known for. Let me describe a few of the broadcasts included on taxpayer-subsidized Pacifica.

General Mohammad Aidid, whose actions are to blame for the deaths of our American soldiers -- soldiers who were in Somalia to help the people of that country survive -- was praised on the air (Ron Wilkins). In the words of this broadcaster:

> "(Aidid)...is the (person who) the major media in this country continues to call a warlord, in...Mogadishu. But he's the brother whose forces...put a whipping on the best United States forces that they've been able to put on a battlefied...We've got General Aidid to thank for that..." (August 17, 1994)

Previous broadcasts have included some of the following:

*Jewish doctors are injecting black babies with the AIDS virus (Steve Cokley);

*There is a plot to "genetically annihilate" the black race (Jeffries);

*The U.S. government funded a 40-year experiment with syphilis on the entire Black population (Kwaku Person-Lynn);

*A recent measles epidemic was a "genocidal plot" by whites against the black community (Steve Cokley);

*The white Jewish population in America is "establishing the impovershment of Black people" (Jeffries).

All of this was brought to you with the help of federal subsidies!

In response to my amendment, which was agreed to on the floor of the House but reinstated in Senate committee, the Denver Regional Director of the Anti-Defamation League states, "the message should be clear that you will not tolerate such hate speech supported by public funds."

A member of the CPB's own board also wrote to me, saying, "As the lone member of the CPB board to speak out against the funding of hate programming in public broadcasting, (thank you for) alerting both your colleagues and the public on this matter." (Vic Gold).

Mr. Chairman, no taxpayer should be forced to pay for the sensationalist filth that continues to be aired on Pacifica, the network who stages fake program cancellations to keep Congress at bay -- then continues to broadcast this same filth on the same programs with different names. But Pacifica aside, I am here today to testify that the CPB should no longer receive funding from the Federal government.

For all the trash that is broadcast on Pacifica, there are also some very good programs (the Civil War series, Masterpiece Theatre, etc.) that come out of the Corporation for Public Broadcasting.

I have no reason to believe that discontinuing the federal subsidy -- which only accounts for about 14% of CPB's budget -- will cause these quality programs to shrivel up and die. Today, when the cable industry is expanding to make literally hundreds of cable channels available for Americans, there is a demand for quality programming.

The federal government set up the CPB in 1967, when the three major networks had a monopoly on national programming in this country, to "include all that is of human interest and importance which is not at the moment appropriate or available for support by advertising." As we all know, today, the CPB has enlisted the help of Corporations like Mobil who underwrite programs and advertise this fact for all to see. Today, the CPB reaches 98% of the people in this nation, with only 14% of its funding coming from the Federal Government. With figures like these, who can argue that the CPB has not met the goals outlined for it in 1967 -- and much more?

Sesame Street alone generates almost a billion dollars in sales annually. Suffice to say that privitization of the CPB won't cause it to shrivel up and die. On the contrary, I believe the Corporation for Public Broadcasting will thrive under its own auspices.

Unfortunately, privitization won't cause the racism and anti-semitism of stations like Pacifica to shrivel up and die, either. Racism sells, as increased private contributions to Pacifica prove. But the CPB is supposed to exist in order to give people a choice. By providing federal funding for stations like Pacifica to thrive, thereby forcing the American taxpayer to subsidize hate-programming, the CPB is taking that choice away from the American people.

Freeing the CPB from the strings of federal funding will bring back choice to the American people. This is what the CPB should be all about. The CPB has already met and exceeded the goals set before the 28 years ago at its inception. Today, the CPB is able to thrive on its own two feet. It's time we let it do so.

THURSDAY, JANUARY 19, 1995.

WITNESS

HON. PHILIP M. CRANE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

Mr. PORTER. I am going to call on the other Members who are here in the order in which they have arrived. If Mr. Crane and Mr. Engel could take their places at the table and then, after they finish, Mr. Markey.

We are pleased to welcome our colleague from Illinois, Phil Crane.

Mr. CRANE. Thank you, Mr. Chairman.

In 1967, Congress sought to bring diversity to the limited array of broadcasting available to the American people. With only three networks, the public was relatively constrained in its entertainment and educational choices. To create diversity and provide an outlet for programming that was not commercially viable, Congress provided an annual Federal subsidy to solve the problem—the Corporation for Public Broadcasting—which was a fairly simple answer.

As a student and professor of history I found that in many cases simple answers are not only not simple, but they are often not very good answers.

While the CPB may have been useful in its early years, it has become a redundancy and unquestionably outlived its usefulness. While the CPB has been supporting a limited number of those to provide for diversity, the telecommunications industry has rapidly outstripped the growth and innovation of public efforts. In short, as public funds have helped build a Yugo, private industry has built a Ferrari.

Today, CNN, the Learning Channel, Comedy Central, Nickelodeon, C–SPAN and hundreds of other cable channels all provide millions of Americans a level of diversity undreamed of in 1967. I doubt that most cable subscribers could list even half the stations they receive.

For those who do not have access to or cannot afford cable, private industry has added a fourth network with at least two more planned and hundreds of independent stations which provide the American public with options. Those who cannot find acceptable programming among that cornucopia can turn to VCRs for the alternatives they seek. Many libraries even provide free loans of video cassettes.

What is most surprising about this explosion in broadcasting is public broadcasting has not only survived but thrived. According to the CPB, 58 percent of all Americans receive two or more public stations. Certainly there is no dearth of access to the airwaves.

There is no disputing the fact PBS, in many cases with the support of CPB, has produced programs of extraordinary quality.

Fortunately for the American public, even if CPB is eliminated these programs are in little danger for our public broadcasting community has built itself a small financial empire by licensing merchandise publicized with taxpayer dollars. I am told any property which grosses over $100 million in merchandising is an unusually strong product.

For example, merchandising from the popular Star Wars trilogy has averaged about $433 million annually. In contrast, the popularity of the children's show Barney generates $500 million in licensing. And another children's show, Shining Times Station, draws in more than $200 million. These incomes pale in comparison to Sesame Street which brings in nearly $1 billion all year in merchandising.

The CPB could and should receive some portion of those revenues in exchange for the developmental, production and broadcast funding it provides. In fact, a fee of less than 20 percent of the gross from just Barney, Shining Times Station and Sesame Street would equal the annual Federal subsidy.

Of course, this calculation ignores entirely the profits made by other shows such as Ken Burns' Civil War and Baseball series and Wall Street Week, all of which make significant sums in licensing fees.

The fact of matter is public broadcasting no longer needs to be on the Federal payroll.

Despite the growth in other broadcasting areas, despite the donations both in terms of numbers of donors and that total amounts have grown, Congress has continued to increase the Federal subsidy. Since 1990, the appropriation has doubled well above the rate of inflation. Even in constant dollars, the fiscal year 1995 appropriation is more than three times higher than 20 years ago. I find it hard to justify to my constituents the fact that the Federal Government provides an ever larger subsidy to an industry which makes quite literally billions.

Mr. Chairman, we serve on opposite ends of the Federal spending process. The committee on which I serve is generally tasked to collecting Federal funds, while this committee is generally tasked with disbursing them. Both our committees face very difficult decisions in the next several months as we grapple with the Federal deficit. Since we serve in neighboring districts in northeastern Illinois I know you recognize the difficulty of these choices.

It is all too easy to argue cutting CPB will eliminate National Public Radio and deprive the public of alternative viewpoints and kill Big Bird. But that assertion is wrong, plain and simple. The facts show if CPB were eliminated the average viewer would not notice the difference.

I want to reemphasize this point, Mr. Chairman, because I believe this is the crux of the debate, and because it is not immediately obvious. It is not simple. The average viewer in Winnetka, Waukegan or Wataga, the average viewer in Maine, Minnesota or Montana will not face any significant change in his service.

Over the past few weeks, Congress has done its part to combat the deficit reducing committee staffs by one-third, roughly one-third. If your committee acts as I believe it should and eliminates funding for the CPB, public broadcasting would take only a 15 percent cut, far less than the one-third reduction as we have experienced here.

I do not believe that we can justifiably continue to support public broadcasting when we rely so heavily on taxation of the middle class, when we cannot afford the costs of ridding our streets of crime and when we must look to foreign sources to finance our debts.

Mr. Chairman, I hope you and this committee will defund the Corporation for Public Broadcasting.

Mr. PORTER. Thank you, Mr. Crane.

Mr. Eliot Engel.

Mr. HOYER. Mr. Chairman, before Mr. Engel begins, if I could make an observation to Mr. Crane.

Mr. PORTER. Mr. Hoyer.

Mr. HOYER. My good friend, Phil, you point up a problem we were discussing before you came in. In point of fact, while you are charged with collecting, your committee spends more money than this committee spends. The Ways and Means Committee is responsible for affecting more Federal expenditures than the Appropriations Committee is, obviously through their authority over entitlements. That is the problem, and you and I were talking about it.

Mr. CRANE. But we do have to raise the resources to do that.

Mr. HOYER. If you had to do that we would have a balanced budget.

Mr. PORTER. I would ask the gentleman from Maryland if he would suspend so we can finish the remainder of our testimony. We are already past our hour.

Mr. HOYER. I had suspended.

Mr. PORTER. Thank you.

THURSDAY, JANUARY 19, 1995.

WITNESS

HON. ELIOT L. ENGEL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. PORTER. Eliot Engel of New York.

Mr. ENGEL. Thank you, Mr. Chairman. I thank the committee and Chairman Porter for the opportunity to testify today.

Last year, I worked closely with Congressman Porter and his staff to pass legislation in another committee which we jointly sponsored. I would just like to publicly express my appreciation to Chairman Porter and his staff for the professionalism and courtesy.

I would first like to explain why I have been a vocal supporter of maintaining Federal support for public broadcasting.

I am a former guidance counselor and teacher in the New York City public school system. I am also the father of three young children. In both roles I have seen the value of public broadcasting firsthand. There is no doubt that the programming on public television has helped my children and my former students expand their horizons through the positive use of the public air waves.

Public radio stations in my district, WFUV at Fordham University, receives some support from CPB. It is one of only two public stations in New York and the only one that fully covers local news and community events in the Bronx.

Just like my colleagues from rural areas, I know that the loss of public support could mean the end of such sources of information that are invaluable to local communities. In fact, I think there is probably unanimous agreement in this room on the value of the programming offered by public broadcasting stations. There may be some disagreement about certain details on certain programs, but this talk abcut a so-called elite liberal bias is utter nonsense as far as I am concerned. As I said in a recent Dear Colleague letter, can the network that broadcasts the Firing Line be all that evil?

When we get past the heated rhetoric, our real purpose today is to assess whether or not the money we invest in public broadcasting is well spent and whether there are ways of reducing Federal support without damaging the quality of programming.

I think the proposal to rescind funding to public broadcasting stems from a belief that the American people have no confidence in their government and want to dismantle programs one at a time. I submit that the truth is closer to this statement. The American people want their money's worth. They want to see tangible, positive results from government programs, and they are willing to support worthwhile programs with their tax dollars.

I believe in the public-private partnership we have established, and I think it should be a model for other things we attempt to do here. And the public-private partnership has certainly been established with public broadcasting. This distinction is important because it comes down to determining how you approach the Federal budget in this new era. If you believe government is inherently bad, then you probably support the elimination of Federal support for public broadcasting. If you believe there are ways government can spur positive results in people's lives, then you have an open mind when it comes to discussing public broadcasting.

The fact is, private-public broadcast is the type of public-private partnership our friends in the Majority love to tell. In my opinion, it is a success story we can point to in order to restore the faith of voters. Every dollar of Federal funding is leveraged into at least $5 of support from corporations, foundations and private donations. If any profits are made, they are generally rolled back into new programming, a fact contrary to some of the inaccurate charges that have been made.

The Federal seed money, however, is crucial to public broadcasting stations, especially those in underserved and rural areas of the country, because it provides the fund-raising base needed to sustain noncommercial programming. If we cut the legislation out from under public television we will not hurt the imaginary liberal elite. We will hurt children and families who often rely on public broadcasting as their source for news and education.

It is a fact that 40 percent of households in the United States are not served by cable television, the medium that can supposedly fill a void left by the loss of public televisions. Families in this 40 percent of our country often cannot afford the monthly cost of cable television, if it is available to them at all. They are precisely the people we are trying to empower, people who need education and enlightenment to help them pursue the American dream.

I take strong exception with those who say cable broadcasts could easily replace public television. Not only because only 60 percent of Americans would be reached but also because of the quality of programming found on the public stations and noncommercial, I might also add. It is no coincidence that Sesame Street and Nova were developed on public television because it is the public-private partnership that allows the creative freedom and integrity required.

Simply put, commercial programming has to answer to ratings and the almighty dollar, and that often means pandering to sex and violence. Frankly, it surprises me the same people who want to promote family values are willing to sacrifice quality when it comes to programming for children.

I also remind this subcommittee that programming decisions are made by local stations, not a Federal bureaucracy, and are based on local community standards. This is the type of decentralization currently being touted these days in Washington. Send it back to the localities is the battle cry of the day. Yet we are flirting with a proposal that could destroy local control of the public air waves.

One of the most effective attacks on the Corporation for Public Broadcasting has been the charge it fails to cash in on the merchandising resulting from successful programs. The reason this charge sticks is because the dollar figures have been greatly exaggerated, and the critics of the CPB conveniently fail to mention the amount of money poured back into programming.

The CPB is aware that it can improve in this area, and it has already taken steps to negotiate better contracts, such as last year's arrangement with Ken Burns that gave CPB a cut of the money made from merchandising associated with the Baseball series.

Who wins in the public-private partnership? Children, their parents, communities that need quality day care, society in general, and, yes, the taxpayers who see positive results in their home communities. That is why polls have shown that the American public not only favors continuation of funding but actually favors an increase in funding because these programs have been so successful.

So who loses? No one, as far as I can see.

Ask your constituents if this is money well spent and ask yourself if it is responsible budget cutting to attack public broadcasting. I am for cutting some Federal programs, but in terms of cuts this is the wrong place, wrong time and wrong thing to cut. Thank you.

Mr. PORTER. Thank you, Mr. Engel. Thank you, gentlemen.

[The prepared statement of Honorable Eliot L. Engel follows:]

ELIOT L. ENGEL
17TH DISTRICT, NEW YORK

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SUBCOMMITTEE ON LABOR MANAGEMENT RELATIONS
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TESTIMONY OF REP. ELIOT L. ENGEL (D - NY)
TO THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON LABOR, HHS AND RELATED AGENCIES
1/19/95

GOOD MORNING. I THANK THE COMMITTEE AND CHAIRMAN PORTER FOR THE OPPORTUNITY TO TESTIFY TODAY. LAST YEAR, I WORKED CLOSELY WITH CONGRESSMAN PORTER AND HIS STAFF TO PASS LEGISLATION WE JOINTLY SPONSORED. I WOULD JUST LIKE TO PUBLICLY EXPRESS MY APPRECIATION TO CONGRESSMAN PORTER AND HIS STAFF FOR THEIR PROFESSIONALISM AND COURTESY.

I WOULD FIRST LIKE TO EXPLAIN WHY I HAVE DECIDED TO BE A VOCAL SUPPORTER OF MAINTAINING FEDERAL SUPPORT FOR PUBLIC BROADCASTING. I AM A FORMER GUIDANCE COUNSELOR AND TEACHER IN THE NEW YORK CITY PUBLIC SCHOOL SYSTEM, AND I AM ALSO THE FATHER OF THREE YOUNG CHILDREN. IN BOTH ROLES, I HAVE SEEN THE VALUE OF PUBLIC BROADCASTING FIRST-HAND.

THERE IS NO DOUBT THAT THE PROGRAMMING ON PUBLIC TELEVISION HAS HELPED MY CHILDREN AND MY FORMER STUDENTS EXPAND THEIR HORIZONS THROUGH THE POSITIVE USE OF THE PUBLIC AIRWAVES.

A PUBLIC RADIO STATION IN MY DISTRICT, WFUV AT FORDHAM UNIVERSITY, RECEIVES SOME SUPPORT FROM THE C.P.B. IT IS ONE OF TWO PUBLIC STATIONS IN NEW YORK, AND THE ONLY ONE THAT FULLY COVERS LOCAL NEWS AND COMMUNITY EVENTS IN THE BRONX. JUST LIKE MY COLLEAGUES FROM RURAL AREAS, I KNOW THAT THE LOSS OF PUBLIC SUPPORT COULD MEAN THE END OF SUCH SOURCES OF INFORMATION THAT ARE INVALUABLE TO LOCAL COMMUNITIES.

IN FACT, I THINK THERE IS PROBABLY UNANIMOUS AGREEMENT IN THIS ROOM ON THE VALUE OF THE PROGRAMMING OFFERED BY PUBLIC BROADCASTING STATIONS. THERE MAY BE SOME DISAGREEMENT ABOUT CERTAIN DETAILS ON CERTAIN PROGRAMS, BUT THIS TALK ABOUT A SO-CALLED ELITE, LIBERAL BIAS IS UTTER NONSENSE. AS I SAID IN A RECENT DEAR COLLEAGUE LETTER, CAN THE NETWORK THAT BROADCASTS WILLIAM F. BUCKLEY'S FIRING LINE BE EVIL?

WHEN WE GET PAST THE HEATED RHETORIC, OUR REAL PURPOSE TODAY IS TO ASSESS WHETHER OR NOT THE MONEY WE INVEST IN PUBLIC BROADCASTING IS WELL SPENT, AND WHETHER THERE ARE WAYS OF REDUCING FEDERAL SUPPORT WITHOUT DAMAGING THE QUALITY OF PROGRAMMING.

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I THINK THE PROPOSAL TO RESCIND FUNDING TO PUBLIC BROADCASTING STEMS FROM A BELIEF THAT THE AMERICAN PEOPLE HAVE NO CONFIDENCE IN THEIR GOVERNMENT AND WANT TO DISMANTLE PROGRAMS ONE AT A TIME.

I SUBMIT THAT THE TRUTH IS CLOSER TO THIS STATEMENT: THE AMERICAN PEOPLE WANT THEIR MONEY'S WORTH. THEY WANT TO SEE TANGIBLE, POSITIVE RESULTS FROM GOVERNMENT PROGRAMS, AND THEY ARE WILLING TO SUPPORT WORTHWHILE PROGRAMS WITH THEIR TAX DOLLARS. I BELIEVE IN THE PUBLIC-PRIVATE PARTNERSHIP WE HAVE ESTABLISHED AND THINK IT SHOULD BE A MODEL FOR OTHER THINGS WE ATTEMPT TO DO HERE.

THIS DISTINCTION IS IMPORTANT BECAUSE WHERE YOU COME DOWN DETERMINES HOW YOU APPROACH THE FEDERAL BUDGET IN THIS NEW ERA. IF YOU BELIEVE GOVERNMENT IS INHERENTLY BAD, THEN YOU PROBABLY SUPPORT THE ELIMINATION OF FEDERAL SUPPORT FOR PUBLIC BROADCASTING. IF YOU BELIEVE THERE ARE WAYS GOVERNMENT CAN SPUR POSITIVE RESULTS IN PEOPLE'S LIVES, THEN YOU HAVE AN OPEN MIND WHEN IT COMES TO DISCUSSING PUBLIC BROADCASTING.

THE FACT IS PUBLIC BROADCASTING IS THE TYPE OF PUBLIC-PRIVATE PARTNERSHIP OUR FRIENDS IN THE MAJORITY LOVE TO TOUT. IN MY OPINION, IT IS A SUCCESS STORY WE CAN POINT TO IN ORDER TO RESTORE THE FAITH OF VOTERS. EVERY DOLLAR OF FEDERAL FUNDING IS LEVERAGED INTO AT LEAST FIVE DOLLARS OF SUPPORT FROM CORPORATIONS, FOUNDATIONS AND PRIVATE DONATIONS. IF ANY PROFITS ARE MADE, THEY ARE GENERALLY ROLLED BACK INTO NEW PROGRAMMING, A FACT CONTRARY TO SOME OF THE INACCURATE CHARGES THAT HAVE BEEN MADE.

THE FEDERAL "SEED MONEY", HOWEVER, IS CRUCIAL TO PUBLIC BROADCASTING STATIONS, ESPECIALLY THOSE IN UNDERSERVED AND RURAL AREAS OF THE COUNTRY, BECAUSE IT PROVIDES THE FUND RAISING BASE NEEDED TO SUSTAIN NON-COMMERCIAL PROGRAMMING.

IF WE CUT THE LEGS OUT FROM UNDER PUBLIC TELEVISION, WE WILL NOT BE HURTING THE IMAGINARY "LIBERAL ELITE," WE WILL BE HURTING CHILDREN AND FAMILIES WHO OFTEN RELY ON PUBLIC BROADCASTING AS THEIR SOURCE FOR NEWS AND EDUCATION. IT IS A FACT THAT 40 PERCENT OF HOUSEHOLDS IN THE UNITED STATES ARE NOT SERVED BY CABLE TELEVISION, THE MEDIUM THAT CAN SUPPOSEDLY FILL A VOID LEFT BY THE LOSS OF PUBLIC TELEVISION STATIONS.

THE FAMILIES IN THIS 40 PERCENT OFTEN CANNOT AFFORD THE MONTHLY COST OF CABLE TELEVISION, IF IT IS AVAILABLE TO THEM AT ALL. THEY ARE PRECISELY THE PEOPLE WE ARE TRYING TO EMPOWER -- PEOPLE WHO NEED EDUCATION AND ENLIGHTENMENT TO HELP THEM PURSUE THE AMERICAN DREAM.

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I TAKE STRONG EXCEPTION WITH THOSE WHO SAY CABLE BROADCASTS CAN EASILY REPLACE PUBLIC TELEVISION, NOT ONLY BECAUSE

ONLY 60 PERCENT OF AMERICANS WOULD BE REACHED -- BUT ALSO BECAUSE OF THE QUALITY OF PROGRAMMING FOUND ON THE PUBLIC STATIONS.

IT IS NO COINCIDENCE THAT SESAME STREET AND NOVA WERE DEVELOPED ON PUBLIC TELEVISION, BECAUSE IT IS THE PUBLIC-PRIVATE PARTNERSHIP THAT ALLOWS THE CREATIVE FREEDOM AND INTEGRITY REQUIRED. SIMPLY PUT, COMMERCIAL PROGRAMMING HAS TO ANSWER TO RATINGS AND THE ALMIGHTY DOLLAR, AND THAT OFTEN MEANS PANDERING TO SEX AND VIOLENCE. FRANKLY, IT SURPRISES ME THAT THE SAME PEOPLE WHO WANT TO PROMOTE FAMILY VALUES ARE WILLING TO SACRIFICE QUALITY WHEN IT COMES TO PROGRAMMING FOR CHILDREN.

I ALSO REMIND THE SUBCOMMITTEE THAT PROGRAMMING DECISIONS ARE MADE BY LOCAL STATIONS, NOT A FEDERAL BUREAUCRACY, AND ARE BASED ON LOCAL COMMUNITY STANDARDS. THIS IS THE TYPE OF DECENTRALIZATION CURRENTLY BEING TOUTED IN WASHINGTON. "SEND IT BACK TO THE LOCALITIES" IS THE BATTLE CRY OF THE DAY, YET WE ARE FLIRTING WITH A PROPOSAL THAT COULD DESTROY LOCAL CONTROL OF THE PUBLIC AIRWAVES.

ONE OF THE MOST EFFECTIVE ATTACKS ON THE CORPORATION FOR PUBLIC BROADCASTING HAS BEEN THE CHARGE THAT IT FAILS TO CASH IN ON THE MERCHANDIZING RESULTING FROM SUCCESSFUL PROGRAMS. THE REASON THIS CHARGE STICKS IS BECAUSE THE DOLLAR FIGURES HAVE BEEN GREATLY EXAGGERATED AND THE CRITICS OF THE C.P.B. CONVENIENTLY FAIL TO MENTION THE AMOUNT OF MONEY POURED BACK INTO PROGRAMMING.

THE C.P.B. IS AWARE THAT IT CAN IMPROVE IN THIS AREA, AND IT HAS ALREADY TAKEN STEPS TO NEGOTIATE BETTER CONTRACTS -- SUCH AS LAST YEAR'S ARRANGEMENT WITH KEN BURNS THAT GAVE THE C.P.B. A CUT OF THE MONEY MADE FROM MERCHANDIZING ASSOCIATED WITH THE BASEBALL SERIES.

WHO WINS IN THE PUBLIC-PRIVATE PARTNERSHIP? CHILDREN, THEIR PARENTS, COMMUNITIES THAT NEED QUALITY DAY CARE, SOCIETY IN GENERAL AND, YES, THE TAXPAYERS -- WHO SEE POSITIVE RESULTS IN THEIR HOME COMMUNITIES.

WHO LOSES? NO ONE, AS FAR AS I CAN SEE.

ASK YOUR CONSTITUENTS IF THIS IS MONEY WELL-SPENT, AND ASK YOURSELF IF IT IS RESPONSIBLE BUDGET-CUTTING TO ATTACK PUBLIC BROADCASTING.

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FINALLY, I WOULD LIKE TO ADDRESS THE TOPIC OF ELITISM, MAINLY BECAUSE THE OPPONENTS OF PUBLIC BROADCASTING LIKE TO CHARACTERIZE ITS SUPPORTERS AS AN ELITE GROUP. I SUBMIT THAT THE PEOPLE WHO MAKE THESE CHARGES ARE THE ELITIST BECAUSE THEY ARE SAYING THAT QUALITY PROGRAMMING IS A LUXURY. PEOPLE WHO WANT EDUCATION AND ART SHOULD PAY FOR IT, THEY SAY. WELL, THAT IS A VERY DIM VIEW OF OUR SOCIETY, AND IT GOES AGAINST OUR TRADITION OF BUILDING OUR COUNTRY ON A FOUNDATION OF EDUCATION AND OPPORTUNITY FOR ALL. IT MEANS THAT DRAMA AND HISTORY AND SCIENCE SHOULD NOT BE SUPPORTED BY GOVERNMENT BECAUSE THEY ARE NOT NECESSITIES, BUT ARE SIMPLY AN EXTRA "BURDEN" ON SOCIETY. THIS WOULD DENY ARTS AND EDUCATION TO ALL BUT AMERICA'S PRIVILEGED -- AND THAT IS TRUE ELITISM.

THANK YOU VERY MUCH.

THURSDAY, JANUARY 19, 1995.

WITNESS

HON. EDWARD J. MARKEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS

Mr. PORTER. Mr. Markey, would you come to the table?

Edward Markey of Massachusetts.

Mr. MARKEY. Thank you, Mr. Chairman, and I thank you very much for conducting this hearing.

As you know, Mr. Chairman and Members of the committee, over the past eight years I have been Chairman of the Telecommunications Subcommittee; and for 18 years I served on the Telecommunications Subcommittee.

I want you, as you consider this issue, to think about one thing and that is the children of our country. This is nothing more—no less—than a debate over what kind of information we are going to provide for every child in our country.

There are 70 million children in the United States. Of those 70 million children, 33 million live in homes that do not have cable. As a result, they do not have access to this cornucopia that people constantly make references to. They live in homes without it and have television sets that look just like the television sets we grew up with, that just have a relatively small number of broadcast stations.

Now, this morning, if you turned to the television section of U.S. Today, here is what you would find out about what children in America have as an option if their parents are looking at CBS, NBC and ABC.

On Fox is Jenny Jones talking about women confronting the man who impregnated their teenage daughters. On CBS, there is Montel Williams with a show on bigamists. On Ricki Lake, we have people who use sex to control their lovers. Then Maury Povich—we have people ashamed of convicts in the family.

Now there is a market for that, and adults, if they want, should be able to watch it, but children should not be watching this programming. Now, if the mother is turning the station in one of those homes that does not have cable, with 33 million children in our country, what are they going to be able to watch? What program? What station can they leave on?

On PBS, on channel 26 here and on every station across the country, here is what you would have. Starting at 6:30 in the morning, it would go: Sesame Street, Barney, Kidsongs, Barney, Shining Times Station, Sesame Street, Puzzle Place, Mr. Rogers, Story Time, Body Electric, Open Mind, Mystery, Lamb Chops Play Along, Shining Times Station, Barney and Friends, Story Time, Reading Rainbow, Ghostwriter, Carmen San Diego, Bill Nye, the Science Guy. And you are at 6:30 in the evening. You have gone 12 consecutive hours of programming targeted at the children in our country.

The networks have pulled out. The total programming for all three networks plus Fox is eight hours a week. PBS does 12 hours a day targeted at the children in our country.

Now many of you I think share with me the voting record of having voted for NAFTA and voted for GATT. By voting for NAFTA and GATT we have essentially constructed a deal with the American people. We are going to let the low-end jobs go, the jobs that require manual labor, and we are going to target the high-end jobs, the jobs that will target exports for Germany and Japan and South America and all the rest of the world.

We have a responsibility to give the children of this country the skills they are going to need in order to compete in that world. Now we are going to have a debate here in Congress over the next several months over whether or not, as part of welfare reform, we boot welfare mothers off the rolls, that we have a responsibility to also give them job training so they can compete for jobs they are not qualified for in an information era.

Now, why would we begin to debate talking about billions of dollars in job training for these welfare mothers and others in their family when for $1 per year per person in America we have a public broadcasting system that is totally dedicated to ensuring that programming goes into every family, inexpensively, day after day in this country?

We have a responsibility to make sure that every classroom has a computer, that every desk has a computer.

We have to have an integrated program that we are thinking through that ensures that there is, in fact, a way that we are going to give these kids the skills they need.

This is the cheapest way of doing it, the best way of doing it. And my only hope is that as we move forward we understand that there is one other technology out there on the street. It is a handgun. It is an assault rifle. The average kid can work one week at McDonald's and earn 89 bucks and afford to purchase a semiautomatic assault weapon on the streets of this country. That is the competing technology.

We have a responsibility, morally and economically, to ensure that we continue to sustain the one channel that every parent can rely upon to give their children the attitude towards life, culturally, which they need. And that is what this debate is all about, as we all know, is the culture of the United States. What has happened to our culture? How are we going to change our culture?

And we want to target those that we feel are being deprived, both in their schools and by the culture generally of the proper attitudes. Only PBS provides that to every child and every family every day. There is no other option. Most families do not have cable who have children, and those that do have very few options on the broadcast dial.

I want you to think about that. Because as you talk about zeroing out this budget you are talking about privatizing it, for all intents and purposes, this network. And, believe me, once you privatize it, they will be under the same pressures as ABC and CBS and NBC and every independent station in this country, and that is they have a legal responsibility to their shareholders to maximize profit. And that means cereal companies and that means toy manufacturers and that means changing the programming so it can compete with commercial networks.

CBS, in testifying before the FCC last year on a rulemaking with regard to what their responsibility should be for children's programming, here is what it said before the FCC last year: It is no accident, for example, that much high-quality children's programming is found on PBS. Because their audiences need not be nearly as large as advertiser-supported broadcast audiences to make the programming economically viable.

Now, if you want to put this incredible resource that we have, if we were going to have a plan, in fact, to ensure that every American child would have access to high-quality information, this would be the plan: $1 per person per year. Have one channel dedicated to getting high-quality information into the minds of every child, every American, regardless of income, could have access to.

And, by the way, when polled, over 70 percent of all black, white, Asian and Hispanic parents said it was the channel they kept on all day long. It is not elitist. It is American. And it is brilliant construction for what it is that we need in a post-NAFTA world.

Our school systems do not offer these children the skills they need. The rest of the television and cable system does not offer it to them either. This is it. And when you begin to tamper with this, be very careful because it is what we should be planning to give to each child.

Yes, every child deserves a lap-top. Every child deserves a computer on his desk in school. Every child deserves to have high-quality programming in their minds, in their lives every day. Only PBS does it. I cannot tell you how important it is for you to keep this in the back of your minds as you make this deliberation.

I thank you, Mr. Chairman.

Mr. PORTER. Thank you very much, Mr. Markey.

The subcommittee will stand in recess until 2:00 p.m.

[Recess.]

THURSDAY, JANUARY 19, 1995.

WITNESS

LAURENCE JARVIK, CENTER FOR STUDY OF POPULAR CULTURE

Mr. PORTER. The subcommittee will come to order. We are resuming our hearings on the Corporation for Public Broadcasting rescission, and the Chair would like to congratulate our colleague from Ohio, Mr. Stokes, who is a new grandfather and was with his daughter this morning and could not be present.

Mr. STOKES. Thank you. Thank you very much.

Mr. PORTER. We have allocated until 3:30 the time for this panel, and because it is such a large one, we will have to insist that each of you limit your testimony to 10 minutes and no more. The Chair will apprise each of you when the time has arrived, and you should keep track of it as best you can yourself. I will be apprised by the clerk of the committee.

We begin with Laurence Jarvik, the Center for the Study of Popular Culture.

Welcome. Thank you for being with us.

Mr. JARVIK. Thank you, Mr. Chairman. Thank you very much for having me. I would like to put my prepared testimony into the record and talk a little bit extemporaneously today. I heard some very interesting things this morning that gave me some ideas of response.

I would like to begin by saying I am pro-public broadcasting. I have spent now four years studying public broadcasting professionally here in Washington. I did my doctoral dissertation on Masterpiece Theater at the University of California at Los Angeles. I traveled to England. I am a member of WETA, WHMM and WAMU, so I think I make my personal contribution; as well as my professional career and everything I say is offered in the spirit of improving public broadcasting to make it more efficient and more accountable.

I would like to begin by reading something. I testified before. I would like to say I heard some very disturbing remarks this morning about Republicans and plots and so forth, and it has been very disturbing to me and I have some real concerns about it.

Last year I testified to the Senate. Senator Inouye was kind enough to invite me to talk about Barneygate. Barneygate is of course what Senator Dole called the personal enrichment of people doing business with public broadcasting, and I thought this was a new era of bipartisanship.

Hollywood Reporter had an article: PBS Barneygate Era. Critics Follow the Money. Bipartisan Concern Over the Service's Fiscal Stress. And I was present at a House hearing, and I heard Congressman Markey, who was so eloquent this morning, expressing real concern about the role of corporations and private people take advantage of the system. So I am a little surprised actually to hear the level of rhetoric coming from some Members—anti-Republican rhetoric, which is very disturbing.

I think I would like to begin by reading something that I said in the previous testimony, from Bill Moyers. He said, "The men who wrote our Constitution, our basic book of rules, were concerned that power be held accountable. No party of government and no person in government, not even the President, was to pick or choose among the laws to be obeyed. But how does one branch of government blow the whistle on another? How do the people cry 'foul' when their liberties are imperiled if public officials can break the rules and lie to us about it?"

And I think that is really what we are here today to discuss. The question is—and we publish this magazine called COMINT—whether or not public broadcasting, under its present management, is in contempt of Congress. I hope there will be further investigations of this issue by Congress. I thank the Chairman for holding these.

I am dispensing with my prepared testimony because I heard Congressman Livingston this morning talk about the on-air appeals, and I think this is a very serious and disturbing development that a public trust would be used in this way for a clearly political purpose in a partisan fashion against the law. No, I don't know much about the Labor-HHS appropriations rules, but there was a comment made about, well, every defense contractor would not be able to lobby.

The fact of the matter is, I do know a little bit about the Public Broadcasting Act, and the Public Broadcasting Act is as clear as crystal: public broadcasting must be objective and balanced in all coverage of issues of public controversy. And I would say the first question is, what did the Corporation for Public Broadcasting know about these efforts and when did they know it?

Secondly, what steps did they take when they learned of these efforts to inform the people who were doing these illegal activities to stop the activities?

Thirdly, when the people received notice, if they kept doing those activities, what steps or sanctions were taken against those stations or station managers who continued to engage in this type of on-air hysteria?

I also think in addition to the Public Broadcasting Act balance requirements there are basic questions of truth, fairness, and honesty. There are truth-in-advertising issues to be addressed here as well.

The fact of the matter is Ervin Duggan has said Republicans want to kill public broadcasting. This is not true. I have not met a Republican who wants to kill public broadcasting. Others have said that. Today we heard a Congresswoman from New York hold up muppets and say that the Republicans want to kill—put Ernie and Bert on the chopping block. Well, in 1992, Jesse Helms, who is a pretty conservative Republican, said if Jesse Helms had to vote for Big Bird, he would vote for Big Bird. Big Bird isn't the issue, and in 1992, by the way, the Corporation for Public Broadcasting, I was told, gave no money to Sesame Street. Now we are told they do give money. Why is it that two years they didn't need Federal funding and today they do? It is a good question.

I think the issue of truth-telling goes a little farther than that. In the TV column, Ervin Duggan was reported as saying in Los Angeles that there is no lobby for public broadcasting. They don't have any high-priced lawyers. They don't have any lobbyists. Well, Fleishman-Hillard, the last time I checked, did lobby; they worked for public broadcasting. Last time I checked, American Public Television stations was a lobby. It is a distinction without a difference to say that it is not PBS, it is the same stations that are part of the PBS fund, ITVS.

Finally, I would like to say something about Bill Moyers' attack on C–SPAN, which has not been commented on, to show the complete hysteria and irrationality of this debate in a way that is very unfair to the real issues that need to be addressed. Bill Moyers said, quote, "The Speaker's first attack on public broadcasting came while he was on a conservative cable network which is ideologically funded and motivated." That is NET, National Empowerment Television.

He said, "I find it intriguing that his second big attack on public broadcasting came in an interview on C–SPAN, which I admire greatly, but C–SPAN is the creature of the cable industry run by friends of the new Speaker of the House. I think there is a correlation between this ideology of publicly supported politicians in the service of commercial industry that, frankly, would like to see public television not exist."

Well, the levels of deception here are so extreme, I believe, as to defy common sense. C–SPAN is perhaps the most balanced and objective network in the United States today. Cable broadcast or anywhere, I believe Brian Lamb is a man of impeccable integrity, and

I think it unbelievable that somebody would suggest that it was a tool of some cable campaign to put public broadcasting out of business.

Secondly, the argument that there are people who would not like to see public television exist, I think is equally far from the truth. Nobody here wants to do anything except eliminate a Federal subsidy which accounts for 14 percent of the budget.

I would also like to say something else. We heard something today about the children of America. I believe one of the things that the children of America need is a good example. And I believe telling the truth is a good example for little children, and I believe that the people have to be honest and trustworthy and follow the law, and I believe those are good examples for little children; and I think when the public television lobby makes enemies list, which they did in 1992—and I had my name on one which is dated March 4th, 1992, from David Brother of ITVS—I think that is the type of reprehensible activity that we really should investigate. That was reported at the time in our magazine.

Having said that, I will go to my main point, which is that, frankly, public broadcasting doesn't need its Federal subsidy. I brought a little Ross Perot-like chart; I did learn something here. This is the revenue picture from 1980 to the present of public television, made from charts provided by PBS and CPB. As you can see, the growth has been $581 million in 1980, $1.8 billion in 1994—considerable growth over the period compared to charts for other Federal programs. If we were to eliminate the Federal share totally, zero it out, we are talking about coming down to there on the chart.

Now, the 20th Century Fund says 75 percent of the money goes to waste and overhead. Well, let's assume we are just eliminating the waste and the overhead. That still leaves an awful lot of money for program services and everything that everybody else wants without one penny of Federal money.

Another point that was made was, oh, these rural stations made money. Well, in any system there are richer and poorer members of the family. Many stations have a lot of money in the bank. In New York, WNET has $30 million in the bank, for instance. They could certainly share some of that wealth with some of the poorer stations and not expect the taxpayers to pay for it.

Finally, I would just like to show a chart. The reason I get so confused about the system, this is the Boston Consulting Group did an analysis—and this is not the Clinton health care plan, by the way, or the Whitewater, you know, money going or whatever.

Ms. PELOSI. Mr. Chairman, I find that objectionable, that remark, that last remark. It has no place in this hearing on the CPB, the Corporation for Public Broadcasting.

Mr. JARVIK. I apologize if I gave offense. In fact, Hillary Clinton was on the board of the Children's Television Workshop until she entered the White House; there is a connection.

Mr. PORTER. Please proceed.

Mr. JARVIK. The point is that people used to—large government bureaucracies have a mind-set which sees a very complicated way to do something, when often there is a simpler way that doesn't involve use of Federal funds. That was the only point I was trying to make.

Ms. PELOSI. I don't see how Whitewater came into that, Mr. Chairman.

Mr. PORTER. Thank you, Mr. Jarvik.

[The prepared statement of Laurence Jarvik, Ph.D. follows:]

Testimony of Laurence Jarvik, Ph.D.
Labor-HHS-Education Subcommittee
Committee on Appropriations
Hon. John Porter, Chairman
19 January 1995

Mr. Chairman and members of the Subcommittee, thank you for inviting testimony from citizens concerned about the appropriation for the Corporation for Public Broadcasting (CPB). At a time when Congress is busy rewriting almost the entire Communications Act of 1934, only one sector has remained almost wholly free of serious scrutiny until now: public broadcasting. I believe this is the first hearing in almost thirty years to begin questioning some of the basic assumptions of financing the system, including a presumed "right" to forward funding enjoyed by practically no other recipient of a Congressional appropriation.

The issue today is not whether beneficiaries of the appropriations process feel that they deserve tax dollars. Despite the noisy and frequently unseemly protests of those who profit from present financial arrangements (and the so-called "polls" they use to make their case) it is clearly time to re-evaluate the basic structures for finance and governance of public broadcasting.

One must measure the intentions of Congress against the actions of a system which seems to maintain a closed circle of insiders -- many of whom have prominent political connections -- who may be benefitting themselves and their business associates. Although public broadcasting is in fact big business, spending almost $2 billion a year, grossing billions more in various ancillary ventures, with billions of dollars in assets, and generating millions of dollars in wealth for private companies and individuals, there is little or no public understanding of how the public broadcasting system really works.

For example, it was recently announced that the largest cable company in the United States had purchased a two-thirds interest in the MacNeil-Lehrer Newshour for an undisclosed sum. When I looked into this, I could not find a single newspaper or magazine article which made any reference to a share of this sum going to the Corporation for Public Broadcasting to pay for new programming. Nor could I find any dollar figure for the purchase listed in any publication.

The Corporation for Public Broadcasting is exempt from the Freedom of Information Act. It need not follow the rules and regulations that apply, for example, to defense contractors. Therefore, it is impossible for a member of the public to discover the true nature of the multiple financial transactions occuring within the system, and to uncover the proverbial $600 toilet seat. Public broadcasting has all the public relations benefits of a charity with all the financial potential of a private company and the security of a federal subsidy. Every thing we do learn about the operation of the system raises further concerns about potential wrongdoing, rather than resolve old concerns.

In a recent case, the Detroit News reported that the president of the Detroit PBS station would be retiring and taking with him production contracts worth some $2 million, granted while he was finishing up his tenure. When a newspaper reporter asked the station for copies of the contracts, he was turned down. Clearly, if it had been the case of a defense contractor, an investigation would have been undertaken at once into possible self-dealing for purposes of personal enrichment. Perhaps Frontline might even had devoted a documentary hour investigating the trail of financial transactions involved. Yet, of course, PBS and NPR have not devoted much air time to financial scandals in public broadcasting. To some extent what Senator Bob Dole has called "Barneygate" is one of the under-reported stories of American journalism. The Three Tenors, Big Bird, Barney, Bill Moyers and Ken Burns all make millions.

PBS television stations are often as big and as rich as their commercial counterparts. Several pay top executives salaries and benefits equivalent to that of the President of the United States. A large number have sizable investment accounts and affiliated for-profit businesses competing with those in the commercial sector. Many PBS stations garner an annual "surplus" which would be called profit anywhere else.

A recent Seattle Times story about the local public television station was headlined "KCTS pleads poverty while sitting on fat wallet." While begging viewers for money, it turned out the station had some $6 million in the bank. WGBH Boston has 1,000 employees and an annual budget of $130 million. Meanwhile, NPR sold millions of dollars of stock last year, and the Minnesota Association of Broadcasters has complained that NPR stations in that state directly compete for advertisers.

Yet the cozy relationships built up in what one official CPB history called a "tribal" organization (and what Ken Burns called his "family" in a speech to last year's PBS convention) suggest the possibility of abuse of non-profit status and federal subsidy for personal gain, and the further abuse of tax dollars for purposes of lobbying and advertising.

Now, CPB has spent some $2 million dollars on an ad campaign for PBS produced by the Hal Riney Agency with the slogan "If PBS doesn't do it, who will?" But CPB has not yet actually told us what, precisely, public broadcasting really does in fact do with the billions of dollars circulating in and around the system.

For example, one has yet to see the bookkeeping for the lobbying and advertising efforts to determine how carefully segregated federal tax dollars have been from those used to pay for lobbying and advertising. We were all surprised to learn of the scope and intensity of recent highly questionable on-air and behind the scenes lobbying practices by public broadcasting. We still do not have a full picture of how the radio and television stations were persuaded to participate in these now controversial activities to generate mail and phone calls to Congress.

It appears to have been a hysterical public relations blitz, and we do not actually know in the precise amount of federal funds going to both registered and unregistered lobbyists. For example, what was the dollar value of the air time for the commercials run by PBS alone, or the on-air appeals by local radio and television stations urging audiences to write their congressmen?

Now, while maintaining that they have nothing to hide, the Corporation for Public Broadcasting has firmly resisted all attempts to apply the Freedom of Information Act (FOIA) to its activities, most dramatically in the Senate debate of 1992 against Senator Dole's desire for bringing CPB under FOIA, where he simply could not get the votes due to the opposition of the secretive public broadcasting lobby. Along the same lines, although I personally testifed on June, 29, 1994 before the Senate Commerce Subcommittee regarding "Barneygate" and other improprieties in public broadcasting and asked at that time for an impartial General Accounting Office audit, the public broadcasting lobby has successfully fought even that modest and reasonable proposal until the present day.

Now, Congress has just enacted provisions to make it subject to the same laws as any ordinary American citizen. Yet CPB has maintained that it is above the law, that it does not accept the Congressional oversight which other recipients of federal dollars must. They say "trust us," "don't question us," "don't investigate us." PBS President Ervin Duggan told the National Press Club just the other day that "the people of public broadcasting are good and faithful servants."

Yet when a Congressman or Senator dares to utter statements questioning the status quo, such as Speaker Newt Gingrich or Senator Larry Pressler, CPB unleashes its 1000 radio and television stations in a fury of political agitation -- agitation specifically prohibited by law in the Public Broadcasting Act of 1967, which calls for strict adherence to balance and objectivity in all matters of public controversy. It appears a conscious and deliberate violation of not only law, but of reasonable concepts of fair play as well, which raise questions about the moral character and fitness of those holding FCC channels presently reserved for educational and noncommercial purposes.

Again, when in 1992 Congress unanimously approved a procedure to review programming to ensure balance and objectivity, and wrote into law the requirement that the CPB Board of Directors take responsiblity for the system which they fund, CPB showed its lack of concern for laws written by Congress. The Board of Directors refused to review a single program in accordance with the law, despite literally thousands of complaints about dozens of shows logged on an 800 number. Indeed, even when a member of the Board, Vic Gold, begged for action in the case of anti-Semitic broadcasting on a CPB-funded station, the board refused to consider the case. CPB acted and continues to act as if it were above the law.

In a recently broadcast commercial -- although PBS still won't admit that its 30, 60, and 90-second spots produced by an ad agency are in fact commercials -- a voice which sounds suspiciously like that of Gregory Peck intones what is perhaps the rationalization for ignoring Congress, violation of law, and questionable financial arrangements. "It's not important to understand fully," says a voice which sounds suspiciously like Gregory Peck, "but only to see."

PBS advertising ditty to the contrary, one cannot in fact exercise intelligent judgment unless one does fully understand what one sees. Especially when one considers what already is visible:

* Program practices deemed unethical at commercial broadcast networks are accepted as routine in public broadcasting, most notably "underwriting for content." The late CBS President Richard Salant resigned from the board of National Public Radio because he thought it was improper that the network accepted funds earmarked by sponsors for specific news topics. Neither CPB, NPR nor PBS have an independent standards and practices department to insure the integrity of programming content. Both radio and television accept underwriting for content.

In the late 1950's commercial broadcasting was tarnished by what was called the "payola" scandal -- paying disk jockeys to air certain records. There is little conceptual difference between that phenomenon and paying to air certain news and public affairs items. It would be unacceptable in any commercial broadcasting network, which is why Salant quite NPR.

* PBS is a bureaucratic mess. In a 1991 study commissioned by CPB, the Boston Consulting Group found there were "few consistent cost accounting practices within public television," "revenues associated with each activity are far out of alignment with the amounts spent," and "no revenues were associated with fundraising costs." Indeed, the managment consultants were unable to find the financial documentation they needed and so constructed their revenue and expenditure analysis from <u>estimates</u> provided by PBS station managers.

* The 1993 Twentieth Century Fund study <u>Quality Time?</u> found the present system so wasteful and inefficient it recommended entirely eliminating all CPB "Community Service Grants" to local stations in order to encourage stations to better serve the communities in which they were located.

* Senator Daniel Inouye has declared that one quarter of the approximately 400 PBS stations are overlapping and publicly urged the system to dispose of theses duplicate stations as soon as possible.

* At WLVT, Allentown the station president resigned after allegations of bid-rigging during on-air auctions. CPB refused to release financial reports to the local newspaper until a Congressman intervened.

* At WQED, Pittsburgh, the station president resigned in disgrace after it was revealed he had taken a second salary from a production company doing business with the station and received other large questionable payments from a complicated insurance scheme. Nevertheless, he served out his term on the board of directors of the Corporation for Public Broadcasting and recently was voted a commendation by the CPB board. He remains on the board

of the American Program Service, which receives millions from CPB. When the Pittsburgh Post Gazette asked CPB for financial information on the station, then-CPB president Marshall Turner stonewalled, declaring: "There are some things the public doesn't need to know."

* In 1990 the head of WJCT, Jacksonville was forced to resign after a scandal involving the misuse of auction funds, accused pocketing pledges donors thought were going to the station.

* In 1991 the FCC stripped KQED, San Francisco of the license for its sister station KQEC due to "serious misconduct." The offenses included "lacking candor" and misrepresentation. Former CPB president Marshall Turner had been on the KQED Board of Directors at the time.

* CPB has no regular procedure to insure that conflict-of-interest pledges signed by its officers, directors, and employees are strictly enforced to prevent self-dealing and financial inurement, nor does it follow normal rules of federal agencies regarding financial disclosure and public filing of such forms for career staff.

After a recent CPB decision to award $4.5 million to Lancit Media, Inc. for a children's show called The Puzzleworks (now called The Puzzle Place) the company's stock rose dramatically from about $1.30 when first issued a couple of years earlier to about $13.00 due to the potential value of toys and merchandise tie-ins. This was reported in the business section of the newspaper. I was interested to know if anyone with access to inside information might have been in a position to benefit from this CPB decision. However, I was told I could not have the records of investment holdings for CPB employees and contractors.

When I called to inquire if any CPB employee, officer, or director had ever been disciplined for any breach of ethics rules, the staffer with whom I spoke could not answer the question and could not tell me how I might obtain the relevant information.

* Herb Schmertz, former Mobil executive responsible for Masterpiece Theatre and Mystery!, has said use of those shows for fundraising purposes by PBS stations during pledge weeks is "not truth in advertising" because the corporation actually pays WGBH over $10 million annually to put them on PBS.

* Federally-funded children's programs are exploited by corporations and individuals for private enrichment. Forbes magazine lately listed Barney as the third richest entertainer in America after Stephen Spielberg and Oprah Winfrey. Sales of toys and merchandise based on PBS shows such as Barney, Sesame Street, and Shining Time station gross literally billions of dollars -- but not for the federal treasury and the taxpayer who makes it all possible.

* Cooking shows, financial program, how-to's, and documentaries also have merchandising tie-ins. There is a veritable Home Shopping Channel for PBS merchandies including Bill Moyers books and videos, Ken Burns' "Civil War" and "Baseball", Louis Rukeyser newsletters, Yanni CD's, Frugal Gourmet Cookbooks, and Covert Bailey's "Fit or Fat" tapes. In essence, public broadcasting provides free air time for infomercials to promote

these products, yet the American taxpayer who makes it possible does not participate in these huge private windfalls. CPB has to date provided no analysis of the financial exploitiation the system by those promoting and selling merchandise, etc.

* The Wireless and Signals catalogue businesses owned by WGBH and Minnesota Public Radio are estimated to gross some $77 million annually.

* PBS stations have set up stores in shopping malls, including the Learningsmith chain and the Store of Knowledge. The precise financial deals for these operations are shrouded in secrecy.

* Baseball has received over eighteen hours of what amounts to free advertising time to promote the sale of video cassettes and assorted merchandise in what is perhaps the greatest coordinated cross-promotional blitz in the history of television. Comparable infomercial time would have an estimated value of some $600,000 an hour, making the value of airtime on PBS given "Baseball" alone worth over $11 million. This does not include the value of repeats by local stations and the additional interstitial programming spots, show plugs, tune-ins, and "making of..." promotional specials. All this to sell sets of videocassettes at $179 each, using on-air 800 numbers, which generate private profits in the millions. Washington Post writer Tony Kornheiser even spotted Ken Burns on the QVC shopping channel hawking Baseball cards.

* The New Yorker recently estimated the grosses for Ken Burns' The Civil War at $60 million.

* A lawsuit settled out of court against Bill Moyers for Joseph Campbell and the Power of Myth estimated potential grosses for that one series at $20 million. Moyers has admitted raising $15 million for his private, for-profit company, Public Affairs Television, Inc.

* Ted Turner recently paid over $20 million for homevideo rights to PBS shows, and he's not in business to lose money.

* The recent Three Tenors Encore! concert broadcast from Dodger Stadium, co-ordinated with tape, videocassette, and CD sales. According to an article in the New York Times this concert had potential worldwide grosses of approximately $50 million dollars. The show, which gained from the PBS imprimatur as well as the exposure, was privately produced by impresario Tibor Rudas -- and again, he's not in business to lose money.

* Children's Television Workshop (CTW), producers of Sesame Street, as of 1992 paid at least one executive over $625,000 per year, had over $50 million in a stock and bond portfolio, spent $1,500,000 on lobbying efforts, and net approximately $100 million on worldwide grosses of close to a billion dollars in Sesame Street and other licensed products. Sesame Street Magazine alone generated some $40 million. CTW often says it plows its money "back into children's programming." If that were the case, why would they have a $50 million investment account? CTW also receives funds from other federal agencies despite -- or perhaps because of -- its enormous wealth and political connections. Hilary Clinton was on the CTW Board of Directors prior to the 1992

election. CTW made campaign contributions to Democratic Senators Tim Wirth and Daniel Inouye, who had jurisdiction over public broadcasting issues which affected their business while serving on the Senate Commerce Committee. The company has seven for-profit and not-for-profit subsidiaries.

Now, anyone who has a product to sell would be delighted if he could place an infomercial on PBS, much less receive the cash payments PBS makes to certain program producers. However, PBS has no rate card, and the network does not grant equal access to all who wish to expose programming to the PBS audience. A similar situation, with smaller yet significant financial stakes, obtains for the placement and promotion of programming, musical acts, and book authors on National Public Radio.

* CPB continues to fund Pacifica Radio, which airs commentaries by Black Panther Mumia Abu-Jamal, a death-row cop-killer. Pacifica hosted the anti-Semitic, anti-Asian, and anti-white "Afrikan Mental Liberation Weekend," and has aired similar anti-Semitism and such on shows with different titles, despite passage of the Hefley amendment by Congress last year.

* NPR has still not answered criticism from CAMERA, a group which seeks impartial coverage of the Middle East conflict, which has done studies demonstrating a pattern of anti-Israel bias in reporting. CPB has done nothing to correct these abuses.

* CPB continues to fund P.O.V., a television series which has generated serious questions of journalistic integrity -- as well as simple decency -- from both public broadcasting stations and members of Congress.

* CPB has failed in its oversight of the Independent Television Service (ITVS), which has consumed over $38 million tax dollars since 1988 to provide "alternative" programs for PBS. Despite the vast expenditure, only nine hours have met the minimum quality standards for PBS national feed. ITVS has routinely ignored its own mandate, and rejected many worthwhile projects from established talents -- such as Gloria Borland, who produces The Business Owners, a series featuring successful minority enterprises -- while pouring millions into schemes of questionable merit and integrity. One such scheme, a three-hour million-dollar-plus flop called Declarations, actually censored conservative spokesman Dr. Christopher Manion from an episode claiming to be about "freedom of speech." CPB took no action whatsoever in this case.

Those whose program ideas are rejected by ITVS are not permitted to see the complete documentation relating to their grant disposition, rather must accept a telephone call by appointment. The lack of a public "paper trail" for certain decisions -- including vote tallies -- suggests, at the very least, severe mismanagement at ITVS. Again, CPB has not done anything to rectify the situation. A CPB report on ITVS was a whitewash.

Of course, ITVS has been an active participant in the CPB lobbying effort this year, organizing protests, sending out letters, lists of Congressmen, e-mail, etc. How much time and money has been expended to date on this is unkown.

* CPB has no application forms for some of its own grant programs, leaving applicants apparently at the mercy of arbitrary staff whim, without procedural redress to insure equal protection and a level playing field, and with wide potential for abuse. Members of the public cannot determine how decisions are made.

* PBS seems to be subject to similar arbitrary decision-making. The recent controversy over Rights and Wrongs might have been avoided had PBS put in place procedures to insure each program is fairly evaluated according to clear and public criteria.

* CPB has received thousands of complaints about shows like "Tales of the City," for nudity and indecent language, and Frontline's "Journey to the Occupied Lands," accused of outright fraud in the use of faked satellite photos and other misrepresentations by CAMERA, "Public Lands, Private Profits," which Senator Ted Stevens charged violated PBS's own journalistic guidelines in that it received funding from the Mineral Policy Center, which had a vested interest in the content of the program. CPB has not taken any action whatsoever to rectify these complaints.

* Col. James Moncrief (Ret.) is the senior surviving Army officer who served with Patton in General Groves' Sixth Armored Division at the liberation of Buchenwald. Col. Moncrief had asked for PBS to correct the fraudulent history of the phony "documentary" Liberators, withdrawn by New York station WNET after complaints from Veterans and Jewish groups. Yet no corrective programming been aired by PBS, nor has any been funded by CPB or scheduled to be funded. In the meantime, the Discovery cable channel has acquired a British documentary on the actual liberators of the camp.

For that reason the 6th Armored Division Association has adopted a statement declaring:

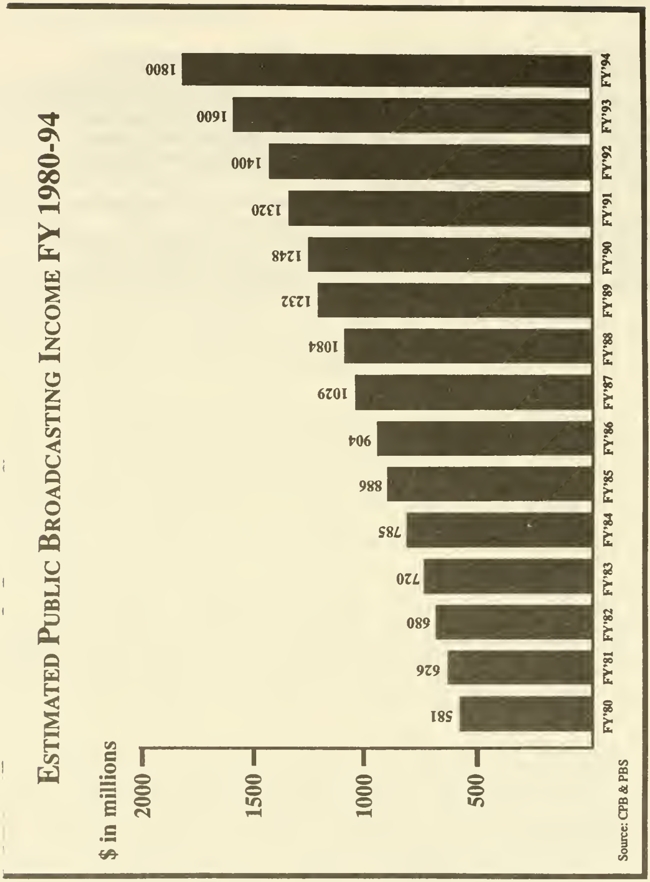
"I was a member of the 6th Armored Division during World War II and have enormous pride in my achievements and those of my comrades, many of whom are no longer able to speak for themselves. I resent the attempt of PBS to falsify our part of history. I further resent the use of taxpayers' money to support PBS. They are no longer worthy of public trust, or our tax money. I look forward to your support in refusing federal funds for PBS."

I believe when military contractors engage in behavior as troubling as that of the Corporation for Public Broadcasting it is standard operating procedure to suspend all payments pending the outcome of a thorough investigation. I would recommend a similar approach to the growing "Barneygate" scandal, the controvery over the slanted "opinion poll" used for lobbying by PBS, the potential abuse of public trust by on-air agitation conducted by PBS and NPR stations, and other troubling issues surrounding the Corporation for Public Broadcasting and its apparent management failure.

All forward funding appropriations should be rescinded completely and at once, ending the flawed system which helped give rise to this irresponsible situation. Additionally, present financing for this current fiscal year should be immediately suspended.

Congress should begin a thorough and impartial investigation into the practices of public broadcasting to determine whether any improper, unethical, or illegal activities have occurred, and whether federal funds have been used to subsidize any private enrichment, partisan activity, or possible violations of the Public Broadcasting Act of 1967 or any other law or regulation (such as "truth-in-advertising").

If there is even the slightest impropriety on the part of public broadcasters discovered during the course of this investigation, present year funding for CPB -- already in escrow -- should be fully rescinded at once. For it is manifest that public broadcasting must be held to the highest ethical standard possible, given its role as an educator of the nation's young.


ESTIMATED PUBLIC BROADCASTING INCOME FY 1980-94
$ in millions
2000
1500
1000
500
581
626
680
720
785
886
904
1029
1084
1232
1248
1320
1400
1600
1800
FY'80
FY'81
FY'82
FY'83
FY'84
FY'85
FY'86
FY'87
FY'88
FY'89
FY'90
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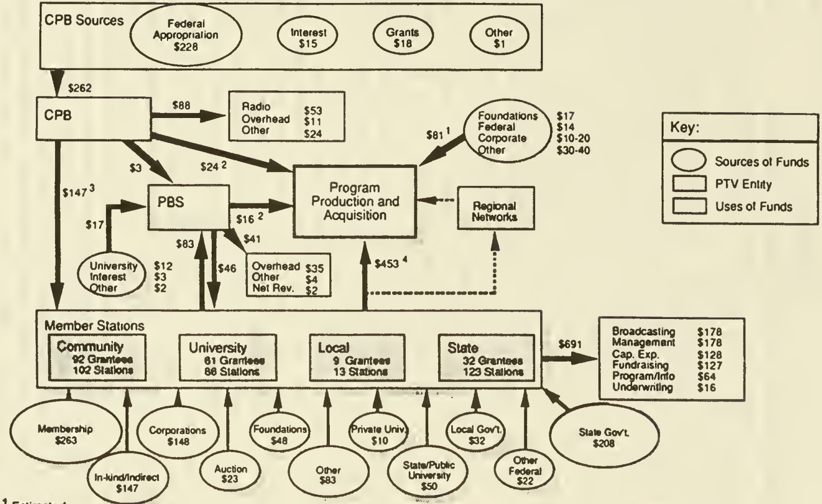
FY'93
FY'94
Source: CPB & PBS

BUDGET CATEGORY ANALYSIS

The Structure of Public Television

(Millions Of Dollars - 1989)



1 Estimated
2 Money only to non-station producers
3 Includes $115M in CSGs, $32M in direct programming expenditures
4 Excludes $14M in interstation transfers
Sources: CPB, PBS, BCG Analysis

THURSDAY, JANUARY 19, 1995.

WITNESS

REED IRVINE, CHAIRMAN, ACCURACY IN MEDIA

Mr. PORTER. Our next witness is Reed Irvine, the Chairman of Accuracy in Media.

Mr. IRVINE. Thank you, Mr. Chairman. I want to focus my remarks on suggesting a line of inquiry to this, which might result in new light being brought to bear on the issue of the need for a Federal subsidy for public broadcasting. But first I want to tell you about the largely futile efforts that Accuracy in Media has made over the past two decades to get the public broadcasting establishment to honor Section 396, in this case (g)(1)(A), of the Communications Act. This was enacted to prevent Federal appropriations from being used to promote one side or the other of controversial issues of public importance. It requires strict adherence to objectivity and balance in such programs or series of programs.

Now, we discovered this provision of the law back in 1971. Congressman Lionel Van Deerlin in those days used to buttress his pleas for appropriations for CPB with the claim that public broadcasting operates under a stricture which is even more comprehensive than commercial broadcasting. He claimed that the law, quote, "leaves them open to challenge if there is not almost a minute-by-minute distribution of time on controversial issues."

But CPB, PBS and NPR made no pretense of obeying this provision of the law, and the FCC refused to assume any responsibility for its enforcement. So we took the FCC to court in an effort to have this corrected, and CPB and PBS lined up with the FCC against us. The court found that since Congress had failed to provide for any enforcement mechanism, the language of the Act was merely "horatory." It said, however, that Congress could show its disapproval of any activity of CPB through the appropriation process. It pointed out that when the law was enacted, Senator Norris Cotton said, quote, "If we have occasion to feel there is slanting, a bias or an injustice, we can immediately do something about it. First, we can make very uncomfortable and give a very unhappy experience to the directors of the Corporation. Second, we can shut down some of their activities in the Appropriations Committee."

We exposed case after case of biased, one-sided propagandistic programming funded with Federal tax dollars on PBS and NPR over the years, but we never once saw any action on the part of Congress to make the CPB directors uncomfortable or shut down any of their activities as a result of their failure to see that PBS and NPR obey the law.

Contrary to the expressed intent and wishes of the majority in Congress, public broadcasting programming was politically slanted to the liberal/left from its inception. The Corporation for Public Broadcasting, which was intended to be the watchdog that would ensure that this did not happen, became what it likes to call a "heat shield." The defenders of the status quo would like the public to think that this "heat shield" keeps public broadcasting free from political influence, but the reality is that it has been used to thwart all efforts to depoliticize public broadcasting programming and bring it into conformance with the law.

The domination of both the House and Senate by liberal Democrats for nearly all of the 27 years since the passage of the Public Broadcasting Act has frustrated all efforts by Republicans in the White House and in Congress to take any action to eliminate or reduce the pervasive anti-conservative bias that infects the public broadcasting establishment and is reflected in much of its programming. Congress will never be able to micromanage the public broadcasting programming, which is controlled by a staff that is thoroughly and unabashedly liberal. One would have thought these pros would have been embarrassed to put together a team to provide coverage of the 1992 election that was patently partisan, but the only embarrassment that anyone at CPB or PBS ever expressed was over the cheering that broke out in the room from which PBS was reporting the election results when Ohio was called for Clinton, thus ensuring his victory. That display of partisanship on the national feed was deplored because it served to give ammunition to the critics of public broadcasting.

Now, public broadcasting should not be Democratic or Republican, liberal or conservative. It should be as objective and balanced as C–SPAN, but the chances of achieving that are zero. That is because it is firmly in the hands of a large, self-perpetuating liberal bureaucracy that would take a magnitude 7 earthquake to displace. These pros can't be controlled by their own boards as Mrs. Sharon Percy Rockefeller herself once told me, much less by Members of Congress; and that is why we support zeroing out of the Federal subsidy.

The advocates of the status quo are trying to persuade the public that elimination of the $286 million subsidy would be the end of such programs as Sesame Street, MacNeil/Lehrer, Masterpiece Theater and the Three Tenors. This is akin to the old strategy of threatening to shut down the Washington Monument if the Interior Department budget is reduced. Threaten to terminate the most popular, most visible programs, diverting attention from the possibility of effecting economies and increasing nontax-dollar income while preserving the most desirable programs.

Every bureaucracy, in time, becomes bloated, and public broadcasting is no exception. Eliminating the CPB alone would save $14 million a year in administrative costs expended by that bureaucracy. That is nearly as much as the total budget of C–SPAN, which gives us 48 hours of informative, educational, balanced public affairs programming every day.

Mighty businesses, including commercial broadcasting networks, have found it necessary to downsize in recent years. Government is faced with the same necessity. Why should public broadcasting be exempt from this solution to the budget problem?

C–SPAN provides a remarkable service to the entire Nation on a budget of only $18 million a year. National Empowerment Television, NET, the new network made famous by Newt Gingrich, is on the air 24 hours a day with a rich array of public affairs programming. It operates on a budget of only $6 million a year. The total cost of the public television in 1993 was—fiscal year 1993 was $1.4 billion, which includes about $400 million in direct payments by corporations, foundations, individuals and coproducers to the producers of programs used by public television. Of the $1 billion in expenditures by CPB and PBS and public broadcasting stations, $490 million went for programming, $150 million for broadcast operating expenses, $150 million for administration, $60 million for public relations and advertising, $120 million for fundraising and $20 million for depreciation.

Total expenditures for public radio were $409 million, of which about $50 million was spent by NPR.

Now, this is obviously a very costly and inefficient system of distributing programming when you compare it with C–SPAN, NET and other noncommercial providers of national programming. Part of it is bureaucratic bloat and part of it is gold-plating. For example, Westwood I/Mutual spends only $4 million a year for their radio news operations, one-fourth as much as NPR spends on news. Westwood I/Mutual operates from two floors of rented space in Crystal City, with 125 employees. NPR occupies a new seven-floor building on Massachusetts Avenue, which houses some 385 employees. That is certainly not a bare-bones operation.

Now, do we need to spend nearly 10 times as much on administration of public television as C–SPAN's entire budget? Nearly $900 million a year is spent on public television programs, including the payments made by donors and coproducers. Two-thirds of these programs, valued at—I am told, at $300 million are supplied by PBS. That means that stations are spending nearly $600 million a year to fill one-third of their program hours. Is there no room for economies in this picture? Certainly a fair amount of the time each day could be devoted to the type of inexpensive programming now provided by C–SPAN and NET. The advocates of continued CPB appropriations argue that PBS programs are available to those who can't afford cable or don't have access. By the same token, folks who don't have cable are deprived of a lot of excellent, highly educational programming that is now available solely on cable. How much would public broadcasters have to pay to get the right to air C–SPAN's Booknotes or its Lincoln Douglas debates? AIM would be delighted to give them our weekly NET program, The Other Side of the Story; we will give it to them for nothing. They can simply take it off the Galaxy 7 satellite.

I suggest, ladies and gentlemen, that you compare the costs of public television programming, administration, advertising, public relations, lobbying and fundraising with similar costs of other providers of quality programs to the Nation. I think you will find that all of them are far below the costs of public broadcasting.

Cutting off the Federal subsidy will have the positive effect of forcing changes that may result in better public television and radio programming at much lower cost. PBS and NPR are nothing but programming services. They could use some competition. If the public broadcasting stations take bids to see who will provide suitable programming packages at the lowest cost, we may end with more than one viewer-supported network offering commercial-free programming, not subsidized by the Federal Government, that provides programs that will appeal to a wider audience and attract broader support than PBS now enjoys.

It is true that most of the excessive cost of public television and radio is incurred by the 340 TV stations and 600 radio stations. It may be true that some of these stations in small communities are dependent on the Federal subsidy for their survival. Nowhere is it written that every small community in the Nation must have public TV or a public radio station supported by the Federal Government, but if the existing stations have enough viewers to justify their continued existence, I believe they will be able to find ways to survive by shopping around for more attractive programming at lower cost, cutting expenses and attracting more support from their audiences and local businesses.

Thank you.

[The prepared statement of Reed Irvine follows:]

TESTIMONY OF REED IRVINE, CHAIRMAN OF ACCURACY IN MEDIA, BEFORE THE HOUSE SUBCOMMITTEE ON LABOR, HEALTH, HUMAN SERVICES, EDUCATION AND RELATED AGENCIES

January 19, 1995

I wish to focus my remarks on suggesting a line of inquiry to this committee which might result in new light being brought to bear on the issue of the need for a federal subsidy for public broadcasting. But first, I want to tell you about the largely futile efforts that Accuracy in Media has made over the past two decades to get the public broadcasting establishment to honor Section 396(g)(1)(A) of the Communications Act. This was enacted to prevent federal appropriations from being used to promote one side or the other of controversial issues of public importance. It requires strict adherence to objectivity and balance in such programs or series of programs.

We discovered this provision of the law in 1971. Congressman Lionel Van Deerlin in those days used to buttress his pleas for larger appropriations for CPB with the claim that "public broadcasting operates under a stricture which is even more comprehensive than commercial broadcasting." He claimed that the law "leaves them open to challenge if there is not almost a minute by minute distribution of time on controversial issues."

But CPB, PBS and NPR made no pretense of obeying this provision of the law, and the FCC refused to assume any responsibility for its enforcement. We took the FCC to court in an effort to have this corrected and CPB and PBS lined up with the FCC against us. The court found that since the Congress had failed to provide for any enforcement mechanism, the language of the act was merely "hortatory." It said, however, that Congress could show its disapproval of any activity of CPB through the appropriation process. It pointed out that when the law was enacted Senator Norris Cotton said, "If we have occasion to feel there is slanting, a bias, or an injustice, we can immediately do something about it. First, we can make very uncomfortable and give a very unhappy experience to the directors of the corporation. Second, we can shut down some of their activities in the Appropriations Committee."

We exposed case after case of biased, one-sided, propagandistic programming funded with federal tax dollars on PBS and NPR over the years, but we never once saw any action on the part of Congress to make the CPB directors uncomfortable or shut down any of their activities as a result of their failure to see that PBS and NPR obey the law.

Contrary to the expressed intent and wishes of the majority in Congress, public broadcasting programming was politically slanted to the liberal/left from its inception. The Corporation for Public Broadcasting, which was intended to be the watchdog that would insure that this did not happen, became what it likes to call a "heat shield." The defenders of the status quo want the public to think this "heat shield" keeps public broadcasting free from political influence, but the reality is that it has been used to thwart all efforts to depoliticize public broadcasting programming and bring it into conformance with the law.

The domination of both the House and Senate by liberal Democrats for nearly all of the 27 years since the passage of the Public Broadcasting Act has frustrated all efforts by Republicans in the White House and in Congress to take any action to eliminate or reduce the pervasive anti-conservative bias that infects the public broadcasting establishment and is reflected in much of its programming. Congress will never be able to micro-manage public broadcasting programming, which is controlled by a staff that is thoroughly and unabashedly liberal. One would have thought these professionals would have been embarrassed to put together a team to provide coverage of the 1992 election that was patently partisan, but the only embarrassment that anyone at CPB or PBS ever expressed was over the cheering that broke out in the room from which PBS was reporting the election results when Ohio was called for Clinton, ensuring his victory. That display of partisanship on the national feed was deplored because it served to give ammunition to the critics of public broadcasting.

Public broadcasting should not be Democratic or Republican, liberal or conservative. It should be as objective and balanced as C-SPAN. But the chances of achieving that are zero, in my opinion. That is because it is firmly in the hands of a large, self-perpetuating liberal bureaucracy that would take a magnitude 7 earthquake to displace. These professionals can't be controlled by their own boards, as Mrs. Sharon Percy Rockefeller herself once told me, much less by members of Congress.

That is why we support zeroing out the federal subsidy for public broadcasting.

The advocates of the status quo are trying to persuade the public that elimination of the $286 million federal subsidy would be the end of such programs as Sesame Street, MacNeil/Lehrer, Masterpiece Theater and the three tenors. This is akin to the old strategy of threatening to shut down the Washington Monument if the Interior Department budget is reduced. Threaten to terminate the most popular, most visible programs, diverting attention from the possibility of effecting economies and increasing non-tax-dollar income while preserving the most desirable programs.

Every bureaucracy in time becomes bloated, and public broadcasting is no exception. Eliminating the CPB alone would save $14 million a year, which is what CPB spent on administration in 1993. That is nearly as much as the total budget of C-SPAN, which gives us 48 hours of informative, educational, balanced public affairs programming every day.

Mighty businesses, including the commercial broadcasting networks, have found it necessary to downsize in recent years. Government is faced with the same necessity. Why should public broadcasting be exempt from this solution to its budget problem?

C-SPAN provides a remarkable service to the entire nation on a budget of only $18 million a year. National Empowerment Television, the new network made famous by Newt Gingrich, is on the air 24 hours a day, with a rich array of public affairs programming, and it operates on a budget of only $6 million a year. The total cost of public television in FY1993 was $1.4 billion, which includes about $400 million in direct payments by corporations, foundations, individuals and co-producers to the producers of programs used by public television. Of the one billion in expenditures by CPB, PBS and public broadcasting stations, $490 million went for programming, $150 million for broadcast operating expenses, $150 million for administration, $60 million for public relations and advertising, $120 million for fundraising and $20 million for depreciation.

Total expenditures for public radio were $409 million, of which about $50 million was spent by National Public Radio.

This is obviously a very costly and inefficient system of distributing programming compared with C-SPAN, NET and other non-commercial providers of national programming. Part of it is bureaucratic bloat and gold-plating. For example, Westwood I/Mutual spends only $4 million a year for its radio news operations, one-fourth as much as National Public Radio spends on news. Westwood I operates from two floors of rented space in Crystal City with 125 employees. NPR occupies a new seven-floor building on Massachusetts Avenue, which houses 385 employees. It is certainly not a bare-bones operation.

Do we need to spend nearly ten times as much on administration of public television as C-SPAN's entire budget? Nearly $900 million a year is spent on public television programs. Two-thirds of these programs, valued at $300 million, are supplied by PBS. That means that stations are spending nearly $600 million a year to fill one-third of their program hours. Is there no room for economies in this picture?

Certainly a fair amount of the time each day could be devoted to the type of inexpensive programming now provided by C-SPAN and NET. The advocates of continued CPB appropriations argue that PBS programs are available to those who can't afford cable or don't have access to it. By the same token, folks who don't have cable are deprived of a lot of excellent, highly educational programming that is now available solely on cable. How much would public broadcasters have to pay to get the right to air C-SPAN's "Booknotes" or its Lincoln-Douglas Debates? AIM would be delighted to give them its weekly NET program, "The Other Side of the Story," for nothing. They can simply take it off the Galaxy 7 satellite.

I suggest that you compare the costs of public television programming, administration, advertising, public relations, lobbying and fundraising with similar costs of other providers of quality programs to the nation. I think you will find that all of them are far below the costs of public broadcasting.

Cutting off the federal subsidy will have the positive effect of forcing changes that may result in better public television and radio programming at much lower cost. PBS and NPR are nothing but programming services. They could use some competition. If the public broadcasting stations take bids to see who will provide suitable programming packages at the lowest cost, we may end up with more than one viewer-supported network offering commercial-free programming, not subsidized by the federal government, that provides programs that will appeal to a wider audience and attract broader support than PBS now does.

It is true that most of the excessive cost of public television and radio is incurred by the 340 television stations and 600 radio stations. It may be true that some of these stations in small communities are dependent on the federal subsidy for their survival. Nowhere is it written that every small community in the nation must have a public TV or radio station supported by the federal government, but if the existing stations have enough viewers to justify their continued existence, I believe that they will find ways to survive by shopping around for more attractive programming at lower cost, cutting expenses, and attracting more support from their audiences and local businesses

Mr. PORTER. Mr. Irvine, thank you very much.

I might say I thank both of our first two witnesses for staying within their time limits. I shall appreciate all of our witnesses doing the same.

THURSDAY, JANUARY 19, 1995.

WITNESS

SHELDON RICHMAN, CATO INSTITUTE

Mr. PORTER. Our next witness is Sheldon Richman of the Cato Institute.

Mr. RICHMAN. Mr. Chairman, Members of the subcommittee, good afternoon. I am Sheldon Richman, Senior Editor at the Cato Institute. I am here today to urge Federal defunding of the Corporation for Public Broadcasting.

Many complaints have been lodged against the Corporation. It has been said that a preponderance of the public affairs programming it supports is little more than propaganda for big government and the welfare state. It has been called "pork barrel for the rich" because the programs tend to cater to the wealthier and better educated among our society. And it's been said that government subsidies corrupt its recipients who dare not venture into areas that are unlikely to win the favor of the grant-givers.

Those are all valid points. But they do not constitute the fundamental objection to government support for the Corporation for Public Broadcasting. I would like to add here also that the term "public broadcasting" I believe is a euphemism that hides an important fact. All of it is public. It is produced by members of the public, it is paid for by members of the public, it is executed by members of the public, so that doesn't distinguish it.

What we are talking about is coercively financed broadcasting, government-financed or taxpayer-financed broadcasting. Even if all the programming supported by CPB was unobjectionable, there would remain an incontrovertible case against the CPB, namely, that subsidies to broadcasting fall outside the proper scope of government and, in particular, the enumerated powers delegated to the Federal Government by the U.S. Constitution. In other words, the appropriation of money to the Corporation is flagrantly unconstitutional.

Determining the constitutionality of any given government act is not solely a matter for the Supreme Court. Every Member of Congress takes an oath to uphold the Constitution. That oath has a very specific meaning. It obligates every Member of Congress to ask before every vote on every bill, did the Constitution delegate to the national government the power embodied in this legislation? If the answer is no, the legislation should be rejected.

This approach to legislation was the one used by all three branches of the Federal Government for more than 100 years after the founding of the Republic. Much well-intended legislation was defeated after it was pointed out that the implied power was nowhere to be found in the Constitution.

For example, in 1794, James Madison, father of the Constitution, opposed an appropriation of relief funds because, as he put it, he couldn't "lay his finger on that article of the Federal Constitution which granted a right to Congress of expending, on objects of benevolence, the money of their constituents."

That approach was not a mere custom to be outgrown. It is logically entailed in the very idea of a constitution. The primary purpose of that document was to define, circumscribe, and limit the powers of the national government. Had that not been the purpose, there would have been no need for the Constitution beyond setting up the branches.

But the document did not merely establish the branches. It said what each of those branches could do. And that meant there were things that they could not do. The idea of limited government is intrinsic to the Constitution, and there is no way to get around that fact.

According to the Federal budget, the Congress provides taxpayer money to the Corporation for Public Broadcasting so that it may give grants to, as it puts it, "qualified public television and radio stations to be used at their discretion for purposes related primarily to program production and acquisition."

No one can reasonably oppose the objective sought by the creation and funding of the Corporation, the objective, the support of broadcasting. But the desirability of the objective of legislation is not the test imposed on the Congress by the Constitution. The test is much tougher. In this case, the test is, where in Article I is the Congress empowered to transfer money from one group of citizens to another for the purpose of supporting broadcasting?

In the days of Founding Fathers there was, of course, no broadcasting; but there were newspapers, theater and other forms of entertainment. And, yet, the framers did not authorize the national government to subsidize those things because, in their view, it would have been outside the scope of a properly limited government. That is how you should view the appropriation for the Corporation for Public Broadcasting.

Now, why did the framers see support for newspaper and entertainment as outside the proper scope? The most obvious reason is that they believed that government existed to protect the people's rights and to maintain the peace. It should, as Jefferson put it, "restrain men from injuring one another, but leave them otherwise free to regulate their own pursuits of industry and improvement."

George Washington provided the reason for this decision to limit the power of the State. "Government," he said, "is not reason, it is not eloquence; it is force. Like fire, it is a troublesome servant and a fearful master." That fact ought to provide sufficient incentive to contain the power of government.

But Jefferson issued an admonition that directly addresses the matter we are discussing today. In the Virginia Statute of Religious Liberty. He wrote, "To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves is sinful and tyrannical." Jefferson was referring to the establishment of a state church and the taxing of citizens to support it, but his wisdom applies perfectly well to subsidies to broadcasting.

Virtually everything that is broadcast on National Public Radio and the Public Broadcasting Service involves someone's opinion. Not everything can be broadcast. Someone makes a selection among all the things that could be put on the air. Ideology is a part of that selection process. Often the selections are controversial. How a news story is played on All Things Considered or on the MacNeil/Lehrer News Hour is inherently controversial. How the war on poverty is portrayed in a documentary—to take a timely example—is, by nature, disputatious. There will never be universal agreement on those matters. Thus, some portion of the American citizenry will, to use Jefferson's words, be "compelled to furnish contributions of money for the propagation of opinions which it disbelieves." That is not fair. Moreover, it violates the First Amendment and its prohibition on abridging freedom of speech. Freedom of speech must include the freedom not to speak, and that freedom logically entails the freedom to refrain from subsidizing the speech of others. The Supreme Court agrees that forcing one to speak violates the First Amendment. The Congress itself should understand that forcing someone to subsidize someone else's speech likewise runs afoul of the Constitution.

Now, I would like to emphasize that one need not resort to the Bill of Rights to invalidate Federal aid to broadcasting. One must merely note that there is no such power delegated to the national government. I realize this form of constitutional reasoning is not in fashion just now.

The other day I was on a radio program with a Member of the U.S. Senate. In response to my claim that the Constitution does not authorize such subsidies, he responded that the Congress has what he called "broad discretion" in defining the public good. He is surely right that the courts have granted the Congress that discretion. The problem is that the courts do not have the power to do so under the Constitution and have thus abdicated their constitutional responsibilities. To grant Congress broad discretion to define and carry out the public good is to allow it to define its own powers. And to do that is to vitiate the Constitution. A constitutional republic in which the government defines its own powers is a contradiction in terms.

Finally, let me say a word about elitism. Federal aid to the Corporation for Public Broadcasting is elitism two times over. First, it is elitist because a politically selected few tell the rest of us that we must spend a portion of our earnings on the television and radio program of their choosing. They presume to know better than we do how to allocate our entertainment spending. That is elitism.

Second, the subsidies are also elitist because the vast working class is forced to pay for the entertainment largely for the upper class. Most of the tax-supported programming has a predominantly upper-income and better-educated audience. Despite the claims that the subsidies are intended to bring the finest of broadcasting to the masses, the fact remains that the middle class pays and the upper crust consumes. Subsidies from working class to rich are not something you would want to defend openly, yet that is what the Corporation for Public Broadcasting accomplishes.

Robert Coonrod, the Executive Vice President of CPB, defends his organization by saying that "about 90 percent of the Federal appropriation goes back to the communities, the public radio and TV stations, which are essentially community institutions" as he put it. Only 90 percent? Why not leave 100 percent in the communities and let the residents decide how to spend it? Since only 14 percent or so of CPB revenues come from the Federal Government, other sources will take up the slack if the Federal Government ended the appropriation.

For all of these reasons, you should cut off the flow of tax money to the Corporation and related entities.

Thank you for this opportunity to come before you, and I would be happy to answer any questions.

Mr. PORTER. Thank you, Mr. Richman. Thank you also for staying within your time limit.

[The prepared statement of Sheldon Richman follows:]

TESTIMONY ON RECISION OF APPROPRIATION
FOR THE CORPORATION FOR PUBLIC BROADCASTING
U.S. House of Representatives
Committee on Appropriations
Subcommittee on Labor,
Health and Human Services, and Education

SHELDON RICHMAN
SENIOR EDITOR, CATO INSTITUTE

JANUARY 19, 1995

Mr. Chairman, members of the subcommittee, good afternoon. I'm Sheldon Richman, senior editor at the Cato Institute. I am here today to urge federal defunding of the Corporation for Public Broadcasting. Many complaints have been lodged against the Corporation. It's been said that a preponderance of the public affairs programming it supports is little more than propaganda for big government and the welfare state. It's been called pork barrel for the rich because most of the programs cater to the wealthier and better educated. And it's been said that government subsidies corrupt its recipients who dare not venture into areas that are unlikely to win the favor of the grant givers.

Those are all valid points. But they do not constitute the fundamental objection to government support for the Corporation for Public Broadcasting; for even if all the programming supported was unobjectionable, there would remain an incontrovertible case against CPB, namely, that subsidies to broadcasting fall outside the proper scope of government and, in particular, the enumerated powers delegated to the federal government by the U.S. Constitution. In other words, the appropriation of money to the Corporation is flagrantly unconstitutional.

Determining the constitutionality of any given government act is not solely a matter for the Supreme Court. Every member of Congress takes an oath to uphold the Constitution. That oath has a very specific meaning. It obligates the every member of Congress to ask before every vote on every bill, "Did the Constitution delegate to the national government the power embodied in this legislation?" If the answer is no, it should be rejected.

This approach to legislation was the one used by all three branches of the federal government for more than one hundred years after the founding of the Republic. Much well-intended legislation was defeated after it was pointed out the implied power was nowhere to be found in the Constitution. For example, in 1794 James Madison opposed an appropriation to victims of fire because, as he put it, he couldn't "lay his finger on that article of the Federal Constitution which granted a right to Congress of expending, on objects of benevolence, the money of their constituents." That approach was not a mere custom to be outgrown. It is logically entailed in the very idea of a constitution. The primary purpose of that document was to define, circumscribe, and limit the powers of the national government. Had that not been the purpose, there would have been no need for the Constitution beyond setting up the branches. But the document did not merely establish the branches. It said what each of those branches could do. And that meant there were things they could not do. The idea of limited government is intrinsic to the Constitution. There is no way to get around that fact.

According to the federal budget, the Congress provides taxpayer money to the Corporation for Public Broadcasting so that it may give grants to "qualified public television and radio stations to be used at their discretion for purposes related primarily to program production and acquisition." It also "supports the production and acquisition of radio and television programs for national distribution [and] assists in the financing of several system-wide activities, including national satellite interconnection services." No one can reasonably oppose the objective sought by the creation and funding of the Corporation: the support of broadcasting. But the <u>objective</u> of legislation is <u>not</u> the test imposed on the Congress by the Constitution. The test is much tougher. That test is: Where in Article I is the Congress empowered to transfer money from the one group of citizens to another for the purpose of supporting broadcasting? In the days of the Founding Fathers, there was of course no broadcasting; but there were newspapers, theater, and other forms of entertainment. And yet, the framers did not authorize the national government to subsidize those things because in their view it would have been outside the scope of a properly limited government. That is how you should view the appropriation for the Corporation for Public Broadcasting.

Why did the framers see support for newspapers and entertainment as outside the proper scope? The most obvious reason is that they believed that government existed to protect the people's rights and to maintain the peace. It should, as Jefferson put it, "restrain men from injuring one another [but] leave them otherwise free to regulate their own pursuits of industry and improvement." George Washington provided the reason for this decision to limit the power of the state. "Government," he said, "is not reason, it is not eloquence, it is force; like fire, it is a troublesome servant and a fearful master."

That fact ought to provide sufficient incentive to contain the power of government. But Jefferson issued an admonition that directly addresses the matter we are discussing today. In the Virginia Statute of Religious Liberty, he wrote, "To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves is sinful and tyrannical."

Jefferson was referring to the establishment of a state church and the taxing of citizens to support it. But his wisdom applies perfectly well to subsidies to broadcasting. Virtually everything that is broadcast on National Public Radio and the Public Broadcasting Service involves someone's opinion. Not everything can be broadcast. Someone makes a selection among all the things that could be put on the air. Ideology is part of that selection process. Often the selections are controversial. How a news story is played on "All Things Considered" or the "MacNeil-Lehrer NewsHour" is inherently controversial. How the war on poverty is portrayed in a documentary--to take a timely example--is by nature disputatious. There will never be universal agreement on those matters. Thus, some portion of the American citizenry will, to use Jefferson's words, be "compel[led] to furnish contributions of money for the propagation of opinions which [it] disbelieves." That is not fair. Moreover, it violates the First Amendment's prohibition on abridging freedom of speech. Freedom of speech must include the freedom not to speak, and <u>that</u> freedom logically entails the freedom to abstain from subsidizing the speech of others. The Supreme Court agrees that forcing someone to speak violates the First Amendment. The Congress itself should understand that forcing someone to subsidize someone else's speech likewise runs afoul of the Constitution.

But I would like to emphasize that one need not resort to the Bill of Rights to invalidate federal aid to broadcasting. One must merely note that there is no such power delegated to the national government. Now I realize that this form of constitutional reasoning is not in fashion just now. The other day I was on a radio program with a member of the Senate. In response to my claim that the Constitution does not authorize such subsidies, he responded that the Congress has what he called "broad discretion" in defining the public good. He is surely right that the courts have granted the Congress that discretion. The problem is that the courts do not have the power to do so under the Constitution and have abdicated their constitutional responsibilities. To grant Congress broad discretion to define and carry out the public good is to allow it to define its own powers. And to do that is to vitiate the Constitution. A constitutional republic in which the government defines its own powers is a contradiction in terms.

Finally, let me say a word about elitism. Federal aid to the Corporation for Public Broadcasting is elitism two times over. First, it is elitist because a politically selected few tell the rest of us that we must spend a portion of our earnings on the television and radio programming of their choosing. They presume to know better than we do how to allocate our entertainment spending. That's elitism. Second, the subsidies are also elitist because the vast working class is forced to pay for the entertainment of the upper class. Most of the tax-supported programming has a predominantly upper-income and better educated audience. Despite the claims that the subsidies are intended to bring the finest in broadcasting to the masses, the fact remains that the middle class pays and the upper crust consumes. Subsidies from working class to rich are not something you'd want to defend openly. Yet that's what the Corporation for

Public Broadcasting accomplishes. Robert Coonrod, the executive vice president of CPB, defends his organization by saying that "about 90 percent of the federal appropriation goes back to the communities, to public radio and TV stations, which are essentially community institutions." Only 90 percent? Why not leave 100 percent in the communities and let the residents decide how to spend it? Since only 21 percent of CPB revenues come from the federal government, other sources would take up the slack if the federal government ended the appropriation.

For all these reasons, you should cut off the flow of tax money to the Corporation and related entities.

Thank you for this opportunity to come before you today. I'd be happy to answer any questions.

THURSDAY, JANUARY 19, 1995.

WITNESS

ALEXANDER SAFIAN, Ph.D., SENIOR RESEARCHER, COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN AMERICA

Mr. PORTER. Our next witness is Dr. Alex Safian of the Committee for Accuracy in Middle East Reporting in America, CAMERA. Mr. Safian.

Mr. SAFIAN. Thank you, Mr. Chairman Porter and Members of the committee for inviting me to testify on rescission of the CPB budget. I would like to share with you a grassroots perspective on public broadcasting that arises from the media monitoring done by the organization I represent, the Committee for Accuracy in Middle East Reporting in America. Based in Boston and with support from over 30,000 members who span the political and religious spectrum, CAMERA is the only major media-watch organization in the country dedicated to documenting and analyzing coverage of the Middle East and the Arab-Israeli conflict.

We log more complaints about programming on NPR, PBS and Pacifica than from any other source. Our members often call about NPR news reports from the Middle East that they feel lack balance or are factually inaccurate, which CAMERA's detailed studies have confirmed. Members have also contacted us about Pacifica's broadcasts, which have compared Israel to the Nazis or to the former apartheid regime in South Africa, and have even alleged Zionist collaboration in the Nazi Holocaust.

Through the years, CAMERA members across the country have also lodged numerous complaints about PBS documentaries on the Middle East. Again, the validity of their complaints is confirmed by our detailed studies, which show that in the last 13 years the network has aired 26 documentaries bearing on the Arab-Israeli conflict with only two that can be reasonably characterized as not biased against Israel.

Because of criticism from many quarters that CPB had ignored the provisions of the Public Broadcasting Act, including those calling for strict adherence to objectivity and balance, CPB budgeted $800,000 of discretionary funds towards creating their Open to the Public initiative, which included a toll-free comment line and public meetings around the country.

CAMERA representatives testified at two Open to the Public meetings, and we and our members treated the initiative as a good-faith effort by CPB to address public concerns about inaccuracy and bias in public broadcasting.

Thousands of CAMERA members participated through letter writing and phone calls. Unfortunately, Open to the Public appears to have been an empty exercise that has had no discernible effect on the biased and inaccurate Middle East reporting funded by CPB.

As an example of the hollow nature of Open to the Public, and of CPB's refusal to meet the congressional call for objectivity and balance in controversial programs, I would like to share with the committee the details of our experience with CPB and PBS regarding a documentary entitled Journey to the Occupied Lands. This Frontline production, which aired on January 26th, 1993, and which continues to be sold as, quote, "educational" by PBS Video, purported to examine the nature of the Israeli rule in the West Bank and Gaza. As detailed in the Winter 1994 CAMERA Media Report, the documentary was marred by material error and distortion so extensive as to render the film fundamentally false. Every facet of the work embellished a theme of alleged Israeli exploitation and usurpation of Palestinian Arabs. Among the criticisms raised in the CAMERA report were the following:

The filmmaker alleges that Israel oppressed Gaza citrus farmers by prohibiting them to export their crop to Western Europe, but as leaked documents prove, the filmmaker actually knew that Israel, the European Community, and the Gaza citrus growers reached an export agreement in late 1987, and that there had been direct exports since then.

In order to demonstrate vividly how Israeli communities are allegedly crowding out Arab ones, the film compares a supposed 1973 LANDSAT satellite image with more recent satellite images. However, the image was apparently faked according to the expert who examined the issue for us, the first image, and I quote, "is not from 1973 and is not a LANDSAT image," unquote.

While Frontline documentaries are officially meant to be unbiased and objective, the Senior Researcher for this Frontline documentary is a long-term—long-time anti-Israel activist. Thus, in 1988, he testified before the Trade Policy Committee of the U.S. Trade Representative in an effort to strip Israel of duty-free trade benefits. His allegations of Israeli abuse of Palestinian workers was rejected by the committee, and Israel retained its duty free benefits.

In 1989, he endorsed a series of at least four ads in the extremist British journal, Return. According to the ad, and I quote, "The Zionist structure of the State of Israel is at the heart of the racism and oppression against the Palestinian people and should be dismantled," unquote. Can a person holding such views make an objective documentary about Israel?

Copies of the initial CAMERA report were sent to CPB, PBS WGBH, the home of Frontline, in Boston, and numerous other public television stations. In a letter dated February 7, 1994, Sandra Heberer, PBS's Director of News and Information Programming replied, and I quote,.

"We have seen nothing, including your paper, to make us doubt the factual accuracy of Journey to the Occupied Lands. On the contrary, the information provided by the filmmaker in response to your charges leads us to conclude that your report is an irresponsible and truly questionable piece of research," unquote.

I responded that by their reliance on the filmmaker to investigate himself, PBS had invited a clear conflict of interest, and it also violated its own guidelines which state, and I quote, "By placing its logo on a program, PBS makes itself accountable for the quality and integrity of the program," unquote.

PBS denied there was any conflict of interest or violation of PBS guidelines in allowing the filmmaker to investigate himself, refused to look independently into the validity of our findings, and refused numerous requests that they send us a copy of the filmmaker's reply to our critique which had been the only basis for their dismissal of our findings.

We acquired a copy of the reply elsewhere, and issued a 150-page refutation entitled PBS and Israel: The Case of Journey to the Occupied Lands. I brought a copy here, and we would be happy to supply every Member of the committee with a copy. As we document in the report, the filmmaker's reply only compounded the errors an falsehoods which riddled his film.

We have made a good-faith effort to work through the system in the belief that PBS would conduct a fair and independent investigation of our findings and would take action to set the report straight.

On June 14th, we met at CPB with President Richard Carlson. We presented our findings, and called on CPB to ensure a full and fair investigation and stressed the need for a fact-checking department at PBS, which they do not presently have. President Carlson said he supported this and called on us to build support for it in Congress. We have found bipartisan support for a fact-checking department at PBS but staffers have also pointed out that CPB has discretionary funds which could be earmarked right now for fact-checking.

On July 20th, 1994, we presented our report to Peter McGhee, Vice President, National Programming at WGBH, the home of Frontline. Mr. McGhee stated that WGBH would hire a former staff member to investigate our findings independently and, upon completion, would take appropriate action.

In meetings on August 23d and on October 24th with PBS President Ervin Duggan we pointed out that unlike CBS, ABC, and NBC, publicly funded PBS has no fact-checking or standards and practices department to ensure the journalistic integrity of its offering. Mr. Duggan agreed that a fact-checking department was needed. His senior adviser, John Hollar, assured us that such a department would be created and there would be a public announcement by the end of November 1994. He further stated that with the closure of MacNeil/Lehrer's New York office, some experienced journalists would be available to staff such a department at PBS.

As of today, there is no fact-checking at PBS, and there has been no such announcement. And when asked about PBS's fact-checking procedures by a senior House staffer in a meeting in early January, PBS's General Counsel replied that PBS continues to rely upon the integrity of the producer instead of fact-checking.

We have been told recently through PBS that the person in charge of WGBH's investigation of our findings concerning Journey to the Occupied Lands, contrary to Mr. McGhee's prior assurance to us, is on the staff of Frontline, not independent. His name even appears in the credits for Journey.

We have become extremely disheartened in our dealings with CPB and PBS, attempting as we have at every stage to participate responsibly in what was advertised as a process that was "Open to the Public." We have found it otherwise. At each step we have sought to reform the system, not to destroy it. Regrettably, after years of effort, we must conclude that the system is incapable of reforming itself. If an appropriate rescission can spur needed reforms, then we would strongly support it.

Mr. Chairman on behalf of our members across the country, let me thank you and the Members of the committee once again for the opportunity to testify.

Mr. PORTER. Also right on time. Thank you, Dr. Safian; we very much appreciate your testimony.

[The prepared statement of Dr. Alexander Safian follows:]

CAMERA

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**LABOR-HHS-EDUCATION SUBCOMMITTEE
OF THE HOUSE APPROPRIATIONS COMMITTEE**

Hearings on CPB
January 19, 1995

Testimony of

Alexander Safian, PhD
Senior Researcher
Committee for Accuracy in Middle East Reporting in America

CAMERA • P.O. Box 428 • Boston, MA 02258

Statement of Alex Safian, Ph.D.
Senior Researcher, CAMERA[1]

Presented to the Labor-HHS-Education Subcommittee of the House Appropriations Committee on 19 January 1995

Thank you, Chairman Porter and members of the committee, for inviting me to testify on recision of the CPB budget. I would like to share with you a grassroots perspective on public broadcasting that arises from the media monitoring done by the organization I represent, the Committee for Accuracy in Middle East Reporting in America. Based in Boston, and with support from over 30,000 members who span the political and religious spectrum, CAMERA is the only major media-watch organization in the country dedicated to documenting and analyzing coverage of the Middle East and the Arab-Israeli conflict.

Over the course of a year we log more complaints about programming on NPR, PBS, and Pacifica than from any other source. Our members often call about NPR news reports from the Middle East which they feel lack balance or are factually inaccurate. CAMERA's detailed studies confirm the accuracy of members' complaints about NPR's coverage. Members also contact us about Pacifica's broadcasts comparing Israel to the Nazis or to the former apartheid regime in South Africa. One former supporter of Pacifica who was indignant that the network aired outrageous charges of Zionist collaboration in the Nazi Holocaust, regularly sends us tapes of Pacifica programs to help us monitor Pacifica's coverage of Israel.

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Through the years CAMERA members across the country have also have lodged numerous complaints about PBS documentaries on the Middle East. Again, the validity of their complaints is confirmed by our detailed studies, which show that in the last 13 years the network has aired 26 documentaries bearing on the Arab-Israeli conflict, with only 2 that can be reasonably characterized as not biased against Israel.

Because of criticism from many quarters that CPB had ignored the provisions of the Public Broadcasting Act calling for "strict adherence to objectivity and balance in all programs or series of programs of a controversial nature," amendments to the re-authorization passed in 1992 called on CPB to "...review, on a regular basis, national public broadcasting for ... objectivity and balance...," and to award programming grants based on this review.

CPB responded to the Congressional directive by budgeting $800,000 of discretionary funds towards creating their *Open to the Public* initiative, which included a toll-free comment line and public meetings around the country.

CAMERA representatives testified at two of these meetings, and we and our members treated *Open to the Public* as a good-faith effort on the part of CPB to address public concerns about inaccuracy and bias in public broadcasting. Thousands of CAMERA members participated through letter writing and phone calls as they were encouraged to do by the initiative. Unfortunately, *Open to the Public* appears to have been an empty exercise that has had no discernible effect on the biased and inaccurate Middle East reporting funded by CPB.

As an example of the hollow nature of *Open to the Public*, and of CPB's refusal to meet the Congressional call for objectivity and balance in controversial programs, I would like to share with the Committee the details of our experience with CPB and PBS regarding a documentary entitled *Journey to the Occupied Lands*. This FRONTLINE production, which aired on January 26th, 1993, and which continues to be sold as "educational" by PBS Video, purported to examine the nature of Israeli rule in the West Bank and Gaza. As detailed in the Winter 1994 CAMERA Media Report, the documentary was marred by material error and distortion so extensive as to render the film fundamentally false. Every facet of the work embellished a theme of alleged Israeli exploitation and usurpation of Palestinian Arabs. Among the criticisms raised in the CAMERA report were the following:

• In the film's centerpiece, the filmmaker falsely alleges that Israel stole the land of Palestinian farmer Sabri Gharib, stating that there was an official "administrative decision" in Gharib's favor which the Israeli courts refused to enforce. In fact, in 1986 Israel's High Court ruled to the contrary, that the land was not Gharib's. The case has been closed since then. There has simply been no "decision" in Gharib's favor, and the filmmaker has never produced any evidence to support his claim.

• The filmmaker alleges that Israel oppressed Gaza citrus farmers by prohibiting them to export their crop to Western Europe: "It was citrus that used to be the backbone of the local economy... But not anymore. Since the occupation the only direct exports [of Gaza citrus] allowed go east to the Arab world via Jordan..."

But, as leaked documents prove, the filmmaker knew that Israel, the European Community, and the Gaza citrus growers reached an export agreement in late 1987, and that there have been direct exports since then.

• In order to demonstrate vividly how Israeli communities are allegedly crowding out Arab ones the film compares a supposed 1973 LANDSAT satellite image with more recent images. However, according to an expert who examined the issue for us, the first image "is not from 1973 and is not a LANDSAT image."

• While FRONTLINE documentaries are officially meant to be unbiased and objective, the Senior Researcher for this FRONTLINE documentary is a long-time anti-Israel activist. Thus, in 1988 he testified before the Trade Policy Committee of the United States Trade Representative in an effort to strip Israel of duty-free trade benefits. His allegations of Israeli abuse of Palestinian workers were rejected by the Committee, and Israel retained its duty-free status.

In 1989 he endorsed a series of at least four ads in the extremist British journal *Return*. According to the ads, "the Zionist structure of the state of Israel is at the heart of the racism and oppression against the Palestinian people, and should be dismantled." Can a person holding such views make an objective documentary about Israel?

Copies of the initial CAMERA report were sent to CPB, PBS, WGBH (the home of FRONTLINE) and numerous other public television stations. In a letter to me dated

February 7th, 1994, Sandra Heberer, PBS's Director of News and Information Programming, replied:

> ... we have seen nothing, including your paper – to make us doubt the factual accuracy of "Journey to the Occupied Lands." On the contrary, the information provided by ... [the filmmaker] in response to your charges leads us to conclude that your report is an irresponsible and truly questionable piece of research.

I responded to Ms. Heberer that by their reliance on the filmmaker to investigate himself PBS had invited a clear conflict of interest, and had also violated its own guidelines which state, "By placing its logo on a program, PBS makes itself accountable for the quality and integrity of the program."

PBS denied there was any conflict of interest or violation of PBS guidelines in allowing the filmmaker to investigate himself, and refused to look independently into the validity of our findings. PBS also refused numerous requests that they send us a copy of the filmmaker's reply to our critique which had been the only basis for their dismissal of our findings.

We acquired a copy of the reply elsewhere, and issued a 150-page refutation entitled *PBS and Israel: The Case of Journey to the Occupied Lands.* As we document in the report, the filmmaker's reply only compounded the errors and falsehoods which riddled his film.

We have made a good-faith effort to work through the system in the belief that PBS would conduct a fair and independent investigation of our findings, and would take action to set the record straight.

• On June 14th we met at CPB with President Richard Carlson. We presented our findings and evidence, and called on CPB to ensure a full and fair investigation. We further pointed out systemic problems at PBS including the lack of any fact-checking department. President Carlson said he supported the creation of a fact-checking department at PBS, and called on us to build support for it in Congress. We have found bipartisan support for a fact-checking department at PBS, but staffers have also pointed out that CPB has discretionary funds which could be earmarked right now for fact-checking.

• On July 20th, 1994, we presented our report to Peter McGhee, Vice President, National Programming at WGBH. Mr. McGhee stated that WGBH would hire a former staff member to investigate our findings independently, and upon completion would take whatever action was appropriate.

• In meetings on August 23rd and October 24th with PBS President Ervin Duggan we pointed out that unlike CBS, ABC and NBC, publicly-funded PBS has no fact-checking or standards and practices department to ensure the journalistic integrity of its offerings. Mr. Duggan agreed that a fact-checking department was needed; his Senior Advisor, John Hollar, assured us that such a department would be created, and that there would be a public announcement to that effect by the end of November 1994. He further stated that with the closure of MacNeil/Lehrer's New York office some experienced journalists would be available to staff such a department at PBS.

As of today there is no fact-checking at PBS, and there has been no such announcement. And when asked about PBS's fact checking procedures by a senior House staffer in a meeting in early January, PBS's General Counsel replied that PBS continues to rely upon the integrity of the producer.

We have been told recently through PBS that Mr. Louis Wiley is in charge of WGBH's investigation of our findings concerning *Journey to the Occupied Lands.* Contrary to Mr. McGhee's prior assurance to us that the investigation would be independent, Mr. Wiley is on the staff of FRONTLINE. His name appears in the credits for *Journey,* and according to Mr. McGhee, it was Mr. Wiley who did the original and clearly inadequate "fact checking" on *Journey* during the production process.

We have become extremely disheartened in our dealings with CPB and PBS, attempting as we have at every stage to participate responsibly in what was advertised as a process that was "Open to the Public." We have found it otherwise. At each step we have sought to reform the system, not to destroy it. Regrettably, after years of effort, we must conclude that the system is incapable of reforming itself. If an appropriate recision can spur needed reforms then we would strongly support it.

Mr. Chairman, on behalf of our members across the nation let me thank you and the members of the committee once again for the opportunity to testify.

THURSDAY, JANUARY 19, 1995.

WITNESS

L. BRENT BOZELL, III, CHAIRMAN, MEDIA RESEARCH CENTER

Mr. PORTER. Brent Bozell, the Media Research Center.

Mr. BOZELL. Thank you, Mr. Chairman. I hope I stay on time, too. I won't promise anything.

There go my minutes.

Mr. PORTER. We won't charge you for that.

Mr. BOZELL. Thank you.

Mr. Chairman, there is no justification for continued Federal subsidies for public broadcasting. When Congress passed the Public Broadcasting Act of 1967 with a budget of—I believe of $5 million, they hoped to fill a vacuum of cultural and educational programming they felt was not supplied by the three national networks. Today, America is served by thousands of radio and television stations. That includes a plethora of public stations flooding the airwaves. How in the world can we explain having in the Washington, D.C. market alone no less than three PBS stations, two major NPR stations and numerous other publicly funded stations?

In the face of the reality that it is obsolete and contrary to Mr. Duggan's pious comments to the Washington Post that public television has no lobbyists, the CPB is using taxpayer money in a massive lobbying campaign to keep this obsolete program, and their jobs, alive. They are using three smokescreens to defend themselves.

First, they claim that there is a need for cultural and educational programming that only PBS can provide. In a barrage of radio advertisements, PBS is currently asking, "If PBS doesn't do it, who will? " The answer comes from the alphabet soup of cable channels that now exist on the open market performing the same functions as PBS without a dime of government money—culture on Arts and Entertainment, Bravo, The Discovery Channel, The Learning Channel, The History Channel; American Movie Classics and Turner Classic Movies; children's programming on Nickelodeon and Disney. According to industry experts, there are presently—at this stage, there are 100 networks in the planning stages to go onto a 500-channel superhighway. It is laughable then for anyone to propose that we must have PBS.

Secondly, the argument is that taxpayer funding provides the seed money for programming and ensures the public broadcasting that remains noncommercial. The Corporation for Public Broadcasting only contributes 14 percent of public television's funding. But money is fungible. We can just as easily say that programming is funded from the other 86 percent of the system. And PBS is awash in money.

I would submit, Mr. Chairman, if PBS really needed this money why, in that great populist magazine called The New Yorker, in November, did they buy—did they have not one, not two, not three, not four—count them, twelve pages of full-page ads promoting PBS in The New Yorker magazine. There is a populist magazine needing public money.

Anyway, Barney is the third-largest grossing entertainer in the United States of America. Sesame Street's gross merchandising revenue is comparable to that the National Hockey League. Bill Moyers makes undisclosed millions off PBS Home Video royalties, which amount, it should be noted, he refuses to disclose. Stations like WETA, for goodness sake, have their own stores in which they sell merchandise. Minnesota Public Radio's Wireless catalog has been so successful that MPR had the revenues to spend $12 million on a frequency in the middle of the FM dial. Rather than applaud this private funding move, CPB actually attacked it. The Washington Post reported that CPB President Dick Carlson complained about Minnesota Public Radio's catalog sales, quote, "It is damn hard to go up on the Hill and ask for millions of dollars when you are making millions off Beethoven T-shirts." Ladies and gentlemen, I would submit that you ought to consider that quote when you consider the future of the funding for CPB.

Thirdly, they suggest that public broadcasting provides a diversity of voices unheard of on the commercial networks. Sadly, that is true. CPB has a long history of using taxpayer funds not for popular shows but for controversial and, yes, at times, dishonest public affairs programming that offends taxpayers sometimes deliberately. CPB has been mandated by law to ensure objectivity and fairness in all programming of a controversial nature, and it has ignored that law for 27 years.

CPB is at it again playing games. CPB spent thousands of dollars last week to produce a poll claiming the public wants PBS to continue. Congress should not only demand to know why CPB is using taxpayer funds to lobby for more taxpayer funds, it should explore the ethics behind this lobbying effort. I would submit that if the Members would look at the Washington Post in the comments made by Andrew Kohut, the Director of the Times Mirror Center for the People and the Press, he pointed out that that was a loaded poll, that there were all sorts of push questions put before the actual question on the funding so the answers would come out the way that CPB wanted it to go.

Moreover, to the question that it only cost $5,000, I suggest that every Member here, when he runs for reelection, hire that poll center.

Examples of PBS failure enforce its legal mandate of balance begins with the millions that are spent to fund the POV series. Another example: In 1990, CPB funded Race to Save the Planet, allowed no conservative viewpoint in its entire 10 hours.

Example: The Media Research Center study of three years of the CPB-funded Frontline series, which has no corporate underwriters, identified eight programs on the environment and seven on race relations without a single conservative viewpoint. Frontline spent hours passing on fully discredited conspiracy theory about the Reagan administration's foreign policy, including the congressionally debunked October Surprise theory, and has refused to correct the record, never mind apologizing to those they slandered, again using taxpayer money.

Example: This week PBS stations have aired the series America's War on Poverty, intended to show the world that the conservatives are wrong in the welfare reform debate taking place in Congress right now.

Now, I wasn't going to do this until this morning it was suggested by a Member in this testimony that CPB, or that PBS and their programming is a sea of tranquility. To that, I am going to read something and put it in the record I would like to note that maybe C–SPAN will be able to carry this. This will not make it on the evening news tonight because any network trying to cover this is going to have a very huge Federal problem.

This is a quotation directly from Tongues Untied, a program paid by taxpayer money, funded by CPB, authorized by the Congress, which glorified black homoeroticism:

> Anoint me with cocoa oil and cum so I speak in tongues twisted so tight they untangle my mind. I walk the waterfront curbsides in my sister's high-heeled shoes, dreaming of him, his name still unknown to my tongue. While I wait for my prince to come, from every other man I demand pay for my kisses. I buy paint for my lips, stockings for my legs, my own high-heeled slippers and dresses that become me. When he comes I will know how to love his body. Mother, do you know I roam alone at night, wearing colognes, tight pants, chains of gold, searching for men willing to come back to candlelight? I'm chocolate candy, a handful of cookies, the goodies you are forbidden to eat. We swallow hard, black love potions from a golden glass. Grinding my memory, humping my need, throw your head like the dinka, shake your arms like the mossai of French whore flirting, licking lips at strangers. Been waiting for your light bulb to glow for me, waiting to exchange hard-ass love, calloused affection, slapping high fives. Wet my pillow, part your eyelids. Wet me with the next lie, the resounding refrain of grown men in love. We stop kissing tall, dark strangers, sucking mustaches, putting lips, tongues everywhere. We return to pictures, telephones, toys, recent lovers, private lives, now we think as we fuck.

Ladies and gentlemen, the American taxpayers paid for that. Ladies and gentlemen, CPB paid for that. Ladies and gentlemen, this Congress unfortunately authorized that.

Let's face it, conservatives have the power to take over the reins of this massive political machine and use it to advance our own goals. It would be an awesome weapon to have. But no conservative wishes to do that, and I might also add for the record, and contrary to what was said by the gentlewoman from New York this morning, I would challenge her to find any conservative, any Republican who has ever said that he doesn't want Big Bird to be on the air.

This should not be a playground for anyone. It is fiscally irresponsible to continue funding the entire CPB machine, ethically to claim that there is a need no government to do it.

Historians will debate if PBS might have done some good in the 1970s, when the information superhighway only seemed to have four lanes. But historians will laugh that the proposition that public broadcasting was needed today, and wonder why it is still alive.

I will close with one statement. Anyone who knows me knows that in my in my office that all day long I have NPR running—I love classical music, I love the service it provides. If it weren't for the political messages, I would be the first one to pony up and make a contribution to it.

I am sure public broadcasting will not only survive, it will thrive on the open market. As a matter of fact, for those who are concerned, I would suggest, set Big Bird free, let it thrive on the private market.

Thank you, Mr. Chairman.

Mr. PORTER. Thank you, Mr. Bozell. We are right on time.

[The prepared statement of L. Brent Bozell, III follows:]

MEDIA RESEARCH CENTER

Bringing political balance to the media

TESTIMONY OF L. BRENT BOZELL III
CHAIRMAN, MEDIA RESEARCH CENTER
January 19, 1995

There is no justification for continued federal subsidies for public broadcasting. When Congress passed the Public Broadcasting Act of 1967 with a budget of five million dollars, they hoped to fill a vacuum of cultural and educational programming they felt was not supplied by the three national networks. Today America is served by thousands of radio and television stations. That includes a plethora of public stations flooding the airwaves. How in the world can we explain having in the Washington, DC media market alone no less than three PBS stations, two major NPR stations, and numerous other publicly-funded stations?

In the face of the reality that it is obsolete, and contrary to Mr. Duggan's pious comments to the Washington Post that pubiic television has no lobbyists, the CPB is using taxpayer money in a massive lobbying campaign to keep this obsolete program -- and their jobs -- alive They are using three smokescreens to defend themselves:

1. <u>They claim a need for cultural-educational programming that only PBS can do</u>. In a barrage of radio advertisements, PBS is currently asking "If PBS doesn't do it, who will?" The answer comes from the alphabet soup of cable channels that now exist on the open market, performing the same functions as PBS without a dime of government money: culture on Arts and Entertainment, Bravo, The Discovery Channel, The Learning Channel, The History Channel; American Movie Classics and Turner Classic Movies; children's programming on Nickelodeon and Disney. According to industry experts, more than 100 other networks are presently in the planning stage, preparing to enter the communications superhighway. It is laughable, then, that we <u>need</u> PBS

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2. Taxpayer funding provides the seed money for programming and insures that public broadcasting remains non-commercial. The Corporation for Public Broadcasting only contributes 14 percent of the public TV system's funding. But money is fungible. We can just as easily say that programming is funded from the other 86 percent of the system. And PBS is awash in money.

Despite the stated intention of avoiding crass commercialism, PBS programs and producers are raking in millions of dollars in merchandising revenue. Barney is the third largest grossing entertainer in the United States. Sesame Street's gross merchandising revenue is comparable to that of the National Hockey League. Bill Moyers makes undisclosed millions off PBS Home Video royalties, which amount, it should be noted, he refuses to disclose. Stations like WETA have their own stores to sell merchandise. Minnesota Public Radio's "Wireless" catalogue has been so successful that MPR had the revenues to spend $12 million on a frequency in the middle of the FM dial. Rather than applaud this private-funding success, CPB actually attacked it. The Washington Post reported CPB President Richard Carlson complained about Minnesota Public Radio catalogue sales: "It's damn hard to go up on the Hill and ask for millions of dollars when they're making millions of dollars off Beethoven T-shirts." Please remember that quote as you consider the future of CPB.

There is no need for taxpayer funding of public broadcasting. We can't afford it in an era of 200-billion-dollar deficits. Politicians on both sides of the aisle have pledged fiscal restraint and expressed the need to find efficiencies. Nothing in the budget is more utterly unnecessary. Public broadcasting will not only not suffer in a privatized system -- this will create the financial impetus for the entire system to improve, both fiscally and programmatically.

3. Public broadcasting provides a diversity of voices unheard on the commercial networks. That's true. CPB has a long history of using taxpayer funds not for popular shows, but for controversial, and yes, dishonest public-affairs programming that offends taxpayers -- sometimes deliberately. CPB has been mandated by law to insure objectivity and fairness in all programming of a controversial nature, and it has ignored that law for 27 years. In 1992, the Congress strengthened that language, demanding that CPB begin to evaluate the content of programming. Instead of monitoring its own programming, its response was to release a highly misleading, and subsequently discredited poll which claimed the American people could find no bias. CPB has operated in contempt of the law and in contempt of Congress.

This week, they did it again. CPB spent thousands of dollars to produce a poll claiming the public wants PBS to continue. Congress should not only demand to know why CPB is using taxpayer funds to lobby for more taxpayer funds, it should explore the ethics behind this lobbying effort. If it hasn't been entered into the record, I'd like to quote the expert opinion of Andrew Kohut, director of the Times Mirror Center for the People and the Press. Of the CPB poll, he said the "payoff" question asked whether federal funding should be increased, remain steady, or be cut, followed a question listing the virtues of public broadcasting. His conclusion: "This research doesn't prove it or disprove it." In other words, CPB is using the oldest political trick in the world, loading a poll to generate the numbers they wanted. And I'm outraged that I, as a taxpayer, am paying to fool you.

Examples of CPB's failure to enforce its legal mandate of balance begins with the millions it has spent in the last few years to fund the "POV" series, which included "Tongues Untied," a homoerotic documentary featuring black gay men and nudity, blatantly promoting, in the most vivid of terms, homosexual intercourse on prime time television. Example: in 1990, CPB funded "Race to Save the Planet," allowed no conservative viewpoint in its entire ten hours. Example: the Media Research Center's study of three years of the CPB-funded "Frontline" series, which has no corporate underwriters, identified eight programs on the environment and seven on race relations without a single conservative viewpoint. "Frontline" spent hours passing on fully discredited conspiracy theories against the Reagan administration's foreign policy (including the Congressionally-debunked "October Surprise" theory), and has refused to correct the record, never mind apologizing to those slandered -- again, with taxpayer money. Example: this week, PBS stations have aired the series "America's War on Poverty," funded in part with $186,000 of CPB money, intended to disprove the conservative position on welfare reform. Can CPB honestly declare before Congress that this kind of programming has no political agenda?

Let's face it. Conservatives have the power to take over the reins of this massive political machine and use it to advance our own goals. It would be an awesome weapon to have. But no conservative wishes to do that. This should not be a playground for anyone. It is fiscally irresponsible to continue funding this dinosaur, ethically wrong to claim there is a need for government to do it.

Historians will debate if PBS might have done some good in the 1970s, when the information superhighway only seemed to have four lanes. But historians will laugh at the proposition that public broadcasting was needed today, and wonder why it's still alive.

THURSDAY, JANUARY 19, 1995.

WITNESS

ROBERT KNIGHT, FAMILY RESEARCH COUNCIL

Mr. PORTER. Our next witness is Robert Knight of the Family Research Council. Mr. Knight.

Mr. KNIGHT. Thank you, ladies and gentlemen. I am Robert Knight, Director of Cultural Studies for Family Research Council, and I wrote, produced and directed the Children of Table 34, Family Research Council's new video regarding the work of Alfred Kinsey, so I feel like something of an artist myself. I am also something of a journalist. I was in journalism for 15 years, 7 of them with the Los Angeles Times as a news editor. I was a media fellow at the Hoover Institution for a year.

It has been said a lot that we are a diverse Nation and, in fact, diversity seems to be a byword of many Federal programs these days and that is true. That is one reason that I am opposed to Federal funding of the Corporation for Public Broadcasting.

There are so many views out there. No one could figure out which ones to put forward at any given time with any sense of objectivity. In fact, I would like to attack the myth of objectivity. Everyone has opinions and, again, there is nobody smart enough to determine which one should be aired at any given time. I think the market does the best job of that. We are often told, if you do not like it, turn it off. The taxpayer does not have that option. The taxpayer has to pay for it whether the taxpayer likes it or not.

Now, my concern is not so much with the funding aspects, although I think it is more the symbolism. In fact, the Federal taxpayer is forced to fund programming that may be inimical to that person's beliefs. There is so much antifamily propaganda on NPR and PBS that one might even conclude the folks there are obsessed with validating nontraditional life-styles at taxpayer expense.

There are exceptions, and I heard one just the other day on NPR. All Things Considered ran a show on marriage and its value to society. The report included interviews with people who did not think marriage was all that hot. They included interviews with academics who said, you know where we find marriage, we find fewer social problems. It was a very objective show; and, to put it mildly, uncharacteristic of NPR. I would praise by name the reporter of this excellent piece, but he is probably already in enough trouble as it is.

CPB was created in 1967 as it was said to meet the need of broadcasting that just did not make it, did not get on the air for one reason or another. You cannot say that anymore. There are, 11,700 radio stations, more than 3,100 television licensees. Statistics speak for themselves. We have the Internet. People are communicating in new and different ways. We do not need, honestly, government subsidies for one particular point of view.

And I have to say that reviewing the programming on a day-by-day basis of NPR and PBS, you just have to conclude there is not only a bias there, it is a very pronounced bias and the bias is this: It is against free market economics, it is against traditional family structures, it is a bias against conservatives in general and Christians in particular.

Sheldon Richman very articulately talked about the separation of church and State or talked about why government-funded opinion is anathema to those of us who cherish freedom. He quoted Thomas Jefferson. Freedom of speech really is dear to Americans, and because it is, nothing should be more alien to us than government speech. Any time the government funds something, it smacks of official speech.

We heard about that wall of separation between church and State and that is supposed to guarantee religious freedom. But the First Amendment wall between free speech and the State should be just as high or higher because it incorporates or enhances religious freedom. Social analyst Michael Schwartz pointed out when the government uses tax money to promote particular views, it interferes in the free speech market, just at it would be doing in the religious market by sponsoring a particular church. The government has no business doing it.

I could reel off a number of programs that I found objectionable personally and Christians have found objectionable. Jews have found programs objectionable. You have heard from Mr. Safian. But I think the main point is that nobody can be objective—the taxpayer can be better served by using his own tax dollars to support the kind of programming he or she would like, and I think the greatest threat to the Nation is the failure to create or prevent the breakup of the two-parent family.

Certainly PBS and NPR have not devoted a whole lot of programming to the importance of families. They have been too busy presenting alternative family structures. When we talk about the family breakup, they talk about liberating someone sexually. They have been at war with the family for two decades now.

Sesame Street, which is normally not very objectionable—it is a fun show; it is good entertainment—did not even have a regular intact two-parent family for two decades. It was so noticeable that they finally did add one. They realized that children were watching, spending a lot of hours watching the show and never seeing family life.

Since Mr. Lavar Burton will be testifying in the next panel, I would just like to mention that my children have seen Reading Rainbow. Again, it is a fun, entertaining program. But you would not mistake it for education. I think that is another myth that has to be punctured. Even Sesame Street has been sold as an educational magic bullet. There is no evidence that it is. There is no evidence that two, three four-year-olds have to learn the alphabet. They can pick it up like that when they are five or six years old.

Sesame Street is a babysitter for children. It keeps them occupied while mom or dad are doing something else, and I think if you really cared about children's education you would try to find ways of preserving family time with children, find ways that parents could spend more time with children. It turns out the greatest influence on children is their parents and Sesame Street has done as much as anything else in this country to foster the idea that we can plop the kids down in front of the TV and there will be no adverse effects so long as the program is, quote-unquote, educational. It is just not so. They do not get the kind of feedback they do from talking to their parents.

Even on Reading Rainbow. I have seen my own children say, boy, look at that book on Reading Rainbow, and I have gone out and bought the book and taken it home and read it to them. And they have said, okay, that is a nice book; what is on TV. I am afraid book reading just does not stack up to that profusion of colorful images that cascades across the TV screen. It is addicting.

If you look at SAT scores, you cannot say that educational TV has had a great effect on children in this country. The ability to reason has declined as children have become more impressionistic. They are used to sounds and colors and it is no wonder that education is geared toward feelings and self-esteem rather than rational concepts and hard core subjects like math, history, and science.

Finally, again, Sesame Street in and of itself is not objectionable to me, and it will probably do very well in a private network, but there are some things that have been objectionable.

Sesame Street Parents magazine, for instance, put out by the Children's Television Workshop, has an advice columnist, Dr. Lawrence Balter of New York University. In the January-February 1994 issue, he advises parents that masturbation is a tension relieving activity much like hair twirling and thumb sucking. Masturbation can also help a child learn more about his body and help him develop positive attitudes towards sex. Joycelyn Elders was not the first person to start pushing masturbation on the American public. Children's television network was way ahead of her.

Children's Television Workshop also put together a video first produced on PBS called What Kids Want to Know About Sex and Growing Up. This was an attack on traditional family values in the guise of science. None of the instructors used the word "marriage" in any context at all. Sex is portrayed strictly as a physical act without the larger moral and social contexts that constitute the real facts of life. Husbands and wives are not mentioned, just partners. Clearly, the agenda is to devalue the traditional American family and to tell us that partners are interchangeable, that a gay couple is just as good as a mom and dad. They do the same things in the bedroom and, kids, it is okay. You might even want to try it yourself.

That is as bad as it gets, and that is what we have been funding with our tax dollars. It should stop. I don't know any parent in America who would take money out of his or her pocket to fund an assault on children like that and yet they are forced to as taxpayers. It is a disgrace and it should end now and you can end it.

Thank you very much.

Mr. PORTER. Thank you, Mr. Knight.

[The prepared statement of Robert H. Knight follows:]

Family Research Council
Gary L. Bauer, President

Testimony of Robert H. Knight
Director of Cultural Studies

January 19, 1995
Corporation for Public Broadcasting
Fiscal 1996 Appropriation
House Appropriations
Subcommittee on Labor, Health and Education

Public broadcasting, according to its advocates, exists primarily to provide views that aren't normally available.

In a sense, they are correct. The popular culture promotes casual sex, for instance, but rarely makes the intellectual case for it. That is left to public broadcasting.

When *Married With Children* on Fox-TV makes fun of family virtues, nobody mistakes it for anything other than vicious satire. But when PBS or NPR throw their weight behind anti-family programming, brandishing feminist studies and interviews with homosexual activists, we are supposed to take it very seriously indeed.

There is so much anti-family propaganda on public broadcasting that one might conclude that the folks at PBS and NPR are "obsessed" with validating nontraditional lifestyles -- at taxpayer expense. There are exceptions, of course.

On Tuesday (January 17, 1995), NPR's *All Things Considered* ran a straightforward report on the mounting evidence that marital breakdown is socially detrimental, not merely a change in lifestyles. The report included respectful interviews with people who disagreed

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with that premise. Overall, it was an honest look at the issue. This is, to put it mildly, uncharacteristic of NPR, whose philosophical imperative, as evidenced by its programming choices and editing preferences, is to promote family breakups and teenage homosexual relationships as milestones in progressive sexual liberation. I would praise by name the reporter of this excellent recent story on marriage, but he/she/it probably is already in enough trouble.

The CPB was created in 1967 to meet a perceived need for taxpayer-financed alternative programming not provided by commercial networks. That need, if there ever was one, has passed. The advent of cable television, satellite dishes and improved radio technology has created an enormous menu of broadcasting choices for consumers. America has more than 11,700 radio stations and more than 3,100 television licensees, plus 109 cable networks and another 6,963 translators and boosters, which extend the reach of existing stations. In addition, computer technology has created a multitude of interactive computer highways, such as the Internet. It is not as if consumers don't have enough access to information.

CPB's existence has always been based on an anti-free market philosophy. Proponents have said that the market is incapable of providing good programming, so the government must step in and do it, to the tune of $285.6 million annually. This insults the intelligence of the viewing/listening public, because it assumes they won't appreciate or support good programming. Yet the shows that register high ratings on PBS turn out to be the very programs that the public perceives to be excellent: *Sesame Street*, *Barney and Friends*, *The MacNeil-Lehrer NewsHour*, and *Masterpiece Theatre*, for example. All of these shows are generating more than sufficient revenue from sponsors, donors, grants and product marketing. They do not need taxpayer subsidies.

In a more general sense, the entire idea of government-funded (that is, taxpayer-funded) media is probably unconstitutional. If freedom of speech is dear to Americans, and it is, then nothing should be more alien than the notion of government intervention. We often hear about the wall of separation between church and state, which is supposed to guarantee religious freedom. But the First Amendment wall between free speech and the state should be even higher, because it incorporates and enhances religious freedom.

As social analyst Michael Schwartz has pointed out, when the government uses tax money to promote particular views, it interferes in the free speech market, just as it would skew the religious market by sponsoring a particular church. The government has no business doing that in a free society.

Just as government-funded media cannot promote a particular religious viewpoint, government has no business criticizing religious beliefs or practices. Yet public broadcasting airs anti-Christian programming, often under the auspices of homosexual activism.

In 1992, for example, the PBS grant recipient P.O.V. (Point of View) series produced "Faith Even to the Fire," described as "a crisis of conscience among three American nuns who condemn the Catholic Church's lingering racism and sexism." P.O.V. also produced the anti-Catholic "Stop the Church," and has portrayed Christians who oppose the homosexual rights movement as hateful, uneducated bigots.

One of the worst examples of PBS' anti-Christian programming was the 1994 PBS hit piece against the Christian ex-gay movement entited *One Nation Under God*. This documentary contains a multitude of lies and distortions, falsely implying, for example, that Christian ex-gay therapists favor shock treatment as used in Nazi Germany. Dishonest editing portrays one ex-gay completely out of context, making him say, "God hates homosexuals," when in fact he really said, "I used to think God hates homosexuals, but now I know that God loves them."

In October 1993, NPR broadcast a documentary, *In Jesus' Name: The Politics of Bigotry*, which compares politically active Christians to the Nazis and the Ku Klux Klan. In September 1993, NPR's *All Things Considered* carried a story in which Colorado Springs, where many Christian ministries are situated, was depicted as a "place of religious extremism" where children are no longer safe.

Public broadcasting, with some exceptions that would fare well without government subsidy, functions as a piggy bank for ideological radicals. These folks are entitled to their views, but not to a portion of the paychecks of those whose beliefs they continually trash. Thomas Jefferson, who swore to oppose all "tyranny over the mind of man," warned that a severe form of such tyranny was the forcing of people to subsidize views with which they disagree.

PBS and NPR, which receive millions of dollars in taxpayer subsidies, are megaphones for radical feminism, the abortion lobby (the "heart" of the feminist movement), homosexual activism and pantheistic charlatans like Joseph Campbell, who, with the help of Bill Moyers, shoved 4,000 years of Judaism and Christianity into a cubbyhole labeled "myths."

Public broadcasting advocates often point to popular, uncontroversial series such as

Barney and *Sesame Street* to epitomize PBS programming. They tell us that "most" programming, is in fact, uncontroversial, which may be true.

But this is like saying that a glass of milk laced with arsenic is "wholesome," because, after all, it's mostly milk. So we should swallow it anyway.

You could make the case that public broadcasting's anti-family, anti-religious, and pro-homosexual programs are only occasional outbursts of infamy, and therefore should not color our view of PBS and NPR as a whole. In fact, you might want to employ Big Bird to stand in front of the closet full of oddities, hoping the guests won't notice much before departing for another year. But open that closet and some suprising items fall out:

• In July 1994, a mother in Akron, Ohio, was shocked to find a program titled *What if I'm Gay* sandwiched between *Kidsongs TV* and *Sesame Street* from 10:00 to 11:00 a.m. on her local PBS station. The mother's concern about placing such programming at a time when many pre-school children and toddlers are watching T.V. seems to have been largely ignored by the station. When the woman called the station to complain, the programming director defended the show, saying, "The quality of the program is unquestionable. It has good writing and production and is well thought out."

• Children's Television Workshop publishes *Sesame Street Parents* magazine, which features an advice column by New York University psychologist Lawrence Balter. In the January/February 1994 issue, Dr. Balter advises parents that masturbation is a "tension-relieving activity that, much like hair twirling and thumb-sucking, serves to soothe and calm children. Masturbation can also help a child learn more about his body and help him develop positive attitudes toward sex....Avoid telling your son that touching himself is 'not nice.'"

• In May of 1992 PBS broadcast a documentary called *What Kids Want to Know About Sex and Growing Up*. Produced by the Children's Television Workshop, the show was an attack on traditional family values in the guise of a pseudo-scientific presentation. The program contains graphic sexual information aimed at children as young as 8 years old, and was made with the help of the Sex Information and Education Council of the United States, an organization devoted to "child sexuality" which has promoted masturbation and homosexuality lessons for children.

In the video, children are encouraged to use condoms without being informed about high condom failure rates. Abstinence, that is, delayed sex, is given only a passing mention. Parents are nearly invisible, as are clergy or any other adults who would normally articulate moral and familial ramifications of sexuality. None of the instructors use the word "marriage" in any context. Sex is portrayed strictly as a physical act, without the larger moral and social contexts that constitute the real "facts of life." "Husbands" and "wives" are not mentioned, just "partners."

• The Independent Television Service (ITVS) has been awarded more than $38 million in public broadcasting funds since 1989. For that sum, according to public media watchdog *COMINT* magazine, the public has received a mere nine hours of programming. Perhaps this is a blessing, given ITVS's focus. One five-hour series called *Television Families,* for which ITVS (through the taxpayers) ponied up $1.9 million, plans to feature "tales of more or less dysfunctional families" which "all fall outside the mainstream." ITVS earlier had announced that it is seeking programs that will "test the boundaries, both of form and content, that have defined the family's role on television." These include "new alternative households, new patterns for adoption and birth...new articulations of rights for children."

The anti-family agenda in this case is obvious. It incorporates and goes beyond *Murphy Brown's* glorification of single motherhood. The term "alternative households" is often used to describe homosexual households and other non-traditional households, putting them on the same moral plane as traditional families. "New patterns for adoption and birth" are terms used to describe adoption of children by homosexuals and artificial insemination. "Children's rights" is the anti-parent philosophy in which the state knows best when it comes to handing out condoms, referring children to abortionists and otherwise undermining the authority of parents.

• Another ITVS offering is *Dottie Gets Spanked*, a mockery of 1950s American family life from the producer of the cult homosexual films *Superstar* and *Poison*. Yet another is *Terminal USA*, described by the ITVS newsletter *Buzzwords* as being about "wholly unwholesome folks" who "cram a lot of skeletons in their closet: drug abuse, homosexuality, teen pregnancy, elderly abuse, unemployment, and infidelity (with the pizza delivery boy) -- all under one roof." Making a gratuitous slam on conservative Christians, *Buzzwords* concludes: "Unlike the absolute 'family values' of censorship-minded evangelicals, *TV Families* values all kinds of families."

• In 1992, P.O.V. began its series with *Color Adjustment*, a documentary by the late homosexual writer and AIDS victim Marlon Riggs of *Tongues Untied* fame, who complained about the heterosexual bias of most family programming: "Have we exchanged the myths of pre-television America for new fictions just as confining, for impossibly rigid, homogenized fictions of the family, and the American dream....?"

These are just a few examples, but the pattern is obvious: Ozzie and Harriet are dead (or never existed), and the enlightened radical elite are creating new forms of families to carry us into the sexually liberated future.

Perhaps these views are popular among those in radical playpens like PBS and NPR, but they should not be funded by American taxpayers. Tax-supported public broadcasting is a government assault on freedom of speech, religious freedom and traditional family values, and the subsidies should end in this Congress.

Thank you.

"Channels" The Beacon Journal 7/21/94 pg. 28 . Akron, OH

THURSDAY 8:00 - 11:30 A.M. JULY 21

AM	8:00	8:30	9:00	9:30	10:00	10:30	11:00	11:30
3	Today. (7 00) Tom Arnold ("True Lies") actor Elijah Wood ("North") sports bloopers (CC) 49624		Sally Jessy Raphael: Mistresses 60266		Jerry Springer Bodybuilder adores large women 28131		Family Feud 3518	Family Feud 4247
5	Morning Exchange 45334				Regis & Kathie Lee 84711		Rolonda: Teen curfews 71247	
8	This Morning (7 00) Mary Louise Parker ("The Client") Emmy nominations (CC) 65686		Bertice Berry: Women who try to change men 86228		Montel Williams: People who despise their daughters' boyfriends 77421		The Price Is Right 64957	
17	Joy 72044	H. Pensanti	Roberts	John Hagee	Rod Parsley	M. Hickey	K. Copeland	Steve Brock
19	Merrie Melodies (CC) 67112	Pink Panther 99711	Little House on the Prairie: The Award 97976		Bonanza A Time to Step Down. Guest Ed Begley 55841		In the Heat of the Night: Perversions of Justice (CC) 75605	
21	Today (7 00) 74063		Sally Jessy Raphael 37518		Jerry Springer 53570		Leeza 73334	
23	Good Morning (7 00) 69131		Paid Program	Paid Program	Paid Program	Paid Program	Mike & Maty 68402	
25	Grow	Government	Storytime	Mr. Rogers	Shining Time	Read R'nbow	Barney	Sesame St.
27	This Morning (7 00) 27179		Ricki Lake 804268		Montel Williams 26006		The Price Is Right 19150	
29	Fitness	Paid Program	Swamp Fire ('46) •• Virginia Grey 555131			C. Martinson	Paid Program	Paid Program
33	Good Morning (7 00) 89808		Regis & Kathie Lee 93150		Vicki! 68315		Mike & Maty 88179	
43	Conan 3931334	DuckTales 3930605	Wonder Yr. 3921957	Designing 9473518	The 700 Club 7591247		Jenny Jones: Richard Simmons 7504711	
49	Barney (CC) 6432841	Lamb Chop 6431112	Shining 6455792	Kidsongs TV 4566889	What If I'm Gay? 2129228		Sesame Street: Teddy bear wedding (R) (CC) 2132792	
55	Mr. Bogus 12624	Hallo Spencer 11995	90 & 9 Club 688808		Barnaby Jones Dead Heat Guest Pat Hingle 40044		Streets of San Francisco: Guest Kristoffer Tabori. 60808	
67	Stretch 3926402	P. Gaudino 3925773	Paid Prog. 3949353	Paid Prog. 9468686	Plus or Minus 60 9471150			

AM	8:00	8:30	9:00	9:30	10:00	10:30	11:00	11:30
WGN	Garfield	Bozo 391537		Yogi/Friends	Andy Griffith	Andy Griffith	People Court	People Court
WTBS	Gilligan Isle 3218957	Bewitched 9866131	Happy Days 1478889	3's Comp. 7739773	Little House on the Prairie. (10 05) Fagin 9218315		Matlock: (11:05) Guest Brian Benben. (CC) 2024570	
WWOR	Flintstones	Jeannie	Bewitched	Partridge	Who's Boss?	Who's Boss?	Richard Bey 428860	
A&E	In Search Of ...: Hitler's lover, Eva Braun 340082		McMillan and Wife: Buried Alive. Guests Jose Feliciano Donna Mills, Barry Sullivan, Larry Pennell 633179				City of Angels: A Lonely Way to Die 358976	
AMC	Ace of Aces (7 30) 327228		The Real Glory ('39) ••• Gary Cooper. 825911				Detective Story ('51) 526678	
BET	World Vision 674247		Sanford	Happening	Screen Scene	Happen. Now	Heart and Soul 950179	
BRAVO	Off the Air				Arts Calendar	The Golden Bowl 207605		Wanda
CARTN	Morning Crew (6 00) 5619247				Tom & Jerry	The Jetsons	Pussycats	P. Pitstop
CINE	Golden Boy (7 15) 93876686		State Fair ('45) ••• Jeanne Crain. 2136421				The Great Train Robbery	
CNBC	Money Wheel 1156995							
CNN	Daybreak (CC) 221599		Morning News 467570					CNN & Co.
COM	Short Span	Almost Live	Mystery Science Theater 3K		Pol. Incorrect	Stand-Up	Saturday Night Live	
DISC	Off the Air		On Top/World	On Top/World	Home Matter	Great Chefs	Cuisine	Graham Kerr
DSNY	Fraggle Rock 527570	Pooh Corner 526841	Umbrella 540421	Dumbo Circus 276334	Mouse Tracks 175266	Care Bears 546605	Gummi Bears 177599	Jump, Rattle 178228
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THURSDAY, JANUARY 19, 1995.

WITNESS

BERNARD LUSKIN, PRESIDENT, JONES EDUCATION NETWORKS

Mr. PORTER. Next Dr. Bernard Luskin of the Jones Education Networks. Dr. Luskin.

Mr. LUSKIN. Thank you, Mr. Chairman, good afternoon, and Members of the subcommittee. I am Bernard Luskin. I am President of Jones Education Networks, a subsidiary of Jones International, including Mind Extension University, The Education Network, Jones Computer Network, and the soon to be launched Health and Language Networks.

I am very pleased to be here today but I also have one request, Mr. Porter. We were only advised of the opportunity to participate less than 48 hours ago, so I flew in last night from Denver and, therefore, I would like to ask the committee for permission to submit a fuller, more detailed statement for the record in the next few days, if that is appropriate, and we will get it to you as soon as possible, and I thank you for that.

Mr. PORTER. Absolutely.

Mr. LUSKIN. First, let me say what I am here to do and what not to do. With all respect to my colleagues on the panels, I am not here to attack public broadcasting per se. I have too strong a personal attachment to do that, and it is not a part of my message to the panel. I spent 20 years directly involved in public broadcasting and public broadcasting is part of my own personal history. Among other things, I helped to found and was a senior executive at a public broadcasting station, KOCE, in California, serving 10 years as its Vice President for Educational Programming, a member of its executive committee, with direct responsibility for all telecourses during my eight-year service as President of Coastline Community College, a college with no campus, offering courses by television.

In addition, I was part of the group that set up the PBS Adult Learning Service, and as long ago as 1970, I directed the higher education, Title I study, funded to develop the model telecourse and modern method of offering telecourses called Project Outreach, and was the executive producer in California of that project's result, which was the telecourse, Contemporary California Issues, which serves as the model for telecourses being used today.

You might say, therefore, that I have an unique vantage point from which to view both sides of the issue that is being discussed, and what I am here to suggest is that if there is a legitimate role for a taxpayer-funded CPB, a point of view some of my fellow panelists may not concede, it certainly is not to duplicate, compete with or, worse, attempt to preclude and monopolize services already being provided by private enterprise and financed by private investment. We at Jones Education Networks have learned the hard way over the past few years that this danger is very real in the area of our business, which centers on distance learning.

Distance learning using existing satellite, broadcast and cable methods provides opportunity and access to formal education for those in remote geographic areas, the underserved in urban areas, those with disabilities or those with life conditions, such as working single parents, that create impediments to conventional access to quality education as well as a diverse set of new options for people both domestically and internationally in the broadest sense.

Having discovered distance learning and the exploding technologies which make it so much more available and usable, CPB has embarked on an ad campaign with the tag line, "If we do not do it, who will," which was mentioned earlier. I must answer that question, we will. We are doing it right now. And we have been doing it for seven years, all with private capital. We are providing anytime, anywhere, anyway access to degree-granting education in partnership with more than 100 American colleges and universities.

We now carry credit courses for more than 34 colleges and universities and more than 100 community colleges. We offer 10 degree programs, including a B.S. degree in nursing, with California State University at Dominguez Hills; a hotel restaurant management degree with the University of Delaware; a bachelor's in business administration degree with the University of Maryland, and another one with Regis University; a master's degree from both George Washington University and the University of Arizona, just to note several examples of programs now carried on the cable and satellite networks that we operate.

Jones Education Networks, through its Mind Extension University and Mind Extension Institute and the Jones Computer Network and our emerging Health and Language Networks are leading the way in pioneering self-supporting industry education relationships based on the emerging new digital world of distance learning. I will go through several examples to create some perspective.

We are now in about 26 million homes in the United States, in terms of college on cable with Mind Extension University programs carrying the programs I described. We are wiring schools and hospitals for distance learning in telemedicine projects across the Nation. We have an extensive cable interactive program in Jefferson County, Colorado, the American Memory Project, Global Library Project with the Library of Congress. A whole variety of projects. Telemedicine project in Augusta, Georgia.

We are helping to preserve America's heritage and trying to work with the line of Congress on the American Memory Project and have provided a full-time staff member in the Library to foster the digitization of the database of the Library of Congress in working on the Global Library Project, which is a vision we are trying to help fulfill from the private sector.

Providing research, and training for teachers, our master's degree program, in partnership with George Washington University, is designed to help teachers learn to use technology in teaching and is really quite successful.

We have established the International Community College as a venture between Jones Education Networks and the League for Innovation in the Community College which represents the majority of leading community colleges in the United States which will offer community college programs both domestically and internationally, and we have already launched, on the super channel in Brazil, we have launched in Monterey, Mexico, we have launched in the United Kingdom, we are going to launch in Taiwan and in Thailand in the spring, and these are private-public partnerships with America's community colleges and other universities in the international aspect of education.

We are working with the American Association of Retired Persons that have launched a joint series of career changes and life adjustment for older adults, which we put on cable.

We are involved in the Jason Project with Ballard with respect to environment, Achievement TV, Cable in the Classroom.

I could go on and on, but I will not. I wanted to mention a couple of examples, because of time.

We are taking a leadership role with The Global Association for distance education. We are pioneering new educational services, including interactive and on-demand educational programs in the new cable world, and we are doing all this with private capital. In our view, distance learning will grow apace in the short-term future. All the research points to this.

The future should be based primarily on self-supporting private-public partnerships as exemplified in our new International Community Project and our new agreement to partner with the State of Colorado through its Office of Community College and Occupational Education to offer programs throughout the State as a national model and our partnership with the AARP and other colleges and universities, which I have mentioned.

The future simply cannot be a mirror of our own past experience, not mine and not yours. We must adapt to the emerging 1,000 channel world, which was mentioned earlier, and adapt to satellite access to a new and diverse domestic and especially a global world. The role, if any, for taxpayer-funded broadcasting service must be rethought. The private sector should lead the way.

As pointed out in an editorial in this morning's Washington Post, CPB's recent and largely speculative forays into distance learning are not at the core of whatever the public mandate was or is. We would argue that the public's money should only be sent to assist in providing services the private sector cannot or will not provide, and to focus on distance learning is not one of those.

Jones Education Networks and its growing success, I think, is proof of that. Let us eliminate the confusion through clarifying the vision. Let us urge national and international growth in distance learning and let us do it through encouraging private sector initiative with a broad social conscience. Thank you, Mr. Chairman.

Mr. PORTER. Thank you, Dr. Luskin.

[The prepared statment of Dr. Bernard Luskin follows:]

STATEMENT

BEFORE THE SUBCOMMITTEE ON LABOR, HHS & EDUCATION
HOUSE COMMITTEE ON APPROPRIATIONS

RE: CPB FUNDING RECESSIONS

DR. BERNARD LUSKIN
PRESIDENT, JONES EDUCATION NETWORKS

Good afternoon, Mr. Chairman and members of the subcommittee. I'm Bernie Luskin, President of Jones Education Networks, a subsidiary of Jones International including Mind Extension University; The Education Network, The Jones Computer Network and the soon to be launched Health and Language Networks.

I'm very pleased to be here today, but I also have one request. We were only advised of the opportunity to participate less than 48 hours ago; I flew in late last night from Denver. Therefore, I'd like to ask the Committee for permission to submit a fuller and more detailed statement for the Record in the next few days - we'll get it here as soon as possible - and now, therefore, I will simply make a brief statement here today. Thank you, Mr. Chairman, and I appreciate your consideration.

First, let me say what I am here to do - and to <u>not</u> do. With all respect to my colleagues on this panel, I am not here to attack public broadcasting <u>per se</u>. I have too strong a personal attachment to do that, and it's not a part of my message to this panel. I spent 20 years directly involved in public broadcasting and public broadcasting is part of my personal history. Among other things, I helped to found and was a senior executive of a public broadcasting station, KOCE-TV in California, serving for ten years as its vice-president for educational programming, as a member of its executive committee, with direct responsibility for all telecourses during my eight year service as President of Coastline Community College, a college with no campus, offering courses by television. In addition, I was part of the group that set up PBS' Adult Learning Service. And as long ago as 1970, I directed the Higher Education Act, Title I - funded project to develop the model telecourse and modern method of offering telecourses (Project Outreach), and was executive producer in

California of that project's result, which was the telecourse Contemporary California Issues, which serves as the model for telecourses today. You might say, therefore, that I have a unique vantage point from which to view both sides of today's issue.

What I am here to suggest is that, if there is a legitimate role for a taxpayer - funded CPB (a point some of my fellow panelists may not concede), it certainly is not to duplicate, compete with or, worse attempt to preclude and monopolize services already being provided by private enterprise financed by private investment. We at JEN have learned the hard way over the past few years that this danger is very real in the area of our business, which centers on distance learning.

"Distance learning" using existing satellite, broadcast and cable infrastructure provides opportunity, and access to formal education for those in remote geographic areas, the underserved urban areas, those with disabilities, or those whose life conditions (such as working single parents) create impediments to conventional access to quality education as well as a diverse set of new options for more people both domestically and internationally.

Having discovered distance learning and the exploding technologies which make it so much more available and usable, CPB has embarked on an ad campaign with the tag line, "If We don't Do It, Who Will?" I must answer that We Will. We <u>are</u> doing it, right now, and have been for 7 years - all with private capital. We're providing "anytime, anywhere" access to degree-granting education, in partnership with more than 100 American Colleges and Universities.

We now carry credit courses for more than thirty four-year colleges and universities and more than one hundred community colleges. We offer ten degree programs, including a B.S. Degree in Nursing with California State University at Dominguez Hills, a hotel restaurant management degree with the University of

Delaware, a bachelors in business administration degree with both the University of Maryland and with Regis University and masters degrees from both George Washington University and the University of Arizona, just to note several of our programs.

Jones Education Networks, through its Mind Extension University and Mind Extension Institute, and Jones Computer Network, and our emerging health and language networks are leading the way in pioneering self-supporting industry-education relationships based on the emerging new digital world of distance learning.

Presently we are:

- reaching 26 million households throughout North America with Mind Extension University: The Education Network, which provides college completion, graduate and professional school credit and degrees from more than 100 American colleges and universities.

- Wiring schools and hospitals for distance learning and telemedicine projects across the nation - for example we have an extensive cable interactive program in Jefferson County, Colorado based on our American Memory and Global Library Projects both with the Library of Congress. We are setting up a education-on-demand service in Alexandria, Virginia.
- Helping to preserve America's heritage, and make it available to all Americans, by our work with the Library of Congress on the American Memory Project and through funding a full time staff member at the library and helping to facilitate a digitized data base and to globalize the effort.
- Providing research and training for teachers and administrators of distance learning through the Mind Extension Institute, including a masters degree program with

George Washington University in helping teachers and trainers to learn to use technology in teaching and training

- Promote domestic and lifelong learning and worker retraining in launching the International Community College. We have formed and announced the establishment of a partnership with the League for Innovation in the Community College to incorporate the ICC, and to offer programs both domestically and international. We are already in deep discussion, and have launched the M.E./U. Education Network in the United Kingdom, in Brazil, in Monterey, Mexico and in Germany. We are launching in both Taiwan and in Thailand in the spring. Our theme is "partnerships," at home and abroad.
- We are working with the American Association of Retired Persons and have launched a joint series on career changes and life adjustment for older adults.

- We are heavily involved with the Jason Project, Achievement TV and Cable In The Classroom, bringing educational opportunities to young people.
- We are taking a leadership role with G.A.D.E., The Global Association for Distance Education.
- We are pioneering new educational service, including interactive and on-demand educational programs, and
- We are doing all of this with <u>private capital</u>.

In our view distance learning will grow apace in the short term future. All the research points to its growth.

The future should be based primarily on self-supporting private - public partnerships, as exemplified in our new International Community College project, our new agreement to partner with the State of Colorado through its Office of Community College and Occupational Education, and our partnerships with AARP and with the many colleges and universities with whom we are associated.

The future can not be a mirror of our own past experience; not mine, not yours. We must adapt to the emerging 1000 channel environment, adapt to satellite access and a diverse, new, global world.

The role, if any, for a taxpayer-funded public broadcasting service must be rethought. The private sector should lead the way. As pointed out in an editorial in today's Washington Post, CPB's recent and largely speculative forays into distance learning are not at the core of whatever public mandate it has. We would argue that the public's money should only be spent to assist in providing services the private sector can't or won't, and a focus on distance learning is not one of those. Jones Education Networks, and its growing success, is proof of that.

Let us eliminate the confusion through clarifying our vision. Let's urge national and international growth in distance learning, and let's do it through encouraging a private sector initiative, with a broad social conscience.

Thank you, Mr. Chairman.

THURSDAY, JANUARY 19, 1995.

WITNESS

JIM WARNER, NATIONAL RIFLE ASSOCIATION

Mr. PORTER. Our final witness on this panel is Jim Warner of the National Rifle Association.

Mr. WARNER. Thank you, Mr. Chairman, Members.

First, I would like to clarify one thing. I don't want it thought that I came here to speak on behalf of censorship. In 1990, I received the H.L. Mencken Award for an op ed piece I had published in The Washington Post the year before opposing the effort to amend the Constitution to punish flag burners. I defended the rights of people to burn our flag even though I had received two Purple Hearts defending it.

I defended flag burners because I believe everyone has the right to speak his mind. But there is a corollary to this right, and that is no one should be compelled to support a creed, a belief, or partisan doctrine with which he disagrees. Freedom of speech implies freedom from compelled speech. You cannot have one without the other.

When public broadcasting was created, the people who went in and took over the Citadel immediately raised the drawbridge behind them. They used the ruse of insulation from political interference. They are still inside and the rest of America is still outside.

Congress funded public broadcasting with our money but they explicitly protected the recipients of this money from any need for accountability to us. For example, public broadcasting is not subject to the Freedom of Information Act. We do not know who sets the salaries for public broadcasting. When a show makes money, we do not know where the money goes. Recently Ervin Duggan, the chief executive officer of the Public Broadcasting System, went further and said there should be even further insulation for the management of public broadcasting from what he called the political vagaries and ideological whims of the appropriations process. That is what we call representative democracy.

Public broadcasting represents the political, cultural, and spiritual values of a tiny minority who think of themselves as elite and sophisticated and seem to believe themselves divinely appointed to enlighten the rest of us. A sermon that is seen by the preacher as enlightenment may be seen by those who hear it as propaganda. I would like to give you a few examples of those that we thought of in that way.

In 1989, NPR conducted an editorial essay in support of gun control. In one broadcast, NPR reporter Nina Totenberg said: "There may be a lively debate about whether the Constitution confers on individuals the right to bear arms, but that debate is not going on in America's courts, its law schools, or its scholarly legal journals. Indeed, even the National Rifle Association could not recommend for this broadcast a single constitutional law professor who could defend the Second Amendment as conferring on individuals the right to bear arms."

I did an informal survey of the literature between 1960 and 1989 and found 28 law review articles supporting the thesis that the

Second Amendment protects an individual's right, including the Journal of the American Bar Association.

What about the constitutional law professors? In December 1989, the very month in which the broadcast was aired, University of Texas Professor Sanford Levinson had published an article in the Yale Law Review entitled "The Embarrassing Second Amendment," in which he said the right protected, not conferred, as she would have it, was an individual right.

And the names of the legal scholars? When asked for the names of scholars, NRA spokeswoman Debbie Nauser gave Ms. Totenberg the names of three scholars. In the words of American philosopher Josiah Royce, it seems the reporter had woefully misplaced her ontological predicates.

More recently, the crime strike division of the NRA, following the murders of several Korean-American merchants in the District of Columbia, met with a group of these merchants to discuss legislation which would impose mandatory minimum sentences on violent criminals in the District of Columbia. After the meeting, an NPR commentator, Bebe Moore Campbell gave a harangue against the NRA for having attended the meeting. She said we had gone there to tell the Korean merchants all blacks are criminals. She said our initials should stand for Negro Removal Association. She said we wanted 16-year-old boys to carry Uzis because the guns would probably be used to kill a black person. This is not responsible editorializing, let alone news. It is libel.

The NRA was formed in 1871 by officers of the Union Army, who had just fought a bloody war to end the institution of African slavery. Our first President was General Ambrose Burnside. Included in subsequent presidencies were Ulysses S. Grant and Phil Sheridan. Unlike any other social organization in this country in 1871, African-Americans were never excluded from membership in the NRA. A black member of our board of directors after this broadcast came to me and told me that as a young boy growing up in the District of Columbia, the only place where he could go where he would be welcome regardless of his race was a rifle club run by the NRA.

Civil rights leader Roy Innis is on our board of directors. In fact, the meeting with the Korean merchants had been arranged by black NRA members in the District of Columbia, and one black NRA member participated in the presentation. We have asked every one of the NPR member stations for an opportunity to give an adequate response to this attack. One and only one gave it to us.

This is an abuse of public trust. It is wrong to ask us to pay so that others may tell the world how much they hate us. For many years, the Federal Communications Commission enforced a fairness doctrine which required broadcasters to provide balance and fairness on controversial issues. The FCC abolished the doctrine in 1986. It took this step after a study in which they determined that there were so many broadcast outlets that variety alone would assure that diverse points of view would be presented to the public.

If the FCC is correct, then the market is no longer as it was originally determined to be, unserved or underserved. If that is true, there is no longer any need, if ever there was, for public broadcasting. It may be that commercial stations will not produce all the programs that people want to see or hear, but if that is the case, they can donate to them.

Now, it would be unfair for me to close without noting a broadcast which I heard last night. NPR reported on a vote by the Fresno, California, city council on whether to require the issuance of concealed weapons carry permits to any citizen who is not disqualified. This report was different from others we have heard from others on NPR. It was straightforward. There was no sarcastic intonations by the reporter. There were innuendos. In fact, the story was reported as objectively and as accurately as one might hope.

Frankly, if public broadcasting had made this change in the manner in which it treats the issue years ago, if it had started reporting on us without hostility and barely masked hatred we might not be here today. There is, after all, nothing more fundamental to our common American culture than a belief in a second chance, a new beginning.

But I am afraid that that has now past. Before the attack by Bebe Moore Campbell, our members asked why this institution was so hostile toward us. Since then, they have asked whether such a thing ought to exist in a constitutional republic.

Information is power. Congress recognized this when it created public broadcasting, and then insulated it from the influence of elected officials. Information is power, and if that power be placed beyond the control of the public in a public institution, then the power can be wielded by those who are not accountable to the public. Unaccountable power can be abused. Power which can be abused, will be abused.

The abuse of power by an institution whose access to public funds makes it unaccountable in the marketplace and whose insulation from elected officials makes it unaccountable in the voting booth cannot be avoided. A public institution which has no warrant in the Constitution and which cannot be prevented from abusing public power is an institution which ought not to exist.

If there were ever a time for public broadcasting, it is past. On behalf of three-and-one-half million members of the National Rifle Association, their friends and their families, I ask you to pull the plug.

Mr. PORTER. Mr. Warner, thank you for your testimony.

[The prepared statement of James H. Warner follows:]

TESTIMONY
of
James H. Warner
Assistant General Counsel
National Rifle Association of America

Some time ago, when a spokesman for NRA called National Public Radio to complain about a news report in which we believed that NPR had deliberately misrepresented our views, NPR series editor Larry Abramson responded, contemptuously, "your p.r. is your problem." So be it. If NPR's misrepresentations of the views of NRA are indeed "our problem," our members will endeavor to fix it. On behalf of our 3.5 million members, their families and friends, I am here to ask you to stop using our money to pay for propaganda which is thinly disguised as news -- news which is biased, one sided, subjective, and unreliable; news which, when it comes to reporting on both the NRA and the issue of the criminal misuse of firearms, is frequently false and unfailingly flavored with unmasked hostility to law abiding firearms owners.

First let me clarify one point. The NRA has not come here to speak in favor of censorship. In fact, I was the recipient of the 1990 H.L. Mencken Award for the best editorial in the nation in the previous year in defense of the First Amendment. I had written an op-ed piece which was published in the Washington Post on July 17, 1989, opposing the attempt to amend the Constitution in order to punish flag burners. I supported the right of people to burn our flag, even though I earned two Purple Hearts defending it.

I defended flag burners because I resolutely believe in the right of every American to speak his mind. However, this right has a corollary, which is every bit as sacred: no American should be compelled to support a creed, or belief, or partisan doctrine with which he disagrees. You cannot have one without the other.

In 1967 Congress passed the Public Broadcasting Act. Taxpayers were told that public broadcasting was needed in order to provide quality programming that would serve an "unserved or underserved" market. By design, the elites gained control of this creature from the start, then, once inside the castle, using the ruse of "insulation from political interference," they pulled up the drawbridge and left the rest of America outside. We are still out here, and they are still inside. Congress funded it with our money, but they explicitly protected the recipients from any need for accountability to us

Public broadcasting represents the political, cultural, and spiritual values of a tiny minority who think of themselves as elite and sophisticated. They think that they are divinely appointed to enlighten the rest of us As they strive to carry out this mission, on its airways one can see, or hear, a vast array of colorful characters: dyspeptic misanthropes telling us what they don't like about normal Americans: disgruntled victims; peevish purveyors of assorted reforms, and every other species of hectoring crank that can possibly be found fighting in the trenches of the culture war. Their message is propaganda. Let me give you some examples.

As a Viet-Nam veteran, I remember the thirteen part series on the Viet-Nam war. This series won an award: it was named "Film of the Year" by the newspaper *Quan Doi Nhan Dan*. This is the newspaper of the North Viet-Namese Army, in case you wonder whether the series was biased. When Accuracy in Media produced a series to set the record straight, they were resisted at every turn by public broadcasting. Many news organizations, which cherish their reputations for honest reporting, would hesitate to be so one sided. But public broadcasting is unique. It is funded, and protected, by the government. It serves a peculiar audience which does not seem to place a high premium on literal accuracy in news reporting.

The NRA has experienced this first hand. In December of 1989 NPR conducted an editorial essay, masked as a "news feature," in support of gun control. In one broadcast NPR reporter Nina Totenberg said "(t)here may be a lively debate about whether the Constitution confers on individuals the right to bear arms, but that debate is not going on in America's courts, its law schools, or its scholarly legal journals. Indeed, even the National Rifle Association could not recommend for this broadcast a single constitutional law professor who would defend the Second Amendment as conferring on individuals the right to bear arms."

No debate in America's scholarly legal journals? An informal survey of the literature suggests that no less than 28 law journal articcles supporting the thesis that the Second Amendment protects an individual right appeared between 1960 and 1989; this includes the American Bar Association Journal. No Constitutional law professors who support this view? Hardly. In December 1989, the very month in which Miss Totenberg made this broadcast, University of Texas Professor Sanford Levinson, a distinguished constitutional scholar, had published an article in the *Yale Law Review* entitled "The Embarrassing Second Amendment." In the article, Professor Levinson says that the right protected (not "conferred", as she would have it), is an individual right. So on these counts, at least, she was demonstrably, flat out, wrong. Give her the benefit of the doubt. Maybe America's premier legal reporter just hadn't visisted a reasonably well equipped law library to review the *Periodical to Legal Literature*, or had not seen the *Yale Law Review* when she made the broadcast.

What about the National Rifle Association and the names of the legal scholars? This is a different story. When asked for the names of scholars, NRA spokeswoman Debbie Nauser gave Miss Totenberg the names of three (3) -- count them -- scholars. There is no room for doubt here. In the words of Josiah Royce, the reporter had "willfully misplaced her ontological predicates."

More recently, the CrimeStrike Division of NRA, following the murders of several Korean-American merchants in the District of Columbia, met with a group of these merchants to discuss some legislation which we had proposed for D.C. Following this meeting, during an NPR news magazine and documentary broadcast, an NPR commentator, Bebe Moore Campbell, gave a harangue against the NRA for having attended the meeting. She said that we had gone there to tell Korean merchants that blacks are criminals. She said that our initials should stand for the "Negro Removal Association." She said that we wanted sixteen year old boys to carry Uzis because the gun would probably be used to kill a black person.

This is not responsible editorializing, let alone news; it is vicious libel. The NRA had been formed in 1871 by former officers in the Union Army, men who had fought to end slavery. The first signature on our charter was that of Gen. Ambrose Burnside, who had been forced to stand by and watch the men of his division slaughtered during the battle of Sharpsburg, the battle which induced Lincoln to issue the Emancipation Proclamation. Our first president was Gen. Phil Sheridan, whose famous ride may have saved the Union Army. Unlike any other social organization in the country in 1871, African Americans were never excluded from membership in the NRA. An African American member of our Board of Directors, after this broadcast, came to me and told me that as a young boy growing up in the District of Columbia, the only place he could go, where he was always welcomed regardless of his race, was a rifle club run by the NRA. Civil rights leader Roy Innis is also on our Board of Directors. In fact, the meeting with Korean American merchants had been arranged by black NRA members in the District of Columbia, and one black NRA member participated in the presentation.

We have asked every one of the hundreds of NPR member station for an opportunity to give an adequate response to a scurrilous attack. One, and only one, gave us this right. This is an abuse of the public trust. However, it does serve to help prove our point. Public Broadcasting is designed, by those who run it, to serve as the ever flowing fountain of venom, serving the insatiable desire of the cultural elites to have someone to hate. As America was the arsenal of democracy during two world wars, public broadcasting serves as the arsenal of dyspepsia in the culture war. It is wrong to ask us to pay so that others may tell the world how much they hate us.

The original act required balance and fairness, but this was ignored until 1992 The congress, fed up with the lack of balance and fairness, tried to strengthen this requirement. This, too, was ignored. The message should be clear: public broadcasting is broken and cannot be fixed.

For many year the Federal Communications Commission (FCC) enforced a "Fairness Doctrine" which required broadcasters to provide balance and fairness on controversial issues. The FCC abolished the doctrine in 1986. It took this step after it had conducted an extensive study in which it determined that there were so many broadcast outlets that the variety alone would assure that diverse points of view would be presented to the public.

If the FCC is correct, then the market is no longer "unserved or underserved." If that is true, then there is no longer any need, if there ever was, for public broadcasting. It may be that commercial stations won't produce the sort of programs that public broadcasting produces. If so, the cultural elites should have to dig down a little deeper to support the culture war, although they should no longer expect us to subsidize them from the Federal Treasury, or let them deduct it from their income taxes. As for the rest of us, the time has come to pull the plug.

Mr. PORTER. I want to thank each member of this panel for their good testimony and for staying within our time limit. All of you were right on time.

Ms. PELOSI. Mr. Chairman, I don't want to disappoint you and not have a special request at the end of this panel. Mr. Luskin and Mr. Safian both very kindly, at the start of their remarks, said what their organization, their affiliation was and why it had standing on this issue and what their membership was. And I just wondered if we could take a minute and the other members of the panel do something similar. As American citizens, certainly their opinions are important to us, but since they are here with an affiliation next to their names, I know some of us are not completely familiar with all of these.

Mr. PORTER. Ms. Pelosi, I think all of them did that.

Mr. BOZELL. I did not.

Ms. PELOSI. I do not have a clue, for example, what this organization is, the third one here, and I listened pretty attentively to the testimony.

Mr. PORTER. I am not averse to it if the panelists are not. Let us start with Mr. Bozell.

Mr. BOZELL. Brent Bozell, Chairman of the Media Research Center, which is a conservative watchdog organization. We monitor the media. We publish all sorts of newsletters and books and we have about 50,000 members.

Mr. RICHMAN. The Cato Institute is a public policy research institute, a think tank, that promotes solutions to public problems based on the founding ideals of the U.S. republic; namely, individual freedom, strictly limited government, and the free market.

Ms. PELOSI. Members?

Mr. RICHMAN. We have contributors who are private individuals, companies, and foundations. We do not have members.

Mr. WARNER. Jim Warner, Assistant General Counsel of the National Rifle Association. We have three-and-a-half million members. They asked us to be here because they felt that some of the things that were broadcast on public broadcasting had been used politically against us.

Mr. IRVINE. Reed Irvine, Founder and Chairman of Accuracy in Media, Inc., which was founded in 1969 and has been keeping an eye on public broadcasting and others in the media ever since then.

We publish a newsletter, the AME report. We have a daily radio commentary called media monitor, carried on 200 radio stations, and we have a weekly television show carried on national television. We have a lecture bureau and a good many other things. Our membership has varied over the years. Now it is about 15,000.

Mr. LUSKIN. Bernard Luskin, President of Jones Education Networks, which is part of the Jones Company. Jones Intercable is the eighth largest cable operator in the United States. We operate cable networks, Mind Extension University, which is in 26 million homes. We operate Jones Computer Network, which is now in more than—well, it is in more than 26 million homes because it is carried on MEU. We are launching a health network and language network in the spring, both domestically and internationally, and we are college on cable by satellite and by interactive system.

Mr. JARVIK. Laurence Jarvik, Washington Editor of the Center for the Study of Popular Culture. The President is David Horowitz and the Vice President, Peter Collier. It is based in Los Angeles. I believe there are about 30,000 subscribers to the various publications.

They put out a magazine called Heterodoxy, which fights political correctness wherever it pops up. They publish a magazine called The Defender, which is a publication of the Individual Rights Foundation, which David Horowitz is chairman of and defends free speech on campus.

They are actually a legal foundation which is nonpartisan which defends—in fact, I believe they are filing an amicus curiae brief defending Leonard Jeffries, even though David protested against Pacifica radio and some of the programming there, because David believes in free speech, not in government speech, and our magazine, COMINT, has about 15,000 subscribers.

Ms. PELOSI. Thank you.

Mr. SAFIAN. Alex Safian, senior researcher for CAMERA, which is Committee for Accuracy in Middle East Reporting in America. We are a nonprofit, nonpartisan media watch organization based in Boston that concentrates on analyzing and documenting coverage of the Middle East in the Arab-Israeli conflict. We have about 30,000 members.

Mr. KNIGHT. Robert Knight, Director of Cultural Studies at the Family Research Council, which is a nonprofit profamily think tank in Washington, D.C., that publishes monographs, now produces videos. We produce a monthly newsletter called Washington Watch, which has a circulation of about 220,000, and that is based on donors and contributors. I don't know the exact number of donors but that should give you some idea.

Ms. PELOSI. All right. Thank you, Mr. Chairman.

Mr. PORTER. Again, let me thank all of our witnesses. The committee will stand in recess for five minutes while we change panels and allow the second panel to be seated.

[Brief Recess.]

Mr. PORTER. The subcommittee will come to order. We have managed to correct our lack of knowledge about the names of the various witnesses.

THURSDAY, JANUARY 19, 1995.

WITNESSES

LAVAR BURTON, PUBLIC BROADCASTING SYSTEM
BETH COURTNEY, PUBLIC BROADCASTING SYSTEM

Mr. PORTER. This panel is sitting in order, I understand, so that we can just go straight down the line.

Again, we will limit each of our witnesses to 10 minutes, except that the first two witnesses for PBS, since they are both from PBS, we will have to divide their testimony, five minutes each, if I understand correctly. So we begin with Lavar Burton.

Mr. Burton, we are delighted to——

Ms. PELOSI. Five minutes.

Mr. PORTER. Because they are both representing one organization, they are both going to divide their time.

Ms. PELOSI. Thank you, Mr. Chairman.

Mr. PORTER. Lavar Burton representing the Public Broadcasting System. We are delighted to welcome you, Mr. Burton. Please proceed.

Mr. BURTON. Thank you, Mr. Chairman and distinguished Members of the committee, ladies and gentlemen. My name is Lavar Burton, and I am here today as the host and coexecutive producer of Reading Rainbow, a children's series currently airing nationwide on the public broadcasting service. But more important, and probably more to the point, I am here today as a parent of 14-year-old Ian, and Michaila Jean, who was just six months old a day or so ago.

For most of you on the panel who are not intimately familiar with Reading Rainbow, as intimately familiar as perhaps your average eight year old in this country, allow me to briefly tell you a little bit about who we are and what it is we do.

Reading Rainbow is a television series dedicated to encouraging reading among children and we do this by presenting books as gateways, if you will, to the fantastic worlds of knowledge and adventure. We take a half-hour of television every day and steer children back towards literature. It is a pretty cool idea.

Our goal at Reading Rainbow is to, in this world that is becoming increasingly more dependent on the visual image, increasingly more addicted to television, our goal is to create generations of literate human beings who are passionate about the written word. That is our agenda, and I think we are pretty good at achieving our intended outcome. I think we are fairly good at what we do.

There are many supporters who would agree with that, among them teachers. Teachers love Reading Rainbow. Reading Rainbow, as a matter of fact, is the most used television program in our schools nationwide for elementary grade schoolteachers, grades three and four. It is a tremendous educational resource.

Now, we have in the 12 years we have been producing Reading Rainbow received a lot of awards and honors. We have eight Emmies, including outstanding television series. We have received a Peabody Award for distinguished efforts in television. We have received the coveted Prejanesse, an international award for the outstanding entry of children's television worldwide. We have even received an Action for Children's Television award, and Peggy Charing and her exacting standards are no strangers to this committee.

But of all the awards and accolades Reading Rainbow has received, it is the endorsement of parents and teachers and the children who watch the show that are most important to us, and I want to share with you some of their thoughts and feelings about the show. But first let me share this with you.

The last time I was in Washington, D.C., was two years ago, and I was here for a celebration. It was the tenth anniversary of the show and we staged an event in conjunction with the Center for the Book at the Library of Congress. And we gathered together from different parts of the city schoolchildren. We bussed them in and had present with us on that day many dignitaries, luminaries really, from inside the beltway, who had come to share excerpts of some of their favorite stories with the kids.

We had with us on that day Justice Ruth Bader Ginsburg, who shared a story. Attorney General Janet Reno was there, as were several of your distinguished colleagues, Senator Paul Simon was there, as was Senator Carol Moseley-Braun. The Secretary of Education Riley was there and shared a story.

What was remarkable about that day, to me, is that not only did these very visible, highly successful people take time out of their busy schedules to come and read stories to these kids, which is remarkably important, but they were also there to try to communicate to these children the importance that reading had held for them in their own lives. They were there in part to try to ignite some sort of spark and perhaps fan the flame in the heart or in the mind or in the soul of these children. It was a remarkable thing to be a part of. It was a good day, in my opinion, that day, for literature. It was a good day for Washington, D.C., I think.

I am very disturbed, Mr. Chairman, and depressed and more than a little disappointed to have to be here today on such an occasion that is so considerably less celebratory in nature. I left my home and my family in California yesterday afternoon, including my six-month-old daughter, who I am loathe to be separated from at this point, to come here today and speak to you on an issue that is in my mind, and should be in the minds of everybody else, what I consider to be a no-brainer. This is a no-brainer.

The question is should public television continue to receive Federal funding. Well, let me think about it. Should public television continue to receive Federal funding? When I ask the question and hear it in my mind, it sounds ludicrous. It is almost silly to even ask the question. But silly or not, I have come a long ways so I will do my best to provide support for the argument that public funding should continue.

But let me start by saying this. I truly believe, Mr. Chairman, that television is the most powerful tool we possess in this civilization for addressing social growth and change. Let me say that one more time. Television is the most powerful tool we possess for addressing social growth and change, bar none, this venerable institution of Congress included. Television is all powerful because it is all pervasive. There is no place one can go on this planet practically where television is not.

There is a phenomenon I refer to as television as its best and it happens when television is used to its fullest potential as a medium. What I mean by television at its best is that TV is not just entertaining; that it is education, it is enlightening, uplifting, it is ennobling of the human spirit in some way. It is television at its best. It is and can be a unifying force for the human family as we march towards self-discovery and self-awareness.

Now, what sets public television apart from all the rest of television that is out there, and there is a lot of TV that falls not into the category of which I am speaking, but public television in my view does and this is the crux of why I have come to talk to you today. Public television has no commercials on it.

Now, I make my living in both commercial and public TV, and do not get me wrong, commercial television has been very, very good to me. But make no mistake about it, commercial television cannot, does not, and will not do what public TV does, especially in and specifically where our children are concerned. Public television does not try to sell our children anything.

Public television is the only place in this expanding information superhighway, this multichannel universe where we can be assured as parents that our children can be exposed to their numbers and to their ABC's without someone trying to sell something to them. It is the only place where parents can rest assured that our children can go and discover the joys of reading and the magic of science and its important application in our everyday lives, where they can be introduced to values like kindness and truthfulness and the importance of respect for all life and all living things, as Fred Rogers so eloquently does everyday on PBS. The only thing we are selling on PBS to our children, Mr. Chairman, is inspiration. And if we lose this very valuable institution, it would be a great shame.

And I will wrap it up very, very quickly by saying you have been charged here, you and your colleagues, with a very awesome task. That is to say you have been sent here by the public to keep the public trust. And it would be a shame if we made a decision here that was deemed capricious in nature or even silly. Let us not make a decision that would come back to haunt us.

I thank you for your time and your attention and I will go back to California now and hang out with my six-month-old daughter and hope like hell, Mr. Chairman, that in a year or two, when she is ready for Sesame Street, that Sesame Street is there for her in this commercial-free sanctuary of PBS.

Mr. PORTER. Thank you, Mr. Burton.

Beth Courtney of PBS.

Ms. COURTNEY. Mr. Chairman, Members of the committee, I am Beth Courtney. I am president of Louisiana Public Broadcasting. We operate six television stations in Louisiana, and I have some prepared remarks that I would like to enter into the record, but after listening all day to your committee I understand the difficult task in front of you, but I would like to share with you my impressions of what public television is and what it does in my State because I think that is very germane.

I have heard a lot of things I don't recognize about public television. It just does not ring true to me at all. So if I can share with you, first let me say in our State, where we are in charge of what we put on the air, not something coming out of any beltway, we are in charge of our stations and listen to the people who do not like programs and respond to them—one-third of our children live in poverty. One-third live below the poverty level. And our service is their only opportunity to receive these wonderful programs that Giordie was talking about to make a difference in their lives.

My favorite tale about that is a young man named Ralph Kerry, who won the State Geography Bee. Afterwards, I went up to him, because we were of course televising the State Geography Bee in Louisiana, something no one else would be doing, and he was asked by a reporter how he prepared and he said everyday he watched Where in the World is Carmen San Diego on public television. What a wonderful thing.

I thought isn't this great. But then I found out his family did not have a car. He and his mother had taken the bus to the university. He had never been out of Baton Rouge other than a—one field trip to a plant and public broadcasting offered him a window to the world. It said to him you have other opportunities. He learned something and he came to Washington and he participated in the National Geography Bee.

Let me say to you your investment is a good one and the questions asked should you continue today if you were to create it right now; I am saying to you now it is more important than ever.

What I spend all of my time doing in Louisiana is working with education, formal education. Nobody else does it. Computers, our people, teachers phone us and say, what kind of computers shall we use. In this interaction, as we merge all these technologies, public television is changing. We are changing our responsibilities.

My responsibility is to give them good advice, not to sell them a particular brand. It is to help them with their efforts in making systemic change. It is to make sure in the classroom and rural day society at that parish they have a second year of a foreign language; that they have a physics class. That is what we do. And I see in this information age, when you have information haves and have-nots, it is our responsibility to help make sure all Americans have access to information. It is not going to happen.

I said to someone, some of these schools do not have anything. We are their only outlet and I think that if you destroy that, you create even more of an inequity.

I have served on boards of public broadcasting, because we represent people all across the country, all sorts, Republicans and Democrats. And what I want you all to know is that we are doing our best to serve the American public. We are not trying to sell products, as Giordie mentioned.

Sorry. Giordie. Star Trek. Sorry. I do watch commercial TV, too.

I want you to know that what we are trying to do is use this powerful medium of television and what I want all of you to know is that we represent people in your districts who make good investments. It is a good use of your dollar. It returns fivefold back. And I want you to know that it would shut down in places in this country.

We are not doing a closing the Washington Monument syndrome. I have looked at some of the stations. My colleague in Waco, Texas, for instance, told me—they are fairly new—their station would go dark. Then another station would go dark and you would have the spiraling effect of we then could not afford to pay for some of the other programs, because this is expensive and we do, on so little, so much. But we can do so much more.

That does not mean we are perfect. That does not mean you should not look at it; that we should not justify what we are doing, but it is something the public believes in. It has great possibility to do even more in the future, and I ask you on behalf of the children and for the adults who also like our thinking programs, and for all the local stations who do local programs, that distant cable people do not do. Nobody else does those.

Thank you for your time and I appreciate your consideration and I would welcome any questions from you at a later time. Thank you.

Mr. PORTER. Thank you, Ms. Courtney.

[The prepared statement of Beth Courtney follows:]

STATEMENT OF

BETH COURTNEY

EXECUTIVE DIRECTOR
LOUISIANA EDUCATIONAL TELEVISION

BEFORE THE SUBCOMMITTEE ON
LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION
OF THE
HOUSE COMMITTEE ON APPROPRIATIONS

JANUARY 19, 1995

Thank you, Mr. Chairman, and members of the Subcommittee, for the opportunity to testify today. I am pleased to offer my views as to why the federal government should continue to support the nation's public television stations.

A Public-Private Partnership

In the first place, support for public broadcasting is one of the best bargains in the federal budget and pays real dividends on your investment. Let me explain.

Twenty-five years ago, the bipartisan Carnegie Commission, surveying a television landscape that FCC Chairman Newton Minnow called "a vast wasteland," recommended to Congress that public broadcasting could become "a new and fundamental institution in American culture."

The Commission -- composed of Republicans and Democrats, liberals and conservatives -- thought such a system could provide quality programming for youngsters, promote discourse about important issues and provide lifelong learning.

The key to such a system, the Commission thought, was not government ownership, as in Europe and Japan, but enough government support to stimulate corporate, foundation, and individual support in a unique public-private partnership "arising out of [American] traditions and responsive to our own needs."

That public-private partnership works just as the Carnegie Commission intended. Federal funding for public television accounts for less than 20 percent of public television's total budget. But that support is public television's vital "seed money." We attract $4 or $5 in private funds for every single federal dollar from corporations, foundations, and individual viewers. In a world where there's no such thing as "non-profit venture capital," this seed money is critical to what we do.

The result is a valuable educational and cultural institution using television as its basic delivery system — an institution whose non-commercial character cannot survive if public television is forced to become just another for-profit enterprise.

Although public broadcasting costs every American only $1.09 each year (80 cents for public television), CPB funding makes up as much as 40% of the budget for some rural stations. Without federal support, many of these stations would be forced off the air.

A Service for All Americans

Nothing can replace public TV, neither broadcast nor cable. In the expanding universe of television channels, there remains only one national non-commercial service that is truly supported by the people who watch it. That is public television. We hear a great deal these days about the "500 channel universe." Amid all the talk, it's important to remember a few important facts:

• Public television is a non-commercial service. All other services are driven by the need to amass "eyeballs" for advertisers. Public television addresses its viewers as citizens — not as targets for commercials. This is particularly important in the realm of children's programs, where the temptation is great to exploit vulnerable young viewers. And for adults, public television offers "The MacNeil/Lehrer NewsHour," "Frontline," "The American Experience," and other serious programs of news, current affairs and history.

• Public television is as different from commercial channels as the public library is different from a bookstore, or the public museum from a commercial gallery. Public television doesn't send out a monthly bill, like cable and other new delivery systems do

• Public television delivers quality for everybody. While cable channels focus on programming niches and reach tiny target audiences, public television is the only television service that consistently offers high-quality programs for a variety of ages, tastes and interests: news; drama; exceptional commercial-free children's programs; documentaries and cultural fare. The largest cable channel reaches fewer than two-thirds of American families. Public television, by contrast, reaches virtually every home in America. In fact, more than 100 million people tune in every week. Our viewership is as diverse as America in terms of education, race, income, profession and other factors.

Education On and Off the Screen

Public television is the telecommunications leader in education. The well known programs you see on your home screen are just the most visible part of the public education enterprise that public television has become. Few people realize that PBS is the leading provider of classroom video programming for all the grades from kindergarten through grade 12. PBS is also the chief national source of video-related study materials, including distance learning courses via satellite. We provide college-level telecourses to more than half of America's campuses, making PBS the leading source of college-level telecourses, and our on-line computer service, PBS ONLINE, helps teachers learn how to use PBS programs as imaginative teaching tools.

An Information Superhighway That's Real

While others talk about a coming "information superhighway," PBS and public television stations nationwide have already created an information superhighway for the public good. This real superhighway has a brand-new, state of the art, digital satellite delivery system. It builds on a history of technological pioneering — a history that includes such proud achievements as the first closed-captioning for the deaf and the first descriptive video service for the blind. Best of all, this superhighway reaches every American home and campus. Having invested billions in this infrastructure over a twenty-five year period, why not support the use of this system to educate Americans, to disseminate history and culture and to foster good citizenship? We believe that is, in fact, precisely the wisest and best use of this resource.

A Local Resource

Public TV stations are locally owned and operated. They are managed by community groups, schools, libraries, colleges, universities and state and municipal governments. In addition to support from the federal government, public TV is supported by businesses, educational institutions, foundations, state and local governments and other local sources. As a trusted local institution, public television plays a different and important role in people's communities, a role giant media enterprises simply do not wish to play.

"Privatize" Means "Commercialize"

Public television simply can't, and won't, ever be duplicated by commercial television services. Their mission is advertising; ours is education and public service. This is why proposals to "privatize" public television deeply trouble thousands of local public television trustees and millions of other supporters nationwide.

At a time when we face a crisis of quality in public education and a crisis of violence and exploitation in the commercial media, public television, like the public school and the public library, is a cultural institution that must be preserved.

I urge you to support funding for the educational and cultural institution that we call public television. I urge you, too, to talk with the leaders and supporters of your local public station, to discuss more specifically the ways your local station benefits your community—and what a loss of public funding would mean to your constituents.

I am attaching for the record as an exhibit the remarks of PBS President Ervin S. Duggan earlier this week at the National Press Club. It describes in detail the public-private partnership that public television represents.

Thank you.

The Living Tree of Public Broadcasting

Remarks of
Ervin S. Duggan
President and Chief Executive Officer
Public Broadcasting Service
Before the
National Press Club
Washington, D.C.

January 17, 1995

Investing Well

The little town where I grew up—Manning, South Carolina—was small enough that we could walk to church on Sunday. My Sunday School teacher was a Southern matriarch named Virginia Richards Sauls, one of nine daughters of a South Carolina governor. Miss Virginia, as we called her, never tired of telling us the great stories of the Bible. Her favorite was the Parable of the Talents.

In that parable, a rich man leaving on a journey entrusts his property—measured in what were called talents—to his three servants for safekeeping. He returns to find that two servants have invested their talents well—so well, in fact, that their worth has doubled. The other, foolishly, has buried his talent in the ground. The master scolds and punishes the foolish, hoarding servant, but says to the wise and fruitful ones: "Well done, thou good and faithful servants; you have been faithful over a little; I will set over you much."

That story, of course, is about the generous, productive use of gifts; about sharing, building and creating. I mention it because I am convinced that the people of public broadcasting—the local volunteers, trustees, producers, professionals and supporters who make up this enterprise—are good and faithful servants who are living out a modern reenactment of the Parable of the Talents. They do not eat tax dollars; they plant them and grow others. They are faithful over a little; they turn it into much.

I'm concerned, however, that everything those good and faithful servants have built over two generations is suddenly, seriously at risk.

For the next few minutes I'd like to talk about four things:

- I want to talk first about a genuine crisis that faces the nation we love. I call it the triple crisis.

- Second, I want to describe the remarkable local and national partnership that constitutes public broadcasting—a treasure not unlike our national parks, or The Smithsonian Institution. I want to sketch its true nature, because too many people seem not to understand it.

- Third, I'd like to say a few words about the dangers of loose talk, of careless rhetoric, about "privatizing" public broadcasting. If privatizing turns out to be only a euphemism for defunding public broadcasting in a way that would commercialize it; if privatizing, in the end, leads to breaking it into pieces to be sold for salvage, much could be lost, never to be regained.

- Fourth and finally, I want to suggest that there are better, more creative possibilities for this great national asset, this living tree called public broadcasting: possibilities far more hopeful and constructive than merely zeroing it out, or hacking the tree down to a stump.

The Triple Crisis

Consider, first, the triple crisis that we face.

First there is the crisis of education: Can we send all our children to school ready to learn? Once they're there, can we give them an education good enough to help them become productive, responsible citizens and workers in a competitive global economy?

We face, second, a crisis in our popular culture—a steadily coarsening, ever-more-tawdry, popular culture, driven by marketplace imperatives to be increasingly violent and exploitative. Today's electronic culture of gangsta rap and kick-boxing superheroes not only makes it harder to be a parent; except for a few honorable exceptions, our media coldly abandon parents who yearn to give their children decent values to live by. Telling those parents simply to turn off the set if they don't' like the violence and tawdriness that they see is like telling people to wear gas masks if they don't like pollution.

We face, third, a crisis of citizenship. Can we still speak with civility to one another? Can we approach our mutual problems in an atmosphere of shared purpose? We citizens in the center wonder—and we wince as our elected leaders vilify one another in an atmosphere of gridlock. We wince to hear commercial talk shows disintegrate into shouting matches and peep shows for the lurid and bizarre. Can we create what Father Richard John Neuhaus calls a civil public square?

The Populist Broadcasting Service?

That triple crisis points me to my second topic: I know of one institution that can constructively address every aspect of that triple crisis. It is an imperfect institution, yet one with many virtues. Its entire mission is education, culture and citizenship. It is called public broadcasting.

We could substitute, for that word "public" in public broadcasting, the more elaborate words of Abraham Lincoln: "of the people, for the people, by the people." For public broadcasting stations are not owned or controlled by monolithic bureaucracies a thousand miles away. They're owned by local boards, by universities, by school systems, by nonprofit civic organizations.

What could be more populist, more Jeffersonian? I can almost see Thomas Jefferson in his study, watching Bill Buckley's "Firing Line" debates. Jefferson, a child of the Enlightenment, would have loved the enlightening mission of public broadcasting. Jefferson the small-d democrat would have loved its universal reach. Jefferson the inventor would have wanted to meet the pioneers who brought the world closed captioning for the deaf and an audio channel for the blind. It is not far-fetched to say that public broadcasting is Mr. Jefferson's other memorial: a temple of minds and voices; a temple not built of stone.

That word "public" means something else: free and universally available to all. To enjoy its riches, no one has to pay thousands of dollars for a computer and software and a modem. If you do have a modem, however, we have a great new service called PBS ONLINE. And you'll find many public stations on the Internet, along with PBS, NPR, and the Corporation for Public Broadcasting. To enjoy the riches of public broadcasting, moreover, you don't have to plug in a cable, or rent a converter, or pay hundreds of dollars a year in subscriber fees or pay-per-view charges.

That word "public" in public broadcasting refers to something else, as well: a mission that cannot be replaced by commercial operators any more than your public library can be duplicated by Crown Books, a public school replaced by a New England prep school, or a national seashore duplicated by a commercial theme park .

Our unique mission is service to teachers, students and schools. This year, hundreds of thousands of Americans will earn their high school or college degrees through courses screened by local public television stations. Millions of teachers will use classroom versions of our most famous programs; my ninth-grade son, right now, is learning about the Civil War from his teacher—and from a laserdisc version of Ken Burns's masterpiece. As I speak to you, teachers across the nation are learning the new Goals 2000 math standards through a service called PBS MATHLINE. At 60 colleges—60 and growing—students can earn a two-year degree totally through PBS telecourses, without going to campus.

That is a side of public television many viewers, and many members of Congress, don't know enough about. That mission, however, sets us apart from every other broadcast and cable service in America. For us, you see, education isn't an afterthought, or window dressing or a sideline. It is in our institutional genes. It is central to our purpose.

Then there's our funding, public in the broadest sense of that word. Public television, for example, has between five and six million contributing members—five million householders who give generously to something they could get for free.

Locally and nationally, hundreds of public- spirited corporations underwrite programs—Mobil, General Motors, Archer Daniels Midland and AT&T. They can buy commercials elsewhere. Here, they care about another mission.

Generous and visionary foundations like Olin, MacArthur, the Pew Charitable Trusts, and Bradley also give.

And then, joining all these stakeholders in our enterprise, there's Congress. How much does Congress contribute each year to public broadcasting? Roughly 14 percent of the budget for this public-private enterprise. Fourteen percent. To put the question another way, how much of the Federal budget does the Corporation for Public Broadcasting account for? One fiftieth of one percent; two hundredths of the Federal budget. In decimal form, point zero two.

That's $1.09 per person, 80 cents of it for television. If you bought just about any newspaper in the country last Sunday, you paid more for that paper than you pay for public broadcasting for an entire year. Think of it: Sesame Street, MacNeil/Lehrer, NOVA, All Things Considered, Morning Edition—all this, all year, for less than the cost of a cup of coffee in Chicago. All of public television's buildings, facilities, stations, programs, all year—*everything*—for a dollar a year. We could operate PBS for ten years for what Fox paid for just one program: NFL Football.

Suppose we paid for interstate highways through such a public-private partnership, with Congress appropriating only 14 percent of the total. Suppose we used this model to pay for battleships or Capitol Hill offices and staffs? Government leaders of both parties, who rightly care about frugality and efficiency, about stretching every dollar, would, I'm sure, hold parades in the streets to celebrate such feats.

Well, public broadcasting IS funded through such a frugal, efficient partnership. Those who are taking aim at it, in my judgment, should instead be saying, like the master in that biblical parable, "Well done, thou good and faithful servants. Enter into the reward laid up for thee."

Cut Down the Living Tree, or Save It?

Some of our leaders, however, are speaking in a different way. They have targeted public broadcasting for a quick, sidelong choke that could mean its eventual extinction. They intend, they say, to "privatize" public broadcasting by stripping it of federal funding. The professional political term, inside the Beltway, is "zeroing-out."

So let me turn now to my third topic—privatizing, which at this point in the debate cannot be distinguished from another word: commercializing.

The opponents of public television deny that their opposition is ideological; they deny they want to censor or silence voices they don't like. After much complaint about that issue, they now say they have other, more innocuous reasons. Let us take them at their word.

They argue that the federal government has "no mandate" to keep funding public broadcasting; that noncommercial educational broadcasting is "not essential" to the nation. Surely, then, they plan to zero out, as well, The Smithsonian Institution? The National Gallery? The Kennedy Center? Federal support for the Internet? For these, too, are public institutions of education and culture, like public broadcasting. And these too, are not essential; not necessary to life. They are simply among the things that make life worth living, for rich and poor alike. Why single out public broadcasting? I wonder why.

Another complaint is that public broadcasting is elitist, a "sandbox for the rich." All the factual evidence, all the research, all the data suggest the opposite: that the people who love public broadcasting are the very same people who make up America. The majority of viewers who watch opera on public television, for example, don't have a college degree, and their household incomes are less than forty thousand dollars a year.

What about the contention that public broadcasting is too expensive? The numbers you have heard poke big holes in that argument— especially when you add, to the numbers, the matching efforts that expand and multiply the federal contribution. To defund this enterprise for that reason—suddenly, unilaterally, and without consulting the millions of other stakeholders who produce far more of its support—would be pound-foolish, not economical. To people outside the Beltway, to thousands of local board members and volunteers, such talk doesn't sound like reform. It sounds like assisted suicide—a mask pressed down upon a patient who wants no such assistance, and whose family isn't allowed into the room.

Told how frugal we are, some of these detractors about-face, awkwardly, to yet another explanation: It's such a tiny amount, they say, it could easily be made up from "other sources"—from toy sales, for example, tied to our programming. The numbers don't add up, but who's counting?

We need to be clear on one important point: In our economy, there is no such thing as nonprofit venture capital. That relatively small amount of federal funding—that 14 percent of public broadcasting's budget—is our seed money, our risk capital. If "privatize" means to "zero out" (and we're told it does); and if no clear plan exists for replacing that seed capital (and none has emerged), then to "privatize," means, perforce, to commercialize. Take away public broadcasting's seed funding, starve it financially of its only venture capital, however small—and you force it headlong into the alien world of ad agencies and costs-per-thousand and merchandising, rather than the world of teachers and historians and community volunteers.

Surely those who speak of a quick, unilateral "privatizing" don't intend that to be the final destination. Or do they?

Finally, we hear that cable can do everything public television can do. Why not let a cable network, or several cable networks, program PBS— as a sort of re-run channel? Leave aside for the moment the implication here: the whiff of trickle-down TV. Ask some other questions: Is this in the public interest, or a commercial parody of the public interest? Would America like to lose what would be lost? Would America's existing commercial networks like such an outcome? What would such a scheme do public television's historic role as fount and wellspring of innovative program ideas?

What, exactly, is the vision of those who would "privatize" public broadcasting? Is it a vision that preserves the original dream, or does it torch and destroy that dream? They don't say. Is it a vision worthy of those public-spirited Republicans and Democrats of the Carnegie Commission, who created a new model called public broadcasting 25 years ago? They don't say. Is it a vision for a new and better future? Or is it, in fact, a death warrant disguised as a new charter?

What the People Say

Perhaps our leaders on Capitol Hill need to listen to what the people say. A national poll conducted by Opinion Research Corporation was released today. It suggests that most Americans—84 percent—want that small but vital federal stake in the partnership maintained or increased. Support for federal funding totals 80 percent among Republicans; 86 percent among independents; 90 percent among Democrats.

What do these numbers tell us? They suggest that the parents and teachers and grandparents of this nation—the people who live in homes with cable, and in the 32 million homes that don't subscribe—may want a better plan. They seem to want something more than vengeful zeroes, or "privatization" schemes that threaten to commercialize or kill.

Fortunately, the people of public broadcasting, and the people who cherish public broadcasting all over the nation, have lots of good ideas. All over the country, local stations are becoming educational teleplexes. They're planting the flag of education on new technologies. They're turning the existing infrastructure of public broadcasting into a free educational launching pad into cyberspace.

People within the world of public television have good ideas, as well, about renewing and refreshing public television: ideas, for example, about insulating its governance and financing from the political vagaries of each appropriations season. The original Carnegie Commission, made up largely of Republican business leaders, called for a national endowment, raised from a few pennies on the sale of each TV set and radio. That's one idea. A reserve of spectrum auction money is another. Tax credits and "education technology grants" are another.

The local leaders of public broadcasting are forward-looking. They are highly capable of planning the future of their enterprise. Before changes are hatched that might be ill-considered, we need some decent ground rules. Let me suggest three:

- First, all of the stakeholders who support this local enterprise ought to be invited to the table. Otherwise, any outcome is likely to be imposed, not democratic.

- Second, the process should be orderly, not precipitous; careful, not headlong. Public broadcasting has taken 40 years to achieve its present excellence. Why all this haste to dispatch it in 100 days, by a quick, sidelong fiscal choking?

- Third, we need to be candid about the real motives underlying proposals for change. What are we to think about would-be surgeons who seem to despise their patient?

Do They Hear Us?

It was Edmund Burke who pointed out that the true conservatism lops off dead branches, in order to preserve the living tree. Public broadcasting, however imperfect it may be, is part of the living tree: the tree of education, culture and citizenship. To chop up that tree and sell it off as cordwood would be violent and extreme, not conservative.

The volunteers, professionals and board members of America's public broadcasting stations are eager to tell their leaders about the worth and potential of that living tree. They see a historian and educator as the House Speaker and they say, "History: that's what we're about." They hear Speaker Gingrich discuss our need to nurture and care for our young and say, "Education: that's what we're about." They hear Speaker Gingrich's speeches about futurism and technology and the Third Wave—about laptops for the poor—and they say, in so many words, "Technology for humane ends: that's what we're about. Is he listening? Does he know we're here?"

Those same leaders look at the biography of Senator Pressler and see a son of Harvard; a Rhodes Scholar, a Senator whose constituents, many of them, live in rural places or are too poor to afford a monthly bill for cable, great as cable is. They say, "We have a great deal to say to him. Will he listen?"

The people of public broadcasting—thousands of them, who have created jobs and educational services and community outreach projects out of their local stations, are ready to join in a discussion about its renewal and its future. But they will also fight the reflex to destroy what they have built. Today they know that millions of Americans agree with them.

# # # # # # #

THURSDAY, JANUARY 19, 1995.

WITNESS

DELANO E. LEWIS, PRESIDENT AND CEO, NATIONAL PUBLIC RADIO

Mr. PORTER. Our next witness is Delano Lewis of National Public Radio.

Mr. Lewis.

Mr. LEWIS. Good afternoon. Thank you, Mr. Chairman and Members of the subcommittee. My name is Delano Lewis, and I am President and Chief Executive Officer of National Public Radio; and I would just take a minute to tell you a little bit about my background since I have only been on this job for one year.

I am originally from Kansas and grew up in Kansas City, but came here in 1963 to work for the Department of Justice as a lawyer. I have spent 10 years in the government, including the Equal Employment Opportunity Commission, in the Peace Corps; and I served some time on Capitol Hill under Congressman Stokes, when I was the administrative assistant to Walter Fauntleroy and I was legislative assistant to Senator Brooke of Massachusetts, so I am no stranger to the halls of Congress.

But for the last 21 years I had the fantastic experience of working for 10 years under AT&T and a subsidiary of the Chesapeake and Potomac Telephone Company and the last 10 years as a subsidiary of Bell Atlantic, post-divestiture. I spent my last five years as President of C&P Telephone Company here in Washington—now it is Bell Atlantic of Washington—so I bring some business acumen to this very challenging job of National Public Radio.

I do have a prepared statement that I want to walk through rather carefully because I want to tell the public radio story today.

We have been talking about Barney and Sesame Street; I am here to talk about public radio. I represent 520 member stations.

Mr. Chairman, we are acutely aware of the government's budget constraints and the American people's desire to bring the Federal budget into balance. As taxpayers and operators of small businesses, we agree that something must be done about the Nation's fiscal crisis. Balanced against the need to cut the budget, however, must be an objective evaluation of the value of services to be cut. The value of public radio to American communities is what I want to talk to you about.

Mr. Chairman, I believe it is too soon to talk about cuts to public radio because there has not been enough time for a dialogue with the American people about the value of our service on how to preserve it during a time of deficit reduction. I think there has been too much political rhetoric about elimination and zeroing us out. I think we need to slow that down and talk about the value of this system. I want to share with you the reasons I believe public funding of public radio is a legitimate function of government.

Public radio is a highly successful public-private partnership. Public radio provides high-quality programming and services that are not available anywhere else on the radio dial. Public radio is a good investment of taxpayer dollars. National Public Radio will be 25 years old this year, and that investment has been a small investment but a good investment.

Public radio is an integral part of the informational, educational and cultural lives of American communities. The public radio audiences are a broad and diverse cross-section of Americans, not merely the culturally elite. I take offense with that; it is not true.

Twenty-five years ago, Congress made a small investment in public radio that has returned great dividends to millions of listeners across the country. Today, public radio is a highly successful public-private partnership in which the Federal investment amounts to about 29 cents per person per year, less than the cost of one postage stamp. Every dollar in Federal funding for public radio—and you have heard this before; it is true—leverages $5 in other funding. A 29-cent investment, combined with other funding sources, brings high-quality news, information, and cultural programming to 18.2 million listeners per week. One indicator of this value is that public radio's audience continues to grow. In less than five years, the weekly audience for CPB-supported radio stations has grown more than 2.5 million listeners, an increase of 39 percent.

Listeners are attracted to public radio programming for its breadth, its depth, its quality and informational value. No one else is providing the programming and services that National Public Radio and its member stations offer to local communities.

There are no Arts and Entertainment or Discovery channels for radio. No other radio group is providing the long-form, in-depth, analytical news and information programming heard on public radio. There is no cable to the car or jogger or individual walking down the street, and there is no cable to nearly 40 percent of the American population; in other words, there is no alternative to the services provided by public radio.

We have heard a lot about, there are many alternatives out there. Not for public radio. Public radio is available for all Americans. It is the public library of the air. And those of you sitting here believe in education, you believe in information; we are the public library of the air—free and universally accessible. It is portable and available 24 hours a day, seven days a week.

And I might add I was appointed by Secretary Brown to cochair the National Information Infrastructure Advisory Council, and we have been meeting for a year, and we have another few months to go, and we are looking at the whole communications revolution. And I want to tell you, public radio is situated and positioned to compete and to deal in the arena of the communications revolution and that is because of your investment.

Mr. Chairman, public radio is a good investment. CPB dollars are local dollars; 93 percent of CPB funding for public radio goes directly to local public radio stations. Public radio serves the public interest by providing thoughtful discussion and analysis of current events and issues. We help our listeners better understand the world they live in by providing programs that present a unique perspective on issues that are important to their daily lives. We strive for programming that is stimulating, informative, and valuable. By providing access to the arts and to information, by clearly articulating many points and viewpoints on issues of the day, we serve as a catalyst for listeners to play leadership roles in their communities.

And I just want to add quickly about the NRA testimony earlier. We gave NRA an opportunity to respond and we will continue to do that. We offer those diverse points of view. We believe in that dialogue, and you will see that continuing.

Public radio is an integral part of the informational, educational, and cultural lives of American communities. National Public Radio and our member stations believe we have a mandate from Congress and our listeners to provide programs that educate, inform, and entertain while also meeting the diverse needs of our audience. Public broadcasters do not believe their job is finished after the production and airing of a program. In order to maximize the potential of our programs as tools for learning and to ensure that they serve the widest possible audience, many of our programs remain augmented with community outreach campaigning and are accompanied by teacher guides for use in the classroom.

And I would be remiss if I didn't tell you that we are proud of our building on Massachusetts Avenue in Washington, D.C. The District of Columbia government helped us by helping us with floating and backing bonds to build in that neighborhood. It is a neighborhood near Chinatown, a neighborhood near the Convention Center, and National Public Radio is proud to be there because we are providing a linchpin in a changing neighborhood. We have adopted the school called McKinley-Penn High School, and we are building—with our funds that you have helped us with, as well as funds we receive, we are going to help build a radio room at the high school and we are going to use our volunteer time to teach them public broadcasting because we want to be a good neighbor in this community.

Public radio is more than a broadcast service whose value can be measured in rating points or signal strength. Public radio stations are involved in activities and programming that foster awareness of issues important to the community, encourage discussion and participation in solving community problems. And I could go on and give you many other examples of what we have done in relationship to not just broadcasting but really getting at issues that Americans care about.

I am going to conclude by saying, significant cuts in or elimination of Federal funding would hurt local communities around the country, not just inside the Beltway. While the loss of Federal funding would hit rural and minority stations the hardest, communities all over the country would be hurt. In small, rural, and minority communities across the country, public radio is a lifeline. Stations use their CPB dollars to air programming that serves diverse community needs.

So I will slow down here and stop and conclude by saying the American taxpayer has an important role in making this programming possible. Public broadcasting brings the cultural resources of each region, the country, and the world to all Americans, regardless of their ability to pay, and contributes to an informed population able to choose wisely among the options offered in a democratic society.

Public radio strives to reflect that broad range of public opinion and culture. We strive to bring to our listeners the opinions and messages of leaders and citizens alike in their own voices. We often provide perspectives on the lives and experiences of those not otherwise seen or heard in the media and a forum for those differing views. This openness to differing viewpoints is sometimes disturbing to those whose own views are well formed and heartfelt, but it is imperative in a democratic society.

Public radio programming reaches broad and diverse cross-sections of America. I know, Mr. Chairman, that many Members of this committee and of the new Republican leadership are listeners to public radio and appreciate our programming. Elimination of Federal funds or significant cuts in Federal support for public radio has many ramifications. There are many issues that have to be considered.

How would local public radio stations replace the 16 percent of their budgets that CPB funding represents, on average? There are issues of nonprofit tax status, use of noncommercial licenses, copyright protections and others. So I believe that you will make the right decision, that public radio should continue, and that its funding should continue and public broadcasting should continue and we should preserve it. I would conclude by saying you have made a good investment, you have made a wise investment and the returns have been enormous. And to eliminate it or decrease funding would be an absolute, I think, travesty in America. I think American people would be concerned, and I think we need to hear from the American people.

So on behalf of our 520 stations, I would say, let's go slow, let's talk about this, let's not rush to eliminate funding, let's preserve this valuable system. Thank you very much.

Mr. PORTER. Mr. Lewis, thank you very much.

[The prepared statement of Delano E. Lewis follows:]

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Statement of

DELANO E. LEWIS

PRESIDENT AND CHIEF EXECUTIVE OFFICER

NATIONAL PUBLIC RADIO

on

APPROPRIATIONS FOR THE

CORPORATION FOR PUBLIC BROADCASTING

submitted to

SUBCOMMITTEE ON LABOR, HEALTH AND

HUMAN SERVICES, EDUCATION

COMMITTEE ON APPROPRIATIONS

UNITED STATES HOUSE OF REPRESENTATIVES

JANUARY 19, 1995

Mr. Chairman and members of the Subcommittee, I am Delano Lewis, President and CEO of National Public Radio (NPR). I appreciate the opportunity to testify on behalf of NPR and our 520 member stations. Mr. Chairman, we are acutely aware of the government's current budget constraints and the American people's desire to bring the federal budget into balance. As taxpayers and operators of small businesses, we agree that something must be done about the nation's fiscal crisis. Balanced against the need to cut the budget, however, must be an objective evaluation of the value of the services to be cut. The value of public radio to American communities is what I want to talk to you about today.

I want to share with you the reasons I believe public funding of public radio is a legitimate function of government.

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Public radio is an integral part of the informational, educational, and cultural lives of American communities.

The public radio audience is a broad and diverse cross-section of Americans -- not merely the culturally elite.

Twenty five years ago, Congress made a small investment in public radio that has returned great dividends to millions of listeners across the country. Today, public radio is a highly successful public/private partnership, in which the federal investment is about 29 cents per person per year -- less than the cost of one postage stamp. Every dollar in federal funding for public radio leverages five dollars in other funding. A 29 cent investment combined with other funding sources brings high quality news, information, and cultural programming to 18.2 million listeners per week. One indicator of this value is that public radio's audience continues to grow. In less than five years, the weekly audience for CPB-supported stations has grown by more than 2.5 million listeners, an increase of 39 percent.

Listeners are attracted to public radio programming for its breadth, depth, quality, and informational value. No one else is providing the programming and services that NPR and its member stations offer to local communities. There are no Arts and Entertainment or Discovery Channels for radio. No other radio group is providing the long-form, in-depth, analytical news and information programming heard on public radio. There is no cable to the car, jogger, or individual walking down the street -- and there is no cable to nearly 40% of the American population. In other words, there is no alternative to the services provided by public radio. Public radio is available to all Americans. It is the public library of the air, free, and universally accessible. It is portable and available 24 hours a day, seven days a week.

Mr. Chairman, public radio is a good investment. CPB dollars are local dollars. Ninety-three percent (93%) of CPB funding for public radio goes directly to local public radio stations. Public radio serves the public interest by providing thoughtful discussion and analysis of current events and issues. We help our listeners better understand the world they live in by providing programs that present a unique perspective on issues that are important to their daily lives. We strive for programming that is stimulating, informative and valuable. By providing access to the arts and to information, by clearly articulating many viewpoints on issues of the day, we serve as a catalyst for listeners to play leadership roles in their communities.

Public radio is an integral part of the informational, educational, and cultural lives of American communities. NPR and our member stations believe we have a mandate from the Congress and our listeners to provide programs that educate, inform and entertain, while also meeting the diverse needs of our audience. Public broadcasters do not believe their job is finished after the production and airing of a program. In order to maximize the potential of our programs as tools for learning, and to ensure that they serve the widest possible audience, many of our programs are augmented with community outreach campaigns and are accompanied by teacher guides for in-classroom use.

Public radio is more than a broadcast service whose value can be measured in ratings points or signal strength. Public radio stations are involved in activities and programming that foster awareness of issues important to the community, encourage discussion and participation in solving community problems, provide programming for those with special needs, and enhance the education of our youth.

For instance, NPR News has provided innovative and in-depth coverage of pressing issues such as: education and welfare reform. An NPR reporter spent months inside Chicago's public Taft High School and filed seventeen reports documenting education challenges from the points of view of the teachers, students, and administrators. We also did a detailed three-part series on the history of welfare in America and past attempts to reform it.

NPR also works with member stations to serve local communities. In conjunction with NPR's RADIO EXPEDITIONS special, a partnership with the National Geographic Society, NPR produced WATER: THIRSTING FOR TOMORROW, an examination of the future of fresh water in America. NPR produced a teachers' guide to foster classroom activities around the topic. **KLCC-FM** in Eugene, OR distributed teachers guides to 47 high schools, involved students in special broadcasts, and did companion stories and a call-in program.

Local public radio stations provide unique services and programming to meet local needs. **Connecticut Public Radio** presents a monthly "Alcoholics Anonymous Open Information Meeting," providing people with a greater degree of anonymity than attending a meeting in person. In Chico, CA, **KCHO-FM** is building a distance learning audio network to serve the rural and mountainous regions of northern California with programs that will earn credit at California State University, Chico. In Mississippi, the state with the highest percentage of blind citizens in America, **Public Radio in Mississippi** provides a valued radio reading service of local and national publications twenty-four hours a day all year.

Significant cuts in or elimination of federal funding would hurt local communities around the country, not just "inside the Beltway" institutions. While the loss of federal funding would hit rural and minority stations the hardest, communities all over the country would be hurt. In small, rural, and minority communities across the country, public radio is a lifeline. Stations use their CPB dollars to air programming that serves diverse community needs, particularly in places where the local newspaper is published just once a week, and the radio station is the only source of daily local news and live events. Many of our rural and minority stations simply could not survive without federal funding. They have neither the population base nor a large enough corporate community to make up the difference.

Even public radio stations in major markets, where it would arguably be easier to make up for the loss of federal funds, would suffer great harm. Stations that produce system-wide programming, large market stations, and national program producers would likely be the victims of a domino effect. Stations more reliant on federal support, and which do not have the economic base to replace CPB support, could find it impossible to purchase nationally distributed programming. Programs like MORNING EDITION, ALL THINGS CONSIDERED, MARKETPLACE, CARTALK, A PRAIRIE HOME COMPANION, SOUND MONEY, and SAINT PAUL SUNDAY MORNING would be adversely affected by a reduction in stations' ability to purchase them. Those stations still able to pay would see their costs rise to compensate for other stations dropping programs, and those costs could well rise to the point that no one could pay, and the programs themselves would disappear. Most importantly, communities all around the country would lose access to this information and cultural resource at a time when small town newspapers are closing and broadcast news is becoming ever more sensational. The public radio community is an interconnected system of local stations and national program producers; harming one harms the other. Regardless of station size or income, we are each dependent on the other for the services we provide to our listeners.

From public broadcasting's inception, one of the theories behind it was that the strength of a democracy depends on the communication of many ideas through many channels. "Many channels" means assuring a mix of information sources, both commercial and noncommercial. The United States has a strong commercial broadcasting system. While commercial broadcasters must attract the largest possible audience for their advertisers, our funding system provides an incentive to bring the highest quality programming to our listeners. This freedom from commercial influence allows public broadcasters to serve the public interest by providing distinctive, stimulating, quality programming that merits listener support.

The American taxpayer has an important role to play in making this programming possible. Public broadcasting brings the major cultural resources of each region, the country and the world to all Americans, regardless of their ability to pay, and contributes to an informed population able to choose wisely among the options offered in a democratic society. Public radio strives to reflect that broad range of public opinion and culture. We strive to bring to our listeners the opinions and messages of leaders and citizens alike, in their own voices. We often provide perspectives on the lives and experiences of those not otherwise seen and heard in the traditional (mainstream) media, and a forum for those differing views. This openness to differing viewpoints is sometimes disturbing to those whose own views are well formed and heartfelt, but it is imperative in a democratic society.

Public radio programming reaches a broad and diverse cross-section of Americans -- not merely the culturally elite. More than half of our listeners are not college graduates, forty-seven percent live in households with annual incomes below $40,000 per year, and more than two-thirds are not employed in professional or managerial occupations. The public radio audience is also politically diverse. It is evenly divided across the political spectrum. In fact, the number of listeners who describe themselves as conservatives slightly outnumber those that describe themselves as liberals.

I know, Mr. Chairman, that many members of this committee and of the new Republican leadership are listeners to public radio and appreciate NPR's programming. Elimination of significant cuts in federal support for public radio has many ramifications. There are many issues that have to be considered. How would local public radio stations replace the 16 percent of their budgets that CPB funding represents on average? There are issues of our nonprofit tax status, use of noncommercial licenses, copyright protections designed for a noncommercial system, and the expectations that our listeners have for a noncommercial service. There are stations in rural markets who cannot make it without CPB support; there will be harm to large markets; many state and local funding formulas are dependent on CPB support.

Mr. Chairman, I believe that intelligently organized and adequately funded, public broadcasting can help the creative spirit to flourish. It can reveal how we are different, and what we share in common. It can offer forums to a multitude of voices. It can reveal wisdom and understanding -- and foolishness too. It can delight us. It can entertain us. It can educate and inform us. Above all, it can add to our understanding of our own inner workings and of one another.

Public radio fills an important gap on the radio dial with substantive, in-depth radio news, information and cultural offerings such as radio drama and live classical and jazz performances. Radio is the most affordable, accessible, and portable of media -- easily available in your home, the classroom, the office, the car, and even on the road while jogging. It is on public radio that people hear public discourse in more than a sound bite. It is on public radio that people in rural areas can hear a live performance of a major symphony orchestra. It is on public radio that radio reading services for the blind can be found. For these and many more reasons, Mr. Chairman, public radio deserves continued federal support. It is a wise and good investment, and it is in the interest of the American people.

THURSDAY, JANUARY 19, 1995.

WITNESS

JANE KRUTZ, ASSOCIATION OF PUBLIC TELEVISION STATIONS

Mr. PORTER. Our next witness is Jane Krutz of the Association of Public Television Stations.

Ms. Krutz.

Mr. DICKEY. In Arkansas.

Ms. KRUTZ. Thank you, Mr. Dickey.

Mr. Chairman, Members of this subcommittee, I am Jane Krutz, from Little Rock, a business woman and a volunteer. I was one of the founding members of the Friends Board for the Arkansas Educational Network, and I still serve on that board. We are a State network of five public television stations serving the entire State of Arkansas. However, I am here today to speak on behalf of America's public television stations representing 202 local licensees reaching 99 percent of American television households. It is a system that is free. It is in place and working now. And I am here to represent the public that depends on this system.

In 1964, when I first heard of the concept of educational television, I was convinced that it was a learning opportunity that my children could not miss, and so I became a volunteer. Now, after more than 30 years as an active volunteer, I am more convinced today than I was then that we must continue this necessary tool of education for my grandchildren and for yours. We are not in as safe a world as we were 30 years ago and we more than ever need it.

I am here to tell you that the money that this committee appropriated for public TV for this year of 1995 is one of the best bargains that you get for the Federal dollar. And I would like to tell you what the local stations do with this financial support and how they serve the people: services that help children learn, help adults learn to read, help high school dropouts get their GED diploma; services that train day care providers and enable 1.8 million teachers to use quality instructional programming that reaches 29 million students; and the service that brings joy to the senior citizen and the shut-in.

I would point out that when educational television was brought into outlying rural areas of America, many people were given their first glimpse of a New York ballet or an Italian opera. Now, I don't know about y'all, but honey, where I came from, we couldn't even spell Pavarotti, but PBS brought him to us. And if you pull PTV away from them now, the next generation won't be able to spell it either.

Mr. RIGGS. Mr. Chairman, maybe we ought to hear from the gentleman from Arkansas about that point though.

Mr. WICKER. Or ask him to spell it.

Ms. KRUTZ. You notice he is not calling my hand on that, don't you?

Well, some of you say that now cable has some of this type of programming. I must point out that 40 percent of the American families do not get cable. Some, it is not available to them, but for most of them, they cannot afford it. So what good is A&E and Discovery and Disney? If we pull PTV, these families will be cut off from any cultural or educational programs and these are the families that need it the most.

I would point out that public television stations work directly with local schools. They average five and a half hours a day programming for classroom use. They broadcast overnight so that teachers can record and build a library of programs. Many of our rural schools could not afford the caliber of teachers and the resources for students that PTV brings into their classroom, and these are the children who need it most.

I would point out that commercial television has cut back children's educational programs to two hours a week. We program seven hours a day, educational programs for children. Teachers have said that children entering kindergarten raised with Sesame Street, Mr. Rogers and like programs on ETV are one year ahead of the children who were not. Do we really want to push education for children back a year?

I would point out that today over 4,000 adults are enrolled in the GED program in my State alone and that in America there are 1.5 million productive adults who have obtained their high school diploma through the GED program on ETV. This program alone is worth funding public television. And they say that PTV is only for the rich and elite?

I would point out that local PTV stations enable 325,000 tuition-paying students a chance to earn a college degree through television. I would point out that in this day when we are all concerned with violence, especially among our youth, ETV has no violence, period. If we pull funding, then our kids are going to be left with the violence on all the other channels.

You say, well, now, Jane, some of your programs have been real objectionable. Yes, a few have been, and nobody screams louder or jumps higher than I do about them. You see what you are looking at here is a southern fundamental, far-right conservative. And we have run a few programs that I don't like. But we run so many more wonderful programs that everybody likes. Please, don't throw out the baby with the bath water.

During 1994, in Arkansas, there were less than 10 hours of programs that anyone objected to. Now you hear that? That is 10 hours for an entire year. They ran late at night. They had an advisory in front of them and they had a phone number on the screen for viewers' response. We are lucky if we get only 10 hours a day of objectionable programs on other networks.

Now, I want you to know that I was married with children before I knew that the word "kinky" meant anything in the world besides an overprocessed permanent. And do you know where I learned it? On daytime, prime time network TV, and it was not PBS.

Now, if we pull PTV, our kids are going to have a heavy, steady dose of those kind of programs and they don't invite viewers to call in with opinions. But I want you to know that we do and we listen to those opinions, both pro and con, and we should listen because we are public TV.

Remember this, our kids are going to watch TV and we can trust them with PTV a lot more than we can with anything else. How critical are these Federal dollars to individual stations? Well, it varies widely anywhere from 6 percent all the way to 54 percent.

But the more important question is, how critical are these Federal dollars for the public television system? The answer is very critical.

It is estimated that many smaller rural stations will fold during the first year and there goes our reach to 99 percent of the American TV households. Without these stations in the system, then programming is more expensive for the survivors. Then many more stations could close down the second year.

Now, some will survive but certainly not be public television as we know it today. Now, some have said that public broadcasting should be privatized, whatever that means. If privatizing means seeking marketplace sources of funds, we know what that means. We have a model. It is called commercial broadcasting. And we would lose what is different about public television.

Do y'all have any idea how important public television is to the public? Before I left Little Rock to come up here, I visited with many folks on this issue. To a person, they could not believe that you all are even considering doing away with or cutting their favorite programs.

Now, I am not really sure that y'all understand how serious this is going to be back home if you cut the public's television.

Please consider this: that of the three public educational institutions in America—public schools, public libraries, and public television—that more people can be touched by public television at any given moment than by the other two put together. And as a concerned parent and grandparent and citizen of this country, I am here to ask you today, do not rescind or cut the funding for public television. It is just too important. Thank you.

Mr. PORTER. Ms. Krutz, you are going to be a tough act to follow. We do have three more witnesses and we are on time, I might add, and thank you all for that.

[The prepared statement of Jane Krutz follows:]

Statement of

Jane Krutz

on behalf of the

Association of America's Public Television Stations

Before the

House Appropriations Subcommittee

on

Labor, HHS, Education & Related Agencies

The Corporation for Public Broadcasting

Rescission Hearing

January 19, 1995

The Effects of CPB Rescission or Downsizing for Public Television Stations

Mr. Chairman, members of the Subcommittee, I am Jane Krutz, one of the founding members of the friends board for the Arkansas Educational Television Network, and still I serve on that board. We are a state network of five public television stations serving Arkansas.

I am here today to speak to you on behalf of The Association of America's Public Television Stations, which represents the 202 local public television licensees that reach 99 percent of American television households, over the air and free, through a system that is in place and working now, and to represent the public that depends on it. As a concerned parent and citizen, I am here today to ask you not to rescind or reduce funding for public television.

In 1964, I first learned the concept of educational television. I was convinced that it was a learning opportunity that my children could not miss—and I became a volunteer for them. And now, after over 30 years as an active volunteer, I am more convinced today than I was then that we must continue this necessary tool of learning for my grandchildren and yours.

Service to Local Communities

We are all aware that government programs are being examined to evaluate whether federal financial support is needed. I'm here to tell you that the money that this committee appropriated for public broadcasting in fiscal year 1995 is one of the best bargains you get for the federal dollar. I would like to tell you what these local stations do with this financial support, to serve the people. Services that go far beyond the primetime schedule that is often the topic of discussion here in Washington. Services that help children learn, that help adults learn to read, that help high school dropouts get a GED diploma; services that train child care providers and enable 1.8 million teachers to use quality instructional programming to reach 29 million students; services that bring joy to senior citizens. I would point out that when educational television was brought into the outlying rural areas of America, many people were given their first glimpse of a New York ballet, or an Italian opera.

When PBS aired the production of Wagner's complete four-opera "Ring Cycle," over 12 million viewers tuned in. The operas were seen by more people in one week on public television than had ever seen them in all other productions combined, since the first performance was held in 1876. And, I would point out that 27 percent of the audience was from households with annual incomes of under $20,000.

You say that cable brings some of this type of programming. I would point out that 40 percent of American families do not get cable. Some because it is not offered in their area—most because they cannot afford it. If we eliminate public television, these families will be shut off from any cultural, educational, and artistic programs—and these are the families who need it most.

Public television stations work directly with local schools. They average five and a half hours a day of instructional programming for classroom use. They broadcast overnight so that teachers can record and build a library of programs. Stations encourage this and many publish special guides for teachers as well as supplementary materials to facilitate the use of public television programs in the classroom. Many rural schools cannot afford the caliber of teachers and the resources to students that public television brings into their classroom—and these are the students who need it most.

I would point out that commercial television has cut back its children's educational programs to two hours a week—we broadcast educational programs for children seven hours a day. Teachers have said "children raised with *Sesame Street* and other public television programs are one year ahead, when they enter kindergarten, than children not raised with it." Do we want to push the education of children back a year?

I would point out that today there are over 4,000 adults enrolled in the GED program in my state alone. Over one-and-a-half million productive adults obtained their high school diplomas through this program on public television. This program alone is worth funding public broadcasting. It also does away with the idea that public television is only for the rich and elite.

Local public television stations also enable 325,000 tuition-paying students a chance to earn a college degree through television. These generally older students often live off campus, are employed and have adult responsibilities. Public television helps them move ahead by making a college degree accessible.

Federal Dollars are Critical for Public Broadcasting

There has been a lot of discussion about the appropriate federal role in education. Public television is a positive force in addressing equity and access issues in education. There is strong sentiment to loosen federal control of the education dollars and send the money directly to the states to give local schools greater flexibility spending their federal dollars. Public television does that now. There is no mandate from some Washington agency telling local stations what to do. Public television stations pay a fee to subscribe to the PBS national program service, but each station has the final decision on what shows it chooses to air. Further, much of what individual stations broadcast is produced for local viewing.

I would point out in this day when we are all concerned with violence—especially among our youth—that educational television has zero violence in our programs. If we pull funding, then our kids are left with violence on all the other channels.

You say some of our programs have been objectionable. Yes, a few have been—and nobody screams louder than I do about them. You see, what you've got here is a Southern, fundamental, far-right conservative, and we have run a few programs that I don't like. But we run so many more wonderful programs that everybody likes. Please don't throw the baby out with the bath water.

I would point out that there were six to eight hours of programs that any one objected to that were run in Arkansas during the year 1994. (That's only six to eight in an entire year.) They ran late at night, with a disclaimer in front, and a phone number on the screen to call. You're lucky if you only get six to eight hours a day of objectionable programs on commercial television. Remember this: our children are going to watch television, and we can trust them with public television a lot more than we can with any other network.

Public television has been criticized for federal support for programs like *Sesame Street*, which generate large amounts of revenue from ancillary products. The producers of *Sesame Street*, the Children's Television Workshop (CTW), markets products—it does so in order to reduce the cost of the educational programming it provides. In FY 1993, CTW's net revenues from *Sesame Street*-related products was returned to educational projects, including the research and production that *Sesame Street* requires, and other educational projects like *Ghostwriter*, a literacy initiative for seven-to ten-year olds.

How critical are federal dollars to individual stations? That varies—widely. CPB's community service grant ranges from six percent of cash revenue in the case of WTTW in Chicago; seven percent for KQED in San Francisco and KERA in Dallas. to as high as 54 percent for the small WCTF in Waco, Texas, or 38 percent for KEET in Eureka, California. Arkansas' share is about 10 percent, by the way.

The more important question is: How critical are federal dollars to the public television system? The answer to that question is: *Extremely* critical! Without federal support, many of the small rural stations, whose CSGs amount to over 30 percent of their revenue, would likely fold. There goes our reach to ninety-nine percent of American television households. Without those stations in the system, programming becomes all that much more expensive to the survivors and many more stations would cease to operate in the second year. Eventually, I think we are looking at a system that is very different from what currently exists. Some will survive, but it certainly wouldn't be *public* television as we know it today.

Public television provides an opportunity for all Americans to have access to education, information and the richness of our heritage. It reaches an average of 102 million people a week, including over half of all children aged 2-5. It does not serve a small group of elitists as some would charge.

Most of our preschool viewers are from homes where the average income is below $30,000. More than half of the regular viewers of public television (59 percent) are from households with income of less than $40,000 a year.

Public Broadcasting Leads in National Community Outreach Efforts

Beyond the national primetime schedule, public television is involved with programs that explore social, educational and community issues. A chief goal of public television "outreach" programs is to provide viewers with examples of concrete actions they can take to translate desires to improve their lives into local action for constructive change.

Public television has dedicated major resources to programming, support materials and activities around the topic of literacy, the family, women's health and now, for the next two years, youth violence.

We do all these things with the help of taxpayer dollars; about 80 cents per person. Systemwide, this amounts to about 14 percent of our revenue. That unrestricted 14 percent is the foundation upon which the system is built and continues to grow.

For small stations serving rural area of the country, the community service grant (CSG) can be as much as 52 percent of their cash revenue, not counting, for instance, the indirect support which is received from an institution in the way of buildings and staff. For example, the federal share is 52 percent of the cash revenue of a particular station, but only 19 percent of the total revenue. The balance is committed to operational costs and not available for program purchases.

Among major producing stations, with far larger budgets, the federal share is considerably less, often under ten percent. Yet for these producing stations, the federal monies are the seed money for major national productions. Without these unrestricted funds, the producers would be unable to begin productions and attract other funding.

In each case, the importance of the federal contribution far outweighs the relative proportion it represents of the total revenues.

"Privatization" is Not the Solution

Some believe that public broadcasting should be privatized, although it is not clear what this means. Several years ago, the Heritage Foundation originally raised the concept in terms of selling stock in CPB. However, CPB has no assets and its only line of business is distributing funds. It does not hold radio and TV licenses to sell in the manner of a commercial marketplace.

If "privatizing" means seeking marketplace sources of funds for all of public television's costs, then you are no longer talking about noncommercial, educational programming as we know it today. We know what will happen. We have a model and it is called "commercial broadcasting." This version of "privatizing" cannot occur without giving up what is different about the program content in public television.

Station Overlap

Finally, I would like to address station duplication or overlap. The overlapping of public television signals is a geographic phenomenon, one that occurs among many broadcasters. A station with a local mandate in one state or city may, by virtue of the strength of its signal, overlap a local signal from an adjacent community. This cannot be avoided. If both stations broadcast similar core programming for their local audiences, most of which are not in an overlapping area, there can be apparent duplication of effort in the overlapped areas.

One fourth of the stations nationwide may overlap at some point in their coverage area with another station. The same is probably true in commercial broadcasting. A more appropriate concern would be whether there is duplication of programming when two stations are licensed to virtually the same area—in other words, where there was virtually total overlap of the coverage area.

Currently, there are 19 metropolitan areas in the country which support more than one public television station. In these cities, the stations seek to serve different purposes. They are **not** duplicative because they share a market; for instance, to serve adult learners, children, and general audience needs all day long could require three different services.

Most stations try to serve a variety of audiences during the day. In cities with more than one station, there may be several distinct services. For instance, in Washington, DC, the audience for WHMM is an urban African American audience, while WETA serves a broader cross section of the community. In Miami, WLRN serves Hispanic audiences and instructional purposes, while WPBA serves a general audience.

The amount of actual program duplication (same program on same day), based on a recent PBS study of eight metropolitan areas with more than one station, was about 7 percent.

Public television—educational television—serves the nation with taxpayer support in the amount of 80 cents per capita. In turn the system raises another five dollars per person to deliver quality programming, that enrich and education millions of Americans every day.

Please consider this —that of the three public educational institutions in America—public schools, public libraries and public broadcasting—more people can be touched by public broadcasting, at any given moment, than by the other two put together. Those of us who benefit from public television's services would like you to see it as a cost-effective way to reach people on critical issues of the day, not as a luxury.

Thank you. I would be happy to respond to any questions.

THURSDAY, JANUARY 19, 1995.

WITNESS

GLORIA BORLAND, INDEPENDENT PRODUCER

Mr. PORTER. Our next witness is Gloria Borland, an independent producer.

Ms. Borland.

Ms. BORLAND. Mr. Chairman, my name is Gloria Borland and I have submitted more detailed written testimony for the record. I am here on behalf of independent producers and the talent and vision they have to contribute to the American broadcasting scene.

When I created my television series "The Business Owners," I knew there was no prospect for nationwide commercial broadcast or cable distribution. The story I wanted to tell was important, but it would not fit with their mass-audience-market approach. Even cable, with its niche channels, strive for the largest market share. That is why I chose public television. And while I am glad my program made it on to PBS, public television is the one place in our system where important stories can be told despite the possibility of a narrow market share.

All producers want a big audience, but at public television you are not under the pressure to compromise your editorial product just to win your ratings time slot.

Serious independent producers all across America have good and important stories that need to be told, but commercial incentives for national broadcast and cable will always work against us. That is why it is critical for public television and the Corporation for Public Broadcasting to continue to exist in our society.

In order to keep a full range of programming, our society continues to need PBS. In other words, programs like mine would not have had the opportunity for national distribution were it not for public TV.

My program is positive, it is about self-help. I came up with the idea for "The Business Owners" because, more often than not, people are stunned to find out that the person behind the global village network is not a white male. "The Business Owners" helps to change negative stereotypes. The guest profiles are so awe-inspiring that they appeal to the human condition across all race, gender, and class lines.

"The Business Owners" has generated an avalanche of enthusiastic phone calls and mail from viewers all across the country. We have received excited comments from a wide cross-section of viewers, people wanting to start their own businesses, parents who wanted their kids to watch the show, and a tremendous following among educators. In fact, my biggest fans are public school teachers.

A Florida teacher wrote saying the kids in his class loved watching "The Business Owners" because it is not like many traditional educational, boring programs. In Sacramento, California, they circulated our tapes to students in the region. The District of Columbia public schools used our programs in their ninth grade to help broaden the students' vision of their futures.

The programs I produce promote private initiative and offer the coming generation positive role models. They meet a real and important need. My series has been written up favorably in The Washington Post, received a three-star rating from The Washington Times, and was a front-page story in the Washington and Baltimore Business Journals. I was able even to get the prestigious Wall Street Journal newspaper as our lead national sponsor. The PBS adult learning services distributed our series, but—and this is an important but—despite all our efforts and success, we have never been able to get financial support from CPB or PBS.

Program funding means the ability to increase the production values of a national program that will be more visually appealing to a larger audience. Rather than eliminate CPB, I would propose that Congress should strengthen its oversight. There is room and need for reform of program funding decisions. Many independent producers will agree with me when I say those decisions at CPB and PBS do not often appear to be based solely on merit but rather on long-standing relationships. Consistently funding the same people year after year does not allow room for new producers with fresh ideas and talent. Programs should be selected because they present good television dealing with important topics that can inspire and educate the audience.

Any structure that has been in existence for over 25 years tends to settle into a rut: complacency.

I hope the criticism that CPB has received over the past few weeks will be taken constructively. I hope the impact of these criticisms will move CPB, with the help of Congress, to take a challenging look at its program funding. CPB needs to open up those practices so that new talent gains an opportunity and public television becomes truly inclusive of all the creative voices in America.

My preliminary recommendation for the Congress is that it systematically monitor CPB and PBS responses to independent producers. The system, as it currently operates, does not give sufficient attention to new talent and fresh ideas. I would be pleased to work with the subcommittee and its staff as is appropriate to help in any way possible in developing a more inclusive system.

I just wanted to add, I heard earlier, in the previous panel, that people assume that by eliminating PBS that cable can pick it up, that the cable channels will pick it up, but you don't realize that, okay, cable has 60 percent of the American households, but if you look at the numbers due to limited channel capacity, not all cable networks have universal carriage over those 60 percent of households; it depends on the cable system where you actually live. So even C–SPAN and C–SPAN II cannot be reached at all 60 percent of those cable homes.

And Mind Extension University, which is part of the Jones Cable Network, it depends on where you live, they do not have carriage. In fact, they have very limited carriage across the United States. The only place where you can get universal carriage still is PBS; so just transferring and saying, well, all those good programs on PBS can be found a home in cable, that doesn't work that way because cable does not have the infrastructure in place.

Digital compression will not happen—and I talked to some cable operators—will not be reality for another three years, if that, because of cable regulation and building the fiber plants. So you can't just—the programs will have no place to go if you do away with PBS.

The telecos are not ready. We are looking at 1997–98 at the earliest, so it is really naive to say that it can be absorbed by cable, because they don't have the channel capacity and the only one that has that universal carriage around the country is PBS. So thank you.

Mr. PORTER. Ms. Borland, thank you very much for your testimony.

[The prepared statement of Gloria Borland follows:]

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Testimony of Gloria Borland
Executive Producer
"The Business Owners Television Series"

President
Global Village Network

U.S. House of Representatives
Subcommittee on Appropriations
for Labor, HHS and Education
Congressman John Porter, Chairman

Regarding: Appropriations for
Corporation for Public Broadcasting

January 19, 1995

Mr. Chairman and members of the Subcommittee, I was born in Kodiak, Alaska and raised in Honolulu, Hawaii. Today I reside in the District of Columbia. My father is African-American and Native American and my mother is Japanese. Thus, I am probably one of the most multi-cultural citizens to submit testimony to your committee.

I have been developing an international business and world culture cable television channel for several years. More often than not, people are stunned to find that the CEO behind Global Village Network is not a white male. Out of the frustration of having to constantly combat negative stereotypes, I came up with the idea for a new television series. Thus began my odyssey as an independent producer in the very difficult and sometimes hostile environment of Public Television. The series I created, "THE BUSINESS OWNERS" is starting its fourth season and despite not receiving any financial support from the Public Broadcasting System (PBS) my series has been aired on over 100 PBS stations around the country.

I am a rare example of an independent television producer able to produce and distribute national programming for three years, without any financial assistance from the Corporation for Public Broadcasting, CPB or PBS. I have applied for funding and have been repeatedly turned down. I will outline my experience with CPB and PBS which illustrates why the current structure does not support independent producers. And I will offer my preliminary suggestions on how the structure might be improved.

Let me tell you briefly about the evolution of "THE BUSINESS OWNERS". During the Christmas holiday season in 1990, I visited relatives in California and Hawaii. Wherever I went, I saw that non-African Americans had negative impressions of Blacks. How did this negative impression come about? Just one answer...the power of television!

Television more than any other medium had the power to portray all of urban America falsely as a crime- and drug-infested hellhole. People all over the world believed the unbalanced and over-blown images they saw on their T.V. sets. I felt shame and embarrassment. African-Americans were chained to some of the worst negative stereotypes imaginable. This was the background, the mood, that set the stage for what was to come next.

In February 1991, during Black History Month, I saw the usual offerings on television, the typical stereotypes of success: entertainers and athletes. I never saw blacks portrayed using their intellect, working hard and using creativity to build and grow a business. A black person as a business owner was never depicted in such a responsible role. Blacks on TV are either singing,dancing, playing ball, taking drugs or getting arrested for some criminal offense.

Hoping to create some balance to offset these stereotypes, I created "THE BUSINESS OWNERS", a 13-episode educational television series featuring successful African-American entrepreneurs. I wanted to bring to television a different kind of role model: the hard working, intelligent and honest, business owner making a positive contribution to society. We offer viewers personality profiles of black Americans who have been able to achieve the American dream of owning a business in our free enterprise system. Our TV series coincided with the new emphasis the Congressional Black Caucus, the National Urban League, NAACP and other black organizations started to place on economic development and minority entrepreneurship opportunities.

I asked PBS for assistance in funding and distribution; I was rejected. I wrote to Jennifer Lawson at PBS and received no reply. I applied to the CPB multi-cultural programming fund; I was rejected. Other independent producers warned me that PBS and CPB will only fund producers that are their friends. They said I did not have a chance because I was an unknown outsider. Other independent producers asserted from their own experience that the merit of a given production carries no decisive weight with CPB or PBS. The institutions are inundated with good ideas every day. You need to know someone in the CPB/PBS structure to get funding.

Since I was unable to get funding from CPB and PBS, I turned to the private sector. After numerous rejections I was able to raise enough money for a pilot. I had friends, business professionals, ministers, both black and white, donate their money to back a television program they wanted to see get produced and aired. PBS station WHMM's program director, Brenda Otis, said she would air the series but WHMM could not offer me any financial or production assistance. After a very difficult fundraising endeavor I was able to raise a shoestring budget from Washington Gas, a local utility. "THE BUSINESS OWNERS" premiered in November 1991, on WHMM in Washington, D.C. The 13 week series was given to WHMM for free and was totally funded by the private sector. Not a penny came from CPB or PBS.

We received tremendous press publicity. The new series was profiled in *The Washington Post TV Week*, the front page of the *Washington Business Journal*, and the front page of *The Washington Times Money* section. Since we did not have any money for advertising, the positive coverage in *The Washington Post* and other publications helped us receive the attention our series needed. Even though PBS station WHMM did not support us financially, they benefited from the positive press publicity our TV series brought.

***The Washington Post TV Guide* said, "Profiling the Can-Do Spirit of Black Entrepreneurs...this program helps change negative stereotypes."**
November 2, 1991.

The Washington Times **said, "Ms. Borland wants the series to be a little like the Cosby Show: It has an all-black cast but it's meant to appeal across racial lines,"**
October 21, 1991.

Washington Business Journal **said, "the Black Horatio Alger Show, a pilot program featuring successful entreprenership...targeted toward breaking the negative stereotypes of African Americans on television as well as celebrating minority entrepreneurship."**
October 21, 1991

Why did "THE BUSINESS OWNERS" receive such positive media publicity? Because our positive editorial concept had never been seen on television before.

Our first series consisted of 13 weekly episodes. Briefly described here, are three episodes from our first year's offerings:

Series I - Episode #101 - Wally "famous" Amos came from a broken home, was raised in poverty, was a shoeshine boy, dropped out of high school, earned his GED in the Air Force and became an international gourmet cookie business celebrity. He tells how he turned his life around through education and hard work.

- Episode #102 - Raymond Haysbert is now the CEO of Parks Sausage. Born in poverty, he was a juvenile delinquent and was arrested by the police as a teenager. Heading into trouble he decided with the help of his father to turn his life around. He excelled at school. The first job he held was collecting garbage, and today he runs the largest black-owned manufacturing company in the United States. Parks Sausage sells $26 million dollars of sausage every year. Parks Sausage was also the first black owned business to go public and sell shares on the New York Stock Exchange.

- Episode #111 - Wilfred Gray saved $500 from his unemployment checks and started Gray Paper on his kitchen table. Ten years later Gray is the only black-owned union printer in the Washington area employing close to 20 people.

We produced 13 half-hour episodes featuring African-Americans who, despite the odds, were able to succeed in life and business. Our programs were personality profiles that inspired viewers.

Members of the Congressional Black Caucus heard about our series and encouraged us to distribute the programs nationwide.

Congressman Alan Wheat (D-Missouri) wrote, **"The show's portrayal of minority entrepreneurs defying the odds to carve a niche for themselves and give something back to society should serve as an inspiration....In light of the show's universal theme -- the rewards of courage, imagination and hard work -- I believe "THE BUSINESS OWNERS" could be a valuable addition to the broadcast programming in other areas of the country as well. As President of the Congressional Black Caucus Foundation, I am constantly reminded of the importance in the lives of young black men and women of strong and successful role models. It is my sincere hope that you receive the support to bring your program's important message to other communities across the nation."**

Congressman Edolphus Towns (D-New York) wrote, **"It is critically important that the black community, especially young people, be exposed to positive role models in realistic and honest occupations...It is my hope that the Public Broadcasting System (PBS) will appreciate the merits of your project and enable you to disseminate entrepreneurial "success stories" throughout the American television community. It is crucial that we in the black community utilize small business opportunities to achieve economic empowerment."**

Congressman Ron Dellums (D-California) wrote, **"I commend you for your successful effort in creating an innovative program that will profile first-hand people who have overcome all obstacles to become a success. It will foster a positive image of minority capability to an ever-expanding television audience, but more importantly, it will provide role models to those who might need inspiration and encouragement to launch their own business. I encourage you to carry out your plan to expand the program and carry "THE BUSINESS OWNERS" series nationwide, as I would very much like to see this series made available by PBS to my constituents in the San Francisco Bay Area."**

Congressman John Conyers (D-Michigan) wrote, **"You have captured and brought to fruition the positive concept of successful minority businesses."**

"THE BUSINESS OWNERS" received an avalanche of phone calls and mail from viewers. We received excited comments from a wide cross section of viewers, people wanting to start their own businesses, parents who wanted their kids to watch the shows, and a tremendous following among educators. Teachers became our biggest fans. I received a letter from Judy

Fredette of the District of Columbia Public Schools. She wrote, **"Congratulations and thank you for your excellent TV series, "BUSINESS OWNERS". The Widening Horizons Career Orientation Program at the ninth grade level in the District of Columbia Public Schools, is designed to broaden student's visions of their futures. Your interviews with successful entrepreneurs in our own community have helped our students "see" themselves following their example. The realistic but encouraging experiences described by these men and women have been invaluable in discussions of "what is possible" within our DC world. I would like to be able to share this valuable motivational and educational tool with future students. Would your please send information on how the District of Columbia Public Schools might acquire copies of the series for the Widening Horizons Program?"**

"THE BUSINESS OWNERS" series was a hit to viewers, to teachers and to members of the press! The show was a hit to everyone but PBS.

In order to take the series nationwide I wanted to increase the production values and create a visually slicker looking program. Since I failed to get any financial or production support from CPB and PBS, I tried the strong regional PBS program producer South Carolina Educational Television. We were rejected. South Carolina Educational Television would not even give me the courtesy of an appointment.

I knew the series deserved a larger local audience share. Therefore, I took the programs to WETA, a larger PBS station in the Washington market. Cheryl Head told me that WETA could not help me produce the series and would not be interested in airing the series because it did not fit their demographic profile. I did, however convince her to air our programs during Black History month. We gave our series to WETA for free. I am grateful that WETA did air the series in February 1992 during Black History Month.

Because we were airing on WETA a television critic decided to review our Parks Sausage episode. And here is where we made history. "THE BUSINESS OWNERS" received a 3 star rating out of a maximum 4 stars! (4 stars is Hollywood production fare). I doubt any independent low budget series airing on PBS without any financial assistance from PBS or CPB ever received such a high rating.

Don Kowet, Television Critic of *The Washington Times*, wrote: **"The 13-part "BUSINESS OWNERS" series - part of WETA's Black History Month lineup - focuses on black entrepreneurs who've made good. And none has begun on a lower rung of life's ladder, or leveraged himself higher, than Mr. Haysbert. ...**

Miss Borland's total budget for the 13 half-hour shows was less than $100,000 -- roughly a third of the cost of a single hour-long network documentary. The shoestring budget precluded her from using the pyrotechnics of big-league documentarians -- glitzy graphics, clever camera angles and lots of locales. Instead, Miss Borland has one camera, pointing at Mr. Haysbert sitting in front of a bookcase. The nearest thing to "glitz" is the yellow "Parks Sausage Co." hard hat hanging off a shelf behind him. From time to time, still photos from Mr. Haysbert's past are inter-cut or there's film footage of the company's production line. It's that simple--and somehow it works. Mr. Haysbert's inspirational tale doesn't need any dolling up with fancy flourishes. He's a good enough storyteller to turn the TV set into a campfire. --RATING * 3 STARS,** February 14, 1992.

We received a tremendous response from white viewers. "THE BUSINESS OWNERS" received positive letters from people who were not ethnic minorities but enjoyed the inspirational profiles of the courageous human beings we profiled. I was able to fulfill my goal of creating a television program that crossed racial lines.

WETA did not pay for our programs and they benefited from the positive press publicity we brought. Viewers wrote WETA letters praising "THE BUSINESS OWNERS" as important programming benefiting the community. One letter even included a financial contribution to WETA as a gesture of thanks for airing "THE BUSINESS OWNERS". Of course that viewer's contribution went straight to WETA; the independent program producers did not receive a penny.

In February 1992, "THE BUSINESS OWNERS" Series One went out on PBS's National "soft feed". The "soft feed" is where independently produced programming not financially supported by CPB or PBS is satellite-fed. PBS stations around the country pick up and air the programs at their own discretion. Independently produced programming on the "soft feed" is usually given to PBS stations for free. Independent producers know that if you want your programs aired by PBS stations you had better not charge for it. Whereas, programs distributed on the "hard feed" are funded in part by CPB and PBS, and most of these programs require the PBS stations to pay for them. "Hard feed" programs are usually mandatory and all the 300 PBS stations usually air it.

The national "soft" satellite PBS feed was at my own expense. Not a single penny came from CPB or PBS. I was able to get the prestigious *Wall Street Journal* newspaper to become our national underwriter. *The Wall Street Journal* saw the validity of what we were trying to do and we will always be grateful for their modest but pivotal contribution. The *Journal's* contribution covered the satellite feed costs and part of the marketing costs for expenditures such as; mailing promotional materials to stations, advertising in *The Current* (a public broadcasting newspaper), and the very expensive, time-consuming phone calls to every PBS station's program manager. *The Wall Street Journal* also supported us with five tune-in ads in its national edition.

Trying to get distribution on PBS stations via "soft feed" is a very difficult, expensive and time-consuming ordeal. We had to make personal pitches to every PBS station in the country. It is an enormous undertaking to try to convince the program manager by phone, fax and mailings, that they should consider airing "THE BUSINESS OWNERS". We were able to convince PBS station WNET New York, all the Florida PBS stations, Nebraska, Oklahoma, Texas, Virginia, Wisconsin, Arkansas, New Jersey, Louisiana, Kentucky, Mississippi and Michigan PBS stations without any difficulty. We had enormous difficulty with California PBS stations, Alabama, Boston, Maryland, Tennessee, North Carolina and South Carolina PBS stations. The PBS stations in Los Angeles and the surrounding suburbs all said our program did not fit their targeted demographics of upscale older white households. After the NAACP and Representative Maxine Waters looked into the matter, KCET and KLCS Los Angeles finally aired "THE BUSINESS OWNERS". We received almost a hundred phone calls and letters from viewers in the Los Angeles area. The same thing happened in North Carolina, South Carolina and Maryland. It was ironic to receive letters of support from viewers in the very same areas that at first rejected airing "THE BUSINESS OWNERS". The PBS station program directors wrongly assumed their targeted upscale white demographic viewership would not appreciate our series. And thanks to channel surfing, a large number of minority viewers hungry for relevant educational material also tuned in to PBS.

We received letters of appreciation from viewers all over the country. Our biggest support came from teachers. A Florida teacher wrote saying the kids in his class love watching "THE BUSINESS OWNERS" because it is not boring like many traditional educational programs. The Sacramento, California Office of Education wrote, "We're very excited about "THE BUSINESS OWNERS" PBS feed and per our phone conversation of yesterday, would like to have written rights to tape and circulate this series to students in our region."

One letter really touched me. It came from an inmate at Marion Federal Penitentiary. He wrote saying that he watched "THE BUSINESS OWNERS" every Monday night on WEIU in Illinois. Our programs inspired him. He said that as a result of watching the series, when he gets out of prison he wants to be a small business owner. The inmate told me he is reading and studying business topics at the prison library.

After having a successful first season and getting aired on over 100 PBS stations we applied to the Independent Television Service, ITVS in Minnesota for funding. ITVS is financially supported by Congress and CPB, to help independent productions to air on PBS. For our demo tape we submitted to ITVS the Parks Sausage piece, the program that received a 3 star rating. I was disappointed again when we got rejected.

The PBS Adult Learning Service, a separate entity from PBS, selects programs that have already aired on PBS stations and redistributes them to PBS stations, educational institutions and corporations throughout the United States, Canada and Mexico. We were honored that from hundreds of new television programs to choose from, the PBS Adult Learning Service approached us with an offer to distribute our series through their distribution arm. Through the PBS Adult Learning Service's marketing efforts we received additional distribution to universities and colleges. We were also given the opportunity to earn a small royalty, which was split 50 -50 with the PBS Adult Learning Service. We are grateful the PBS Adult Learning Service elected to market and distribute "THE BUSINESS OWNERS" Series One in 1992- 1993 and Series Two in 1993- 1994. At he same time we were rejected by ITVS for funding, the PBS Adult Learning service was approaching us to sign a distribution contract. It seemed strange that the PBS Adult Learning Service valued our programs whereas ITVS did not.

While we were producing our second season, I was surprised to see another new series being distributed on PBS called "THE BLACK ENTREPRENEUR". Imitation is the best compliment, but a bit unfair when the competitor is produced "in-house" by PBS station WLRN in Miami. I now have a copycat competitor produced by PBS employees and funded by a PBS station. Having tax dollars go to my competitor is not an even playing field. But it soon happened a second time. KCET in Los Angeles decided not to air "THE BUSINESS OWNERS" Series Two or Three. After the riots in L.A. they received funding to produce their own in-house special program on black businesses. In fact they even featured one of the guests from "THE BUSINESS OWNERS" Series One in their in-house production. When we first tried to get KCET to air "THE BUSINESS OWNERS" in February 1992, they refused because it did not fit their targeted demographic and programming needs. After the L.A. riots, they now had produced an in-house special program with our similar topic, black small business owners.

We continued to produce additional 13 half-hour programs in Series Two and Series Three. Series Two contained several historical profiles. Episode #205 documented the 100 years of publishing the oldest black-owned newspaper in the country, the Afro-American newspaper chain. The Afro was founded by John Murphy, a former slave and Union soldier. We used historical photographs dating back to the Civil War. Another historical documentary was shown in Episode #209 profiling the oldest black-owned business in America, the C.H. James & Co. In Series Three, Episode #302 looked at the unique problems women-owned businesses face. We are currently finishing Series Three and will shortly begin shooting Series Four. Again all the production funding for Series Two and Three came solely from the private sector, not a penny came from PBS. For Series Four I have identified an Emmy Award winning producer/editor and a director that has won an award from the National Education Association. I have identified the African-American high-end producers/director/editor/talent that can improve the production values of "THE BUSINESS OWNERS" but I do not have the funding to bring them on board.

I must share with you that every potential corporate underwriter I approach for funding does not understand why a successful program that the minority community and educators want to see on television, is not being supported in any way by CPB or PBS. Corporations feel that we should be receiving some level of seed money support from CPB and PBS, since PBS benefits from our free distribution to their stations.

In my almost four years of dealing with PBS as an independent producer I have come to learn that as the structure is currently set up, it really is not in the stations' best interest to help independent producers. It is more economically advantageous for the stations to receive funding themselves and to produce programs in-house using their own staff. Independent productions are a drain on their resources. PBS stations do not want to give any part of the funding they receive from the Federal Government through CPB, State funding, foundation grants or other sources to any outside independent producer. It is in the PBS stations' best interest to keep all funding for use internally. PBS stations have large staffs and bureaucracies to fund. Many stations have other strong PBS stations to compete with in their very same market area. Today, with funding sources becoming scarce, PBS stations fight for every dollar available, including funding that may have gone to small independent producers in the past. I have come to learn and see over the years that PBS stations really compete against independent producers for funding, especially in the private sector. When an independent producer is rejected by CPB/PBS/ITVS for funding, they are told by PBS program directors to seek funds in the private sector. When you go to foundations and corporations, the PBS stations are there too. This is unfair.

Several months ago I approached Kaiser Permanente an insurance company for underwriting support. They told me they already gave money to sponsor "THE BUSINESS OWNERS" when it aired February 1994 on WETA. Although I did not know it at the time, Kaiser Permanente did sponsor the series when it aired on WETA during Black History Month. Kaiser's money went to the station, I did not receive a penny. Station WHRO Norfolk, Virginia sold sponsorships to Burger King when the series aired. Again, we did not receive a penny. Stations are equipped with full time employees who do nothing but sell underwriting /sponsorships to corporations. They have the equipment to produce the underwriting credits. An independent does not have the resources to compete against a station.

Most independent producers have not gotten as far as I have. They become frustrated after six months and give up. One independent producer told me, "They have no business being called public. Their bureaucracy is endless. I gave up at the very beginning. Friends that worked at PBS said don't bother." A lot of independents that I spoke with did not want to be named in my testimony for fear of retaliation by PBS stations who may decide not to air their programs.

I recently met with Robert Coonrod at CPB. I sincerely asked him to help us. I asked for guidance and funding assistance. I received a letter back from Coonrod and Don Marbury that was cold and dismissive.

At first when CPB/PBS/ITVS rejected me, I went out with determination to prove myself. After we proved ourselves with a 3 star rating, tremendous press coverage and strong support from viewers, they still reject us after four years. "THE BUSINESS OWNERS" television series has been on CPB and PBS' peripheral edge for almost four years, always looking in, but never allowed into their funding system. Something is wrong with the structure. The structure encourages stations to compete with independents. The structure encourages CPB/PBS to only deal with the "big-boy" name producers.

The Pentagon has a better track record of reaching out to disenfranchised talented groups. For decades the Department of Defense spent money only with the large "big-boys", the conglomerates that were part of a "good-old-boy network". By congressional law, DOD was mandated to set aside a percentage of procurement dollars for small, woman, and minority-owned firms. Today the DOD structure is not perfect, but it seems to be <u>fairer than the current CPB/PBS structure.</u> I would emphasize here that we are not talking about handouts to unqualified women and minorities. We are talking about changes to the PBS structure that are needed to encourage and reward real talent.

Another area the House needs to investigate is the funding of PBS' new cable television channel, Horizons Cable Network. Tax payers dollars are helping to support a new cable network that has the entrepreneurs behind other new cable networks aghast! Channel capacity is extremely tight and other new cable networks have programming concepts similar to Horizon. New cable programmers who have to raise their financing in the private sector feel it is not a level playing field to have to compete against a government funded channel. Some new cable channel presidents were afraid to be identified in my testimony, because Horizons is headed by the former president of PBS, Lawrence Grossman. They felt he is too powerful a figure to openly criticize.

We at Global Village Network do not mind competing with Horizon, but let's do it on a level playing field. According to Doug Ritter, president of the Arts and Antiques Network, "No, no, PBS should stay away from starting a new cable network, they should stay away from commercial operations." Was it Congress' intent that CPB/PBS start a new commercial advertising and merchandising cable television network?

I strongly urge the members of this subcommittee to scrutinize how CPB spends its approximately $350 million per year. I have never seen that documented. I also strongly encourage the subcommittee to look at the current structure and operation of CPB/PBS as it relates to funding diversity of talent and expression. The structure as it currently exists is not friendly to small independent producers.

The current structure creates a hostile environment where small independents have to compete against the large PBS stations in their community and around the country. If you were a corporation or a foundation would you give underwriting dollars to a small independent ? Or would you feel drawn by familiarity and inertia to donate your money to a large PBS station with infrastructure, studios, numerous employees and a big presence in your community?

Testimony given to the Senate and House last summer and fall by CPB and PBS, praises their dedication to multi-cultural programming. But when you get down into the trenches and talk with the actual "gate keepers," PBS station program directors, they continually reject programs that may not appeal directly to their "Masterpiece Theater" upscale households. When CPB goes in front of Congress for tax payer support and funding, they claim to be the good guys providing support for multi-cultural programs. They claim in front of Congress, to provide programming that "looks like America". But when I met with CPB's Robert Coonrod on June 30, 1994, he privately told me their research shows the PBS viewer to be an older white demographic. Thus, implying the reason my series is not getting financial and distribution support from PBS is because it does not fit their main target demographic. There is a conflicting and unfair policy here.

CPB/PBS is a structure that has made a practice of awarding grants to stations and big producers that they have done business with for years--just like the old DOD. The Independent Television Service (ITVS), a supposed answer to this problem, has not worked. It pushes the independent away from the main stream, not into it. It did nothing for me.

I have been able to produce main stream programming without "equal access" to funding and distribution. I hope that ways can be found for the structure at CPB/PBS to improve.

My preliminary recommendations for this subcommittee are:

1) To conduct a very careful investigation of CPB/PBS responses to independent producers who are not part of their accepted "family."

2) Continuing oversight by this subcommittee into the systems performance in regards to fair and equal access by independent multi-cultural producers, so as to check past bad habits.

3) I would be glad to work with the subcommittee, to help develop remedial measures that can make the CPB/PBS structure supportive and not hostile to independent producers who are not part of the "inner circle."

THURSDAY, JANUARY 19, 1995.

WITNESS

LYNN CHADWICK, PRESIDENT AND CEO, NATIONAL FEDERATION OF COMMUNITY BROADCASTERS

Mr. PORTER. Our next witness is Lynn Chadwick, representing the National Federation of Community Broadcasters.

Ms. CHADWICK. Thank you, Chairman Porter and Members of the committee, for asking me to speak to you on behalf of the community radio stations across the United States.

Community radio may be a new term to many of you, and I am delighted to have the opportunity to tell you about this valuable resource that exists in communities from Alaska to Florida and California to Maine.

I am Lynn Chadwick, President and CEO of the National Federation of Community Broadcasters, which is the national membership organization for community radio, and I represent some 100 community radio stations and an additional 100 college radio stations, producers, and other individuals and entities participating in the whole network we collectively refer to as the "public radio system."

The NFCB is a 20-year-old grassroots organization which is established and supported by our member stations. The first thing I want to tell you is that community radio supports funding for the Corporation for Public Broadcasting. The second thing is that I request the opportunity to submit a more full testimony within a few days to the committee.

Mr. PORTER. We will receive that.

Ms. CHADWICK. I have worked in community radio for 19 years, and I can tell you that public broadcasting is a very complex story. So I look forward to helping the committee as you look over the data that you receive today and sort it into information, which I think is going to be a real challenge.

Community radio stations are locally controlled, noncommercial, public radio stations. While the first community radio station, KPFA in Berkeley, California, was established in the late 1940s, many of the stations were established in the late 1970s through the 1980s. There are a few stations still coming on the air. In the past year, WZRU began broadcasting to the rural community of Roanoke Rapids, North Carolina, and KSWS began broadcasting in South Dakota, licensed to the Dakota Nation. The largest group of stations now coming on line in community radio are stations serving Native American communities and others living on or near reservations where these stations provide the only broadcast signal of any kind and there is no cable.

Community radio is a service provided by and for its local community. Each station's mission is established and monitored by a board of directors drawn from the community. These stations epitomize the basic tenets of U.S. communications law, that the airwaves belong to the people and that broadcasters serve the public interest. These stations draw their largest portion of operating funds from listeners in the communities.

Stations such as Radio Bilingue, which serves a Spanish-speaking audience in California's Central Valley, or WVMR that serves rural West Virginia, receive many of their donations in five-dollar bills, which represent a true gift from the households that these stations serve. KVNF in Paonia, Colorado serves the western slope where forest fires killed several firefighters last summer, and the station itself lost its main transmitter but kept broadcasting during the fires, providing the only local information available in its service area.

The stations that I have mentioned above are the ones that receive the largest portion of their budget from CPB funds, up to 35 or 45 percent of the station's operating cash. If CPB funding is cut back severely, obviously these are the stations that would be hit the hardest. However, everyone loses: the communities these stations serve, the regional and national networks that rely on these stations to provide reporting such as last summer's forest fires, and finally, audiences across the country.

Community and public radio stations provide broadcast signals to over 86 percent of the U.S. population.

And before I came here, I got a fax letter in from one of my member stations, KMUN up in Astoria, Oregon. And I just want to read to you from it. The manager there says, If the funding was cut—he says:

"KMUN is one of the small rural stations that would have a difficult time if Federal funding disappears. Perhaps not immediately. We subsisted for 10 years without CPB funding as we grew enough to be noticed. But in the long run, as equipment breaks down, as $12,000 salaries return, with loss of health benefits, and as good staff move on to find real jobs, KMUN will eventually die.

"We will immediately lose all national programming with the exception of the free shows. These, of course, will soon be gone because most are produced at stations supported by CPB. Eventually, as the transmitter breaks or the STL gives up—and with no NTIA funds—the station will simply be unable to continue to broadcast. Bleak, huh? And what would the local populations of the 40 tiny towns and communities we service in northwest Oregon and southwest Washington lose without us on air?

"How about bedtime stories read each night during the week at 8 p.m. by local readers with a chapter book and short stories and lullabies to put the kids to bed with, on the air for 10 years here.

"How about the alternative to Saturday morning cartoons, the Skinnamarink show with kids, music, stories, and games each week, produced by local school teachers and librarians, on our air for nine years?

"How about our Spanish language, culture, and music program organized by local Hispanic volunteers, a growing but poor community here?

"How about the classical music unavailable on any other station for 300 miles—or jazz or folk music or local news and public affairs?

"How about coverage of the county commission meetings and the State legislature, not done by the commercial stations here? All this would go without assistance.

"It isn't for lack of support locally. We have more than a thousand members, more than 200 volunteers, including Republicans, Democrats, Independents and nonpoliticals. The county district attorney is our Friday night jazz programmer. We have affiliated with the local newspaper for a public affairs forum show, and teamed with the community college and their communications department teaching the radio class for credit. We are the prototype for the most accessible radio in the world. We advertise for people to come and learn to be radio programmers. Our community is on the air talking to each other here."

I was going to go into cable, but you have heard so much about cable. But I want to add what it means to rural community.

The station at KVNF was told they would lay cable if there were 10 households to the mile in their neighborhood. She said there is no way there are going to be 10 households to the mile. Cable is not going to come to Paonia, Colorado.

So what I want to finish by saying is, are we ready to give up on 25 years of Federal support for public broadcasting just as the Nation is beginning to understand the potential of the information age to unite communities within urban areas and within interest areas across the Nation? Continued Federal support for public broadcasting will guarantee that all communities in the country, rural and urban, remote and inner-city will benefit from the promises of telecommunications—to learn about each other, to learn from each other, to share the music and the stories and the thoughts and the judgments from a variety of viewpoints.

This is the mission of community radio and public broadcasting. Community radio still believes in this mission and Federal support helps us to accomplish it. Thank you.

Mr. PORTER. Ms. Chadwick, thank you very much for your testimony.

[The prepared statement of Lynn Chadwick follows:]

TESTIMONY OF LYNN CHADWICK

PRESIDENT & CEO OF

THE NATIONAL FEDERATION OF COMMUNITY BROADCASTERS

BEFORE THE LABOR, HEALTH AND HUMAN SERVICES SUBCOMMITTEE

OF THE APPROPRIATIONS COMMITTEE

THE UNITED STATES HOUSE OF REPRESENTATIVES

JANUARY 19, 1995

The National Federation of Community Broadcasters
666 11th Street, N.W., Suite 805
Washington, D.C. 20001
202-393-2355

Thank you, Chairman Porter and Members of the Subcommittee, for asking me to speak to you today on behalf of community radio stations across the United States. Community radio may be a new term to many of you, and I am delighted to have the opportunity to tell you about this valuable resource that exists in communities from Alaska to Florida, and California to Maine. The first thing I want to tell you is that community radio fully supports sustained funding for the Corporation for Public Broadcasting.

I am Lynn Chadwick, President and CEO of the National Federation of Community Broadcasters, which is the national membership organization for community radio. I represent some 100 community radio stations and an additional 130 college radio stations, producers, and other individuals and entities participating in the whole network we collectively refer to as the public radio system. The NFCB is a twenty year old grassroots organization which was established and is supported by our member stations.

I have worked in this field for nearly 20 years, and I understand the complexity of the structure of public broadcasting. I look forward to helping the committee fully understand how this system works and the value of federal funds to community radio. You've heard a lot of data today that needs to be sorted into information.

COMMUNITY RADIO ARE LOCAL STATIONS, PROVIDING UNIQUE SERVICES

Community radio stations are locally controlled, non-commercial public radio stations. While the first community radio station, KPFA in Berkeley, California, was established in the late 1940's, many of the stations were established in the late 1970's through the 1980's. There are a few stations still coming on the air. In the past year WZRU began broadcasting to the rural community of Roanoke Rapids, North Carolina and KSWS began broadcasting in South Dakota, licensed to the Dakota Nation. The largest group of stations now coming on line in community radio are stations serving Native Americans and others living on or near reservations where these stations provide the only broadcast signal of any kind.

Community radio is a service provided by and for its local community. Each station's mission is established and monitored by a board of directors drawn from the community. These stations epitomize the basic tenets of U.S. communications law; that the airwaves belong to the people and that broadcasters serve the public interest. These stations draw their largest portion of their operating funds from listeners in their communities.

Stations such as Radio Bilingue, which serves a Spanish-speaking audience in California's Central Valley, or WVMR, that serves rural West Virginia, receive many of their donations in $5 bills which represent a true gift from the households these stations serve. KVNF in Paonia, Colorado serves the western slope are where forest fires killed several firefighters last summer and the station itself lost its main transmitter, but kept broadcasting during the fires, providing the only local information available in its service area.

EVERYONE LOSES IF PUBLIC BROADCASTING IS CUT

The stations that I have mentioned above are the ones that receive the largest portion of their budgets from CPB funds, up to 35% of their operating cash. If CPB funding is cut back severely , obviously these are the stations that would be hit the hardest. However, everyone loses: the communities these stations serve, the regional and national networks that rely on these stations to provide reporting such as on last summer's forest fires and finally audiences across the country. Community and public radio stations provide broadcast signals to over 86% of the U.S. population.

LETTER FROM KMUN, COMMUNITY RADIO IN ASTORIA, OREGON

I believe that this letter from a station manager in Astoria, Oregon, population 10,000, best describes the value of CPB funding, and what the results of major cuts in federal funding will be in small towns and rural America:

January 17, 1995

Richard Carlson
President, CPB
901 E Street, NW
Washington, DC 20004

Dear Sir,

I listened today as KMUN aired the KCRW discussion program and found your responses and approach to the issues of federal financing for public broadcasting hitting the right note. You also sounded sincere and genuinely troubled by some of the unfair characterizations of public radio being thrown around in the media. Sadly, we have allowed ourselves to be put in the position of symbol for a lot of society's ills...very much as the welfare mother and single parent household have. But unlike them, we have a voice and it should be used.

Mr. Horowitz' point that taxpayers should not be required to pay for something they do not believe in cuts both ways. Many Americans do not want to fund another set of B-1 bombers or interstate highways, but are compelled to do so. And why are religious stations allowed free spectrum space to both continually fundraise and to plug candidates and issues of their choice (uniformly conservative) without being labeled as is public radio?

But that isn't why I am writing. KMUN is one of the small, rural stations that will have a difficult time if federal funding disappears. Perhaps not immediately. We subsisted for ten years without CPB funding as we grew enough to be noticed. But in the long run, as equipment breaks down, as twelve thousand dollar salaries return (with the loss of health benefits), and as good staff move on to find real jobs, KMUN will eventually die.

We will immediately lose all national programming with the exception of the free shows. These, of course, will soon be gone because most are produces at stations supported by CPB. Eventually, as the transmitter breaks or the STL gives up -- and with no NTIA funds -- the station will simply be unable to continue to broadcast. Bleak, huh? And what would the local populations of the forty tiny towns and communities we service in northwest Oregon and southwest Washington lose without us on-air?

How about bedtime stories read each night during the week at 8 PM by local readers with a chapter book and short stories and lullabies to put the kids to bed with? (On the air for 10 years here). How about the "alternative to Saturday morning cartoons" the Skinnamarink show with kids, music, stories, and games each week produced by local school teachers and librarians? (On our air for 9 years). How about our Spanish language, culture, and music program organized by local Hispanic volunteers, a growing but poor community here? How about the classical music unavailable on any other station for 300 miles or jazz or folk music or local news and public affairs? How about coverage of the county commission meetings and the state legislature? (Not done by the commercial stations here). All this and NPR news, Car Talk, Thistle and Shamrock, Talk of the Nation...all would go without assistance.

It isn't for lack of support locally. We have more than a thousand members. More than two hundred volunteers including Republicans, Democrats, Independents and non-politicals. The county district attorney is our Friday night Jazz programmer. We have affiliated with the local newspaper for a public affairs forum show and teamed with the community college as their communications department teaching the radio class for credit. We are the prototype of the most accessible radio in the world. We advertise for people to come learn to be radio programmers and producers without regard to political or economic status. Radio for elites? Bull bleep! Our community is on the air talking with each other, here!

Don't let the misinformation campaign do its job in D.C. When you testify Thursday, tell them about real public (access) radio. You can mention our name. Good luck and thanks for your time.

Doug Sweet
KMUN Station Manager

MORE MONEY IS SPENT ON US BROADCASTING OUTSIDE THE U.S.

I am somewhat mystified as to why CPB funding has been targeted for major cuts. The Federal Government spends more on Radio Free Asia, international broadcasting and Radio and TV Marti --to beam signals at Cuba which are generally jammed and which in turn play havoc with broadcasters in Miami--than it spends on public radio and television for the American people. The U.S. taxpayer in 1995 is expected to spend $350 million to provide news and entertainment to people outside the U.S., compared to the $285 million than we will spend on public broadcasting for ourselves. Maybe this debate is not about money.

CABLE IS NOT A SUBSTITUTE FOR PUBLIC BROADCASTING

Federal funding for public broadcasting was established in 1967 so that there would be some support for programming that would not be created or nurtured by the marketplace. Programming that serves children, people of color, women, the disabled and so on. I have heard the argument that with the development of cable, public broadcasting is no longer needed since there's Lifetime for women, Black Entertainment Television, Nickelodeon for children and so on. This is surely a "let them eat cake" argument.

Cable is not a substitute for public broadcasting. Where cable exists, only 60% of the households subscribe. And it is the cable operators who decide what channels will be offered and how much they will cost and where communities are "worth" laying down cable or upgrading to fiber. Cable operators do not have the same responsibilities that broadcasters do. Unlike public broadcasting, cable operators do not have to operate in the public interest, nor are they subject to the same rules on content or requirements for equal time for political candidates, or for community review of their operations.

PUBLIC BROADCASTING WILL OPEN UP THE INFORMATION AGE TO EVERYONE

Are we ready to give up on twenty-five years of federal support for public broadcasting just as the nation is beginning to understand the potential of the information age to unite communities within urban areas and within interest areas across the nation? Continued federal support for public broadcasting will guarantee that all communities in the country, rural and urban, remote and inner city, will benefit from the promises of telecommunications: to learn about each other, to learn from each other, to share the music and the stories and the thoughts and the judgements from a variety of viewpoints. This is the mission of community radio and public broadcasting. Community radio still believes in this mission. Federal support helps us to accomplish it.

THURSDAY, JANUARY 19, 1995.

WITNESS

ORAL O. MILLER, EXECUTIVE DIRECTOR, AMERICAN COUNCIL FOR THE BLIND

Mr. PORTER. Our next witness is Oral O. Miller of the American Council of the Blind. Mr. Miller.

Mr. MILLER. I thought you were calling time on me already there. Thank you Mr. Chairman.

My name, through a bad cold today, is Oral Miller. I am the Executive Director of the American Council of the Blind, which is generally recognized as the largest organization made up of blind and visually impaired people in the United States.

We have chapters and affiliates in almost every State, as well as members in 20 national affiliates which are established along common-interest or vocational lines, such as the National Association of Blind Teachers, Council of Citizens with Low Vision, the Guide Dog Users, the National Alliance of Blind Students, and others.

The American Council of the Blind has as its goal the improvement of the well-being of blind people and their integration in all aspects of society. We thank you for this opportunity to share our views with you regarding the unique and largely unrecognized value of public radio and TV as assisted and encouraged by the Corporation for Public Broadcasting to millions of American citizens who are either blind or visually impaired and cannot read or see television.

In this statement, I will cover three of the primary ways in which public broadcasting impacts on the lives of blind and visually impaired citizens, and I will go into more detail in the written statement which I have submitted.

First, because blind and visually impaired people can't read the newspaper, they benefit enormously from the essential nature of public radio and TV as a source of in-depth, objective, uninterrupted information which gives access to all points of view. Consider, for example, the very spirited discussion which I heard on public TV last week about unfunded Federal mandates, a discussion between Ohio Governor Voinovich and Congressman George Miller. Such independent, frank programming just is not available on commercial radio and television generally.

My second point, if you were to wake up one morning and couldn't read the daily newspaper, where would you turn for information? Hundreds of thousands of older Americans face this situation as they lose their sight; as they become older, especially, and lose their sight, where can they turn? Well, if they are lucky, they can turn to the radio reading service in their community.

What is a radio reading service? It is a local nonprofit community organization that broadcasts reading which is done by volunteers—reading of newspapers, of magazines, of material that is of interest and frequently of a very timely nature; information about sales, obituaries and other things that simply would not be available elsewhere. This is information that is important to and interesting to everyone.

Most of the approximately 150 radio reading services for the blind around the country work very closely with public radio stations. In many cases, they share space and in many cases the radio reading service pays little or no rent. In most cases, the radio reading service uses, for little or no charge, part of the public radio station's broadcasting frequency, which is called the "subcarrier frequency." This frequency can be heard just on a special radio receiver which is provided to the blind and visually impaired person by the local radio reading service.

PBS and radio reading services have a long history of working together. If funding for public broadcasting were cut out or cut sharply, many of these radio reading services, most of which hang on economically by their fingernails, would probably be silenced. In fact, just this morning I received a frantic call from a 77-year-old lady in Girard, Kansas, begging me—and Mr. Lewis, this may ring a bell with you—begging me to try to assist in some way to prevent the cutting of funding that would impact the public radio station in Pittsburg, Kansas, which is one of several public radio stations that transmits the statewide Kansas radio reading service for the blind.

My third point is a very exciting one because it involves the ever increasingly important impact of TV in society. Some people are probably thinking, what is this man doing talking about TV and blind people? You will find out. Until recently, blind and visually impaired people could not really benefit fully from television especially because of those familiar segments that all of us know about. Just stop and think. There are those segments during which there is no conversation. There may be some background music or there are no audible cues, anyway, to tell a blind listener or a sighted listener who isn't looking directly at the screen what is going on.

That is, you may hear the door open. You hear someone walk across the room. Then you hear a sound which could be interpreted as any of three or four things taking place. It turns out that it might be the slashing of a valuable painting on the wall, but you are not sure. On top of that, who did it? Or the very familiar setting, I am sure. Just stop and think, what did Jimmy Stewart really see from the rear window while he was confined in his apartment with that broken leg? And there are, of course, countless other examples. A process called video description is part of the solution to this real problem.

Now, what is video description. Video description or descriptive video is the precise insertion of short, concise, audible descriptive words and phrases between the dialogue and the program. This description is broadcast on a separate audio program, or SAP, channel which is on most modern TV sets, and that descriptive video comment is not heard by the general public unless the public chooses to hear it on that separate channel. In other words, it doesn't interfere in any way with the dialogue of the program. Public broadcasting is the main source of this service.

As one of its affiliates, WGBH in Boston launched descriptive video service in 1990 after conducting a survey, a study to determine the feasibility of this service and developing techniques for accomplishing it in a meaningful and effective way, just as WGBH earlier had developed captions for the deaf. Video description is now being delivered by approximately 100 public stations, covering approximately 64 percent of the TV households in the country.

I am sure there must be some baseball fans among us today, although the season last year got shortened a bit. Just imagine that fantastic series that was on public TV several months ago about the history of baseball. Think with me, if you will, what you would have gotten out of that series if you had heard just the audio connected with that series when they were talking about, for example, the mighty swing, that precise, beautiful, mighty swing of Babe Ruth. I am talking about hearing on the dialogue, not seeing the picture and not having any description as to what that swing involved.

Think about the colossal base running coalition between the immortal Ty Cobb and Honus Wagner or the amazing catch of Willie Mays in the 1954 world series. If one of your colleagues, Congressman Jim Bunning, were with us today perhaps he could even tell us whether Willie Mays hit a fast ball or a knuckle ball.

One of the reasons why descriptive video works so well is that—when it can be funded, is because the producers are eliciting and receiving input from listeners and viewers via various advisory boards and other advisory vehicles. As an example, the President of the American Council of the Blind serves on the advisory board, and annually, descriptive video personnel come to, among other major meetings, the national convention of the American Council of the Blind where they have an opportunity to get input from more than 2,000 blind people from throughout the United States and Canada.

Now, this service is not resting on its laurels. The CPB has funded and has launched the National Center for Accessible Media in Boston. This was done in 1993 to accelerate media access to populations, obviously, such as the blind and visually impaired populations that have traditionally been underserved.

It is clear that public broadcasting provides exceptionally important services to blind and visually impaired citizens, especially those who cannot afford cable service. Some of these services may not have been known to you before today, but I hope you now see that countless extremely important services come with the public broadcasting that you are more familiar with.

In the United States, statistics indicate that approximately 70 percent of the blind people in this country are either unemployed or drastically underemployed. And unfortunately, one of the many reasons for this is the lack of access to information and appropriate technology for dealing with this information gap. And this gap, of course, will become even greater as we enter on the electronic highway. The question is, are some of our people going to be hitchhikers on that highway or are they going to be able to go down the highway with everybody else?

We in the American Council of the Blind urge you to preserve funding for public broadcasting and the services which are connected with it.

I will be pleased to answer any questions you may have.

Mr. PORTER. Mr. Miller, thank you very much for your testimony. I think you did tell us a number of things that we did not know at all, at least this Member did not know at all, and we very much appreciate your being with us and providing your testimony.

[The prepared statement of Oral O. Miller follows:]

Comments for the Record

by the

American Council of the Blind

on

Corporation for Public Broadcasting Downsizing

before the

Subcommittee on Labor, Health and Human Services, and Education
Committee on Appropriations
United States House of Representatives

January 19, 1995

The Honorable John Edward Porter, Chairman

For information:

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The American Council of the Blind is the largest organization made up of blind and visually impaired people in the United States and it seeks to improve opportunities for people who are blind and visually impaired. As such, we are greatly concerned about the proposal to cut the funding for the Corporation for Public Broadcasting, as this entity has had a significant effect upon the lives of the blind and visually impaired.

Imagine yourself in a situation where you awaken and find that you are no longer able to see well enough to read your daily paper. Where would you turn? How would you read your paper? This is the scenario tens of thousands of older Americans face as they age and lose their sight. In fact, getting information from the paper and magazines is a quest shared by blind and visually impaired people throughout the nation.

If you were forced to join those in search of information from their daily paper, chances are you would turn to a radio reading service. Radio reading services are facilities which broadcast newspapers, magazines, and information of interest to blind and visually impaired listeners.

Nearly all of these services work closely with National Public Radio-affiliated stations. Many share space with these stations at low or no rent. Those that do not share space and resources such as satellite downlinks often share the actual frequency with the NPR-affiliated station. These radio reading services use a special channel which is part of the public broadcaster's frequency. These special channels or subcarriers as they are called can only be heard on special receivers provided to the blind listener by the radio reading service.

PBS and radio reading services have had a long history of working together. PBS funding has traditionally been a part of radio reading service funding.

If PBS funding is eliminated or sharply reduced, it's conceivable that many of these radio reading services could be silenced. The need for information does not lessen when someone's visual acuity diminishes. Indeed, it could be argued that as one's vision decreases, the need for information, especially the kind of information traditionally offered by radio reading services, increases.

In the aforementioned relationship, Public Broadcasting serves a very useful purpose for blind and visually impaired individuals. Through its member affiliate, National Public Radio, Public Broadcasting enables the radio reading service to reach over 1 million listeners who rely upon this service. In doing so, Public Broadcasting provides readings of important print material to those who cannot read due to a disability. Such materials include daily newspapers, community news updates, grocery ads, and death notices. As a result of the reduced carrier fee, NPR stations are usually the most common carriers of radio reading service broadcasts. As can be seen, such a service does not have a large funding base, and yet it is a critical service provided to people with disabilities. When the trained radio reading service volunteers read such items, they are giving people with disabilities access to necessary information in a manner that fosters independence and encourages their full entry into society.

In addition to radio reading, Americans with disabilities, particularly those with vision impairments and hearing impairments, believe that the time is right to ensure that video programming remains fully accessible -- that is, fully usable by and completely informative to blind and visually impaired people. For too long, individuals with visual disabilities have been unable to benefit from significant portions of televised programming -- such as segments during which there is no conversation or accurate sound that is depicting action that is taking place. In the new world of megachannel platforms (including channels to be used in schools) and video on demand, this lack of access will be magnified a thousand times. The barriers to access for these Americans are unnecessary and harmful; and they can be readily dismantled. Video description and closed captioning offer enormous potential for full access for individuals with disabilities and they also offer useful benefits to others in the population.

Currently, Public Broadcasting is a main source of descriptive video service, as one of its affiliates, WGBH in Boston, has pioneered advances in accessible programming for more than 20 years since captioning the first nationally broadcast program. WGBH is working to make all programming accessible to the nation's blind and visually impaired viewers. Instrumental in the Television Decoder Circuitry Act of 1990 (which serves deaf and hard of hearing individuals), they also launched Descriptive Video Service (DVS) in the same year. DVS makes television accessible to millions of people who are blind or visually impaired through narrated descriptions of key program elements.

Video description serves a compelling national purpose by providing a legitimate and essential means of access for blind and visually impaired Americans to video programming. Without access to video programming through video description, millions of blind and visually impaired Americans will be deprived of the benefits and enjoyment of the vast variety of video information and entertainment delivered via telecommunications networks to American households. If funding for the public stations is cut, and thus access to video programming is not ensured, policy-makers will be sending a message to Americans with disabilities: separate and unequal access is acceptable in public broadcasting.

Full participation in our society requires that blind and visually impaired people be able to independently gain access to the cultural, social and educational information included in the video programming provided to U.S. households through such means as public broadcasting. If 85 percent of Americans say that television is their primary source of news and information, it is unconscionable to deny full access to that medium to one sector of the population, especially when it has been proven feasible to provide such access. Video description is a proven means of providing equal access for people who are blind or visually impaired to television/video programming through narrated descriptions of inaccessible visual elements of such programming.

Video description serves other print-impaired populations, such as individuals with learning or cognitive disabilities, those with limited literacy and children in deriving greater benefit from video programs. In addition, video description provides a level of convenience to all television viewers because it provides an enhanced level of choice in "viewing" such programs.

Video description is currently delivered over the Secondary Audio Program (SAP) channel by nearly 100 PBS stations, in 29 states covering 64 percent of U.S. television households. It is the largest single service provided over the SAP and the only current national user of the channel.

In addition, Public Broadcasting funds many other ventures which provide significant contributions to the lives of people with disabilities. Among them is:

- WGBH-Caption Center, Boston, MA

- Corporation for Public Broadcasting/WGBH National Center for Accessible Media (NCAM), Boston, MA

NCAM was established in 1993 with funding from the Corporation for Public Broadcasting. NCAM is taking steps to accelerate media access to populations that have been underserved or denied access. Project examples include:

- Access Primer and Toolkit -- primers for stations interested in technology applications such as descriptive video, captioning, and foreign language (especially Spanish) translations and tips on building relationships with blind, deaf, and minority-language communities;

- International Broadcasting -- study of how countries around the world are providing access to their TV systems;

- Vertical Blanking Interval (VBI) Project -- is experimenting with using the VBI of the television signal instead of the third audio channel in routing descriptive video or Spanish video;

- Print Access Project -- to digitize newspapers and deliver them into the home fully accessible to blind, low-vision, and other print-disabled people.

Thus, it is clear that Public Broadcasting provides important services to people with disabilities. Sometimes, it is the only provider of such service, particularly for people who cannot afford cable services. Currently, 70 percent of people with disabilities are unemployed. This statistic reflects not only societal biases against people with disabilities, but also the lack of access people with disabilities have to modern technology. Such a lack of access limits their ability to become productive members of society. Public Broadcasting is exploring and integrating such avenues for access in its service, and thus is helping to assure a spot in the contemporary workforce for blind and visually impaired people. We urge you to preserve the funding for Public Broadcasting, and in so doing, provide key services to people who are blind and visually impaired.

Mr. PORTER. I want to thank each of our witnesses on this panel. They have done an excellent job, stayed within our time limits, and all the witnesses today have shed a great deal of light on the very difficult question that this subcommittee has to grapple with. So we thank all of you very, very much for being here and for your good testimony.

Mr. OBEY. Mr. Chairman.

Mr. PORTER. Mr. Obey.

Mr. OBEY. Mr. Chairman, I recognize that the Chair has wanted to keep these hearings on time, but I frankly think the public is ill-served when we have two panels come before a subcommittee like this when Members of the subcommittee are not allowed to ask questions of the panels.

I am sorry that I could not be here during the other panel. I had two other meetings I had to attend going on at the same time. But I really believe, for instance, that if the public is to be able to sort out fact from fiction on these issues, that, for instance, when Mr. Irvine testified about the so-called lack of objectivity and balance with respect to programming by public broadcasting, I think we should have been allowed to question him as to whether or not he would also support resurrection of the fairness doctrine as it applies to private and to commercial television and radio in this country.

I doubt that any public radio or television program on the air right now is anywhere near as viciously partisan as some of those other programs where we hear Hillary Clinton pilloried for three straight hours without any objective balance being provided.

I think that Mr. Jarvik raised some interesting questions. I think the public interest would have been served had he been questioned about them.

I think some Members wanted to question Mr. Sheldon Richman of the Cato Institute, about his off-the-wall constitutional theory that he presented as fact. It seems to me public interest would have been served had we been able to examine the brilliance of his constitutional theory.

Mr. Safian indicated that he was unhappy with a number of broadcasters, including Pacifica. I have been unhappy with Pacifica myself from time to time, but it seems to me, again, that rather than having two ships pass in the night as these panels have done this afternoon, it seems to me that Members could have performed a very useful function in seeing to it that at least there was some cross-fertilization of accusations and opinions so that some of the more vociferous objections to practices of public broadcasting that were mentioned by some of the witnesses in the previous panel today could have been responded to directly by the Corporation for Public Broadcasting.

I don't object to any witness being here, and obviously, having chaired subcommittees for a number of years, I understand the difficulty in keeping people on time; I understand the difficulty in having questioning going on for a long period of time. But it just seems to me that hearings need to be something other than trotting up people who will make—especially on televised hearings of this kind, who will be making wide-swinging allegations without an opportunity to have those allegations really tested by persons who, in the finest democratic tradition, just might happen to have a different view.

I, frankly, have had more than my share of fights with public broadcasting over the years. I remember the intense lobbying that they directed against me when I would not support turning funding for public broadcasting into an entitlement. I didn't feel they should receive the gift of an entitlement. I strongly believe that we have the right to review their budgets, and if we decide that we need to cut the budget this year, I fully expect that public broadcasting ought to be among those reductions because we have serious budget problems.

But for those folks who think that we ought to simply eliminate public broadcasting in order to, quote, "balance the budget," given the minuscule portion of the budget that it represents, I would simply note what my favorite philosopher, Archie the cockroach, said once. Archie, I think, cannot be accused of being an elitist philosopher—and what he said on one occasion was, "People need proportion. What sense is there for a queen bee to fall in love with a bull?" It seems to me there is a message there somewhere.

I would also say that Archie wrote something about the movies which I think really does apply, at least indirectly, to public television. He wrote this a long time ago: "They are instinctively bringing to the public some kind of stuff that wings the audience away from the sordid surface of existence. They may do it badly, they may do it obviously, they may do it crudely, but they do have the hunch that what millions want is to be shown that there is something possible to the human race besides the dull repetition of the triviality which is often the routine of common existence."

And it seems to me that that is, with all of its failings, what public broadcasting often tries to do. I happen to share the concern expressed by—I have forgotten the gentleman's name, appearing on behalf of Gary Bauer today.

Ms. PELOSI. Knight.

Mr. OBEY. I happen to share his concern about the erosion of traditional morals that we often see on the television screen today. I am a Christian and I am a Catholic and I am proud of both. Some of the examples that he mentioned in his written testimony I myself would want to ask questions about because I think that if he has accurately described them, I think some of those questions that he raised deserve to be answered. But I must say, even if those episodes happened exactly as he described them, I have to say that the junk and garbage that I see on network television every night would often better be found in a garbage can than it would be found on the family television set. And I think that with all of public television's failures when it comes to standards, I don't think public broadcasting need apologize to network television in this country—far from it.

Ms. PELOSI. Would the gentleman yield?

Mr. OBEY. Sure.

Ms. PELOSI. Is that okay, Mr. Chairman?

Mr. PORTER. I yield to you.

Ms. PELOSI. Thank you, Mr. Chairman.

I appreciate what the gentleman has said, and I also think that this is healthy, to have different points of view coming in and be heard here. But because this is being recorded publicly, it is very important for those on both sides of this issue to be able to hear some counter to what is said.

You may want to look at what Mr. Knight had to say in his testimony for some areas of agreement, and perhaps there are some, but I think you would have found it astounding to hear him say that the Corporation for Public Broadcasting, that public broadcasting is anti-Catholic, anti-Christian, anti-Jewish, and—Mr. Safian's testimony—anti-Arab and anti-family. While we—as you said, we must make some cuts and we have to have a healthy debate about the role of the Federal Government in all of this, and that is welcome and appropriate, I think the conservatives go too far when they say anti-Catholic, anti-Christian, anti-Jewish, anti-Arab, anti-family in describing the Corporation for Public Broadcasting.

And one other point I want to make, which takes me to your first point, which is about broadcasting and the gentleman from the Cato Institute, he talked about the Constitution and how newspapers were regarded in the early days of our Republic and used that as precedent for why there shouldn't be any funding for public broadcasting, but that completely ignores the fact that the public owns the airwaves. The public doesn't own the ink and the paper, but it owns the airwaves; and I think it is important to make these distinctions as these statements are made and even maybe some areas of disagreement we may have with those who support public broadcasting.

I myself have disagreed on many occasions with the presentation, for example, by National Public Radio on the situation in China—very often. It never occurred to me that because they disagreed with my position that they shouldn't be funded, and I don't—while we want to support traditional values, we have to have some measure and some balance about how we proceed.

And I just think that the testimony that was presented here earlier went too far and many of the people that call my office about the Corporation for Public Broadcasting thought we were missing in action when it came time to just set the record straight—not to disagree, they have a right to their opinion—but on the premises that they were putting out there that we had that faulty logic.

Thank you, Mr. Chairman.

Mr. PORTER. Mrs. Lowey.

Mrs. LOWEY. I will be very brief and I appreciate your consideration of our remarks right now. I certainly expressed my view earlier that it was unfortunate that we couldn't have a dialogue, because to listen to one panel with one point of view and another panel with another point of view without having interchange does prevent us from coming to some sensible conclusion.

And several instances were named, but I just don't want to close this hearing without making one comment concerning the NRA, because I found it very disturbing that the NRA came to participate in this hearing and was offended that their point of view wasn't presented on public television and was recommending that we close down public television. And I think of all the good programs for children that are keeping them away from the violent streets and in an atmosphere where they can learn and grow and thrive, whereas the NRA is out there promoting guns for children and guns for women. I just found it so offensive to hear that testimony, and I was disappointed that we couldn't interact.

So I thank you, Mr. Chairman, for giving us this opportunity to express our point of view. And I hope in the future, really for the public and for good, honest dialogue on some of these very difficult issues, we can have an open interchange.

And just in closing, I do want to refer to Mr. Obey's comments that the representative, Mr. Knight talked about families. I do feel that organizations such as his don't just represent beautiful children such as that, that as the mother of three children, I have been very concerned about violence and I have talked to Ambassador Carlson on this, and I think it is unfortunate that we can't produce competitive TV on public television that will get the kids away from some of the violent TV they see on other channels; and I think we have to do more of that.

We do Sesame Street for the youngest of ours, and we have to work hard together to get some competitive TV for the older-aged children so that they can watch healthy, educational TV also.

And thank you for your indulgence, Mr. Chairman.

Mr. PORTER. If I may take just a moment to respond to my colleague from Wisconsin and the gentlelady from California and the gentlelady from New York on the question of asking questions of our witnesses.

I served for 14 years as a Minority Member of this subcommittee and am very sensitive to Members' participation. In this case, we received a very large number of requests to testify before the subcommittee. Now this, to my knowledge, during the time I have been on the subcommittee, I think this is the most open process we have ever had on a rescission. We wanted it to be. We wanted to have the opportunity for as many people to testify as we could handle; and the difficulty with the large number of requests for witnesses is that when you put them on, if there are opportunities for questions, theoretically we could take up to 65 minutes per witness under the five-minute rule which is ruling those times when we do have questions.

We found it impossible to do that. We made a judgment call that it would be best to hear as many witnesses as we could and make this a time of listening and learning rather than a time of engaging the witnesses; and I realize that we would rather engage the witnesses very often and have a dialogue with them, but we felt that what we really wanted to do was give the people as much opportunity as possible to reach our consciousness with their message rather than to engage in a dialogue.

Mr. OBEY. Mr. Chairman, I know that that was your intent, and I know your nature and I know that your comments are very sincere. All I am suggesting is when you have six or seven witnesses in a row who on something which is nationally televised swing broadly and get a chance to make some very significant accusations and observations about the use of taxpayers' money, it seems to me that the people who are charged with the responsibility to use that taxpayers' money have not only a right but an obligation to be able to respond at that point, lest all of those charges go unanswered over the airwaves, leaving us with really no ability to find in an equally compelling fashion a venue in which we can correct the record if the record needs to be corrected.

Mr. PORTER. Well—and again, I certainly understand that viewpoint—it was a judgment call. We had a panel, one panel on each side. Actually, the panel coming second had the opportunity to correct the panel going ahead, if they wished to during their time, which is an advantage that is not available to the first panel. But in any case, it was a judgment call to simply fit within our time frame as many people as wanted to testify, and under those circumstances, there simply wasn't time for questions.

Mr. OBEY. I understand. We will have worse problems.

Mr. PORTER. We probably will.

Mr. Riggs.

Mr. RIGGS. Mr. Chairman, perhaps this is a fitting note for conclusion of the hearing—and again, I want to thank you for your stewardship today; and I just wanted, particularly since the proceedings have been televised, to introduce for the record some comments that Speaker Gingrich made earlier today as reported in the bulletin or on the Bulletin Broadcasting Network.

The section is encaptioned, "Gingrich says funding for CPB might be limited to rural stations," and I quote:

"Speaker Newt Gingrich said today that the Corporation for Public Broadcasting should be asked a number of questions"—many of which did in fact come up today—"including how much does the Children's Workshop, how much does Sesame Street make over the years? How much of that goes back to the taxpayer and how much of it is kept as a private activity? How much will Barney make over the years? Why is the Public Broadcasting System using taxpayers' money to propagandize, to have people call Congressman Livingston? "

And I might add that others of us have been affected as well. My office switchboard has been literally shut down from time to time over the last several days.

The Speaker goes on—

"I mean, you know, to be propagandized with your own money, to send more money is a little bit outrageous."

However, the Speaker adds his own position on whether Federal funding for CPB should be cut is, quote, "not fixed in concrete."

He concludes by saying that "If the real problem is small rural stations, maybe part of the answer is to give the money directly to small rural stations."

And I wanted to introduce his comments for the record because I think his comments are very important.

Mr. PORTER. Thank you, Mr. Riggs.

That concludes our hearing. The hearing is adjourned.

[The following statements were submitted to the subcommittee by individuals and organizations who were unable to attend the hearings:]

STATEMENT BY CONGRESSWOMAN NITA LOWEY

FOR SUBMISSION TO THE HEARING RECORD

HOUSE APPROPRIATIONS SUBCOMMITTEE
LABOR-HHS AND RELATED AGENCIES
JANUARY 19, 1995

Mr. Chairman:

On several occasions during the hearing on public broadcasting on January 19, 1995, testimony was presented and comments were made that were not factual with regard to the Children's Television Workshop (CTW). I would like the record of the hearing to include the following clarifications. Also, I would like the record to include a copy of a letter from David Britt, Chief Executive Officer of the CTW, which was sent to each member of Congress on January 6, 1995.

1. Several statements were made that Sesame Street generates $1 billion from its product licensing. In fact, CTW, which is a non-profit educational corporation, nets less than $20 million annually from product licensing. All of these revenues from product licensing are put back into CTW's educational programs, including Sesame Street and Ghostwriter, including two-thirds of the annual costs of Sesame Street on PBS. CTW gets a 3-5% royalty of retail sales.

2. At least one witness alleged in his testimony that CTW spends $1.5 million on lobbyists. In fact, in fiscal year 1993, CTW spent $60,544 on lobbying which is listed in their IRS return. Although the 1994 IRS filing is not yet complete, a similar amount will be reported for the most recent fiscal year.

3. It was also mentioned during the hearing that annual CTW publishing revenues equaled $49 million, somehow implying that these were "net" revenues. In fact, expenses for publishing the six CTW magazines were $53 million, creating a loss of $4 million. Expenses covered the costs of editorial, manufacturing, circulation, staff and distribution.

4. Testimony also alleged that CTW made campaign contributions to Democratic Senators. In fact, CTW is prohibited by law from making contributions and never has considered making such contributions.

Children's Television Workshop

One Lincoln Plaza / New York, N.Y. 10023

DAVID V B BRITT
PRESIDENT
CHIEF EXECUTIVE OFFICER

January 6, 1995

Dear Representative/Senator:

Soon you will be asked to decide the future of public broadcasting, which broadcasts Sesame Street and Ghostwriter daily, two educational projects of the Children's Television Workshop (CTW).

In the debate, both PBS defenders and attackers will frequently cite Sesame Street and CTW, and I want to be sure you have some basic facts.

1. Public broadcasting makes Sesame Street accessible to virtually all children in America at times when they can easily use it -- at least two hours a day in most markets, more than that in major markets. Children watch it by the millions. In fact, pre-schoolers watch more hours of Sesame Street than any other program on any channel. In a recent survey, Nielsen estimated that over six million pre-schoolers watched Sesame Street an average of three times per week.

2. Commercial broadcast networks were asked -- and declined to broadcast Sesame Street at its inception. They will not devote one or two hours to a preschool program today without commercial interruption. And, pushing the series to cable television would deprive children of Sesame Street in the 40 percent of US households who do not subscribe to cable.

3. Public television pays CTW a program license fee for the rights to broadcast Sesame Street. That covers about one third of the series' cost. CTW provides twice that amount each year back to public television -- fully two-thirds of the cost. In fact, CTW's contributions to Sesame Street and our other educational projects make us the largest single funder of PBS, other than the federal government.

Page 2

4 CTW net product licensing royalties total less than $20 million each year -- not $800 million, not a billion, as some have alleged. CTW uses these funds to pay the costs of Sesame Street as noted above, and to develop and help support other educational projects such as Ghostwriter, our literacy project for seven- to ten-year olds

5 CTW educational programming works -- and is rigorously evaluated for effectiveness. Parents know Sesame Street helps their children. The experts at the Dole Human Development Center at the University of Kansas also know. They are finding that children who watch Sesame Street start school better prepared, regardless of their background.

6 Parents have good reason to be angry about the kind of programming aimed at their children There has been an explosion of programming for children, and most of it is mindless at best, violent at worst. The relative proportion of children's programming that aims to educate has never been smaller -- and the best of it is on public television

Public television's children's programming -- and CTW's vital contribution to that programming -- is known and admired around the world as the standard of excellence. Public television has made and sustained that commitment to excellence, education and service to all children for more than 25 years No one else does, or ever has.

When the grown ups' political battles get hot, it is very easy to forget the needs of children. I hope these facts will help you remember

Attached is a fact sheet that provides more information about CTW. And if you want more, please contact Kim Dorgan or Sara Garland at 202-547-8530.

Sincerely,

David Britt

David V B. Britt

Attachment

THE CAMBRIDGE TAB
254 Second Ave. Needham, MA 02194
617/433-8200

Perspective

PBS: A child's best friend

By Peggy Charren

The new leadership of the House of Representatives is jeopardizing the future of one of the best friends our children ever had.

They claim that public broadcasting doesn't deserve the federal government's support. So they threaten to "zero out" funding for the Corporation for Public Broadcasting, thereby pulling the plug on one of the most cost-efficient and effective educational resources available today.

For Congress' investment of less than $300 million a year — about $1 per citizen — the United States gets an educational resource that reaches every American. Public television and public radio are available in even the most rural pockets of the country, and they're free.

What family hasn't benefited from public TV's innovative children's programs? PBS programs pique curiosity. They lead children to want to learn more. Commercial television only makes children want to *buy* more.

Even PBS programs not specifically created for young viewers open their eyes to new ways of seeing: the science of "NOVA," the history of "The Civil War" and "The American Experience" and "Masterpiece Theater." Informative, thought-provoking and uninterrupted by messages to buy, buy, buy.

Beyond the programs, there's public broadcasting's outreach to classrooms. Teachers' guides, student newspapers and interactive multimedia software based on public TV and radio broadcasts multiply their educational value many times over. At a time when teachers are subject to increasing demands but shrinking budgets, public broadcasting remains a true partner to educators.

Public broadcasting also has led the way in serving our most under-served populations. It was public television — Boston's own WGBH — that pioneered captioning for deaf and hard-of-hearing Americans back in 1972. It was public television — again, WGBH — that introduced television for blind and visually impaired viewers with the 1990 launch of Descriptive Video Service. Public broadcasting provides access to people isolated from mainstream society by economics, location, language or disability.

Every dollar the federal government invests in public broadcasting pays off. Every dollar, moreover, leads to five more in viewer and listener contributions and grants from private foundations and corporations. That crucial seed money is vital. Without it, programs such as "Sesame Street," "The MacNeil-Lehrer News Hour," and "All Things Considered" could never have been created.

Opponents of federal funding insist that the media landscape has changed since public broadcasting's 1967 creation. Television, they say, is no longer a vast wasteland.

Those of us who worry about children might agree that cable TV gives us more options. But most of the programs children see on commercial television, cable or not, are as empty of substance, and as full of violence and ads for unhealthy foods and unimaginative toys, as they ever were. And for the 40 percent of U.S. homes — 90 million Americans — not hooked up to cable, public television remains the oasis.

In the 27 years since I founded Action for Children's Television, commercial broadcasters have had two words for me: public television. Let PBS be the place where the bottom line is quality, not advertising revenue. Let public broadcasting worry about the different needs of different age groups, about exposing children to arts and culture, science and math, biography and public affairs. Let PBS be television of substance.

Even when the federal government laid down the law, with the Children's Television Act of 1990, commercial broadcasters said let PBS be the place for truly educational fare. Our brand of education is cartoons such as "The Jetsons"; after all, doesn't it teach children what life will be like in the 21st century?

We're not far away from the 21st century, and the prospects are looking gloomy where children are concerned. Schools with no money ... parents who are increasingly less available for parenting ... a widening gap between haves and have-nots. And, if we don't act fast, television dictated by popularity, not purpose.

But not if we do something. Not if we let Congress know that public broadcasting deserves support. Not if we send the message, loud and clear, that public broadcasting isn't a problem — it's a solution.

Peggy Charren is the founder of Action for Children's Television.

Office of the President

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Washington, DC 20001-3753

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202 414.3049 Fax

February 2, 1995

The Honorable John Porter, Chairman
Labor-HHS-Education and Related Subcommittee
House Appropriations Committee
2358 Rayburn House Office Building
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Porter:

In his testimony on behalf of the National Rifle Association (NRA) before your Committee on January 19, 1995, James H. Warner alleged that NPR had libeled the NRA. Given the seriousness of that allegation, and its lack of foundation, I am compelled to respond to clarify the record.

These are the facts:

- On November 19, 1993, NPR's MORNING EDITION included a news commentary by BeBe Moore Campbell that concerned a series of robberies and shootings of Asian American merchants in Washington, DC and the NRA's offers of support to those merchants and criticism of the DC government.

- The 3-minute commentary followed a news report of these matters and was identified -- both before and after -- as a commentary.

- While the commentary was critical of the NRA and its activities, it violated no law, no regulation of the Federal Communications Commission, and it was fully protected speech under the First Amendment.

At the time, Mr. Warner wrote to NPR "reminding" it of the requirement for balance and objectivity under the Public Telecommunications Act of 1992 and the FCC's "personal attack" rule, and requesting a minimum of 30 minutes of air time in which to respond. NPR responded to Mr. Warner's letter, explaining that its programming was and is balanced and objective on gun control and other issues and expressing its continuing interest in the views of the NRA, its members, and gun owners.

In fact, NPR routinely broadcasts letters it receives concerning its programming, and, shortly after the commentary aired, NPR's MORNING EDITION aired two letters that were highly critical of Ms. Campbell's commentary. More generally, as demonstrated by the attached review of NPR programming during the past two years, the issue of gun ownership and control has been the subject of extensive coverage by NPR.

Finally, senior NRA officials have been included in NPR programming on a number of occasions -- both before and after the commentary was aired. For instance, the Director of NRA's Crime Strike Division appeared earlier in 1993 on NPR's call-in show TALK OF THE NATION for an entire hour-long segment of the program and as the sole guest for that segment.

In conclusion, no media organization -- whether commercial or noncommercial -- is immune from criticism, but I believe NPR continues to maintain the highest journalistic standards. It would be unfortunate, therefore, if the NRA's unfounded allegation were to color the decisions made by your Committee and the Congress regarding the future of public broadcasting.

Sincerely,

Delano E. Lewis

Delano E. Lewis

Attachment

NATIONAL PUBLIC RADIO - PROGRAM LIBRARY
KEYWORD REPORT 02-FEB-1995 1
FROM 930101 THRU

KEYWORD	PROGRAM TITLE	PROCOD	RECORD ID	FRMT	TIME	NAME	GEO1	SRC1
GUN CONTROL	OAKLAND CONSIDERS STRICT NEW GUN LAWS	INAT	9301040207	G	00:04:30	ALEGRIA, ISABEL<*	CA	NPR
GUN CONTROL	VIRGINIA MAY PASS LAWS FOR GUN CONTROL	INME	9301130114	G	00:04:00	KNOY, LAURA<$	VA	$
GUN CONTROL	VIRGINIA LOOKS AT GUN CONTROL MEASURE(P1	INME	9301200107	G	00:08:40	NEARY, LYNN<*	VA	NPR
GUN CONTROL	VIRGINA GUN BILL WOULD LIMIT PURCHASES	INAT	9301270208	I	00:03:45	SIEGEL, ROBERT<+	VA	NPR
GUN CONTROL	WILDER'S GUN CONTROL PROPOSAL REWORKED	INME	9302220108	G	00:07:00	ZARROLI, JIM<$	VA	$
GUN CONTROL	WILDER GUN CONTROL PLAN COULD BE MODEL	INME	9302260103	G	00:03:20	KNOY, LAURA<$	VA	$
GUN CONTROL	HANDGUN CONTROL LAW IN VA BRINGS HOPE	INAT	9302260203	G	00:04:00	ZARROLI, JIM<$	VA	$
GUN CONTROL	RENO CONFIRMATION HRG 1: QUESTIONS	IEHS	9303090906	H	00:59:00	SPECTER, ARLEN (R-<3		NPR
GUN CONTROL	RENO CONFIRMATION HRG 1: QUESTIONS	IEHS	9303090907	H	00:29:00	SIMON, PAUL (D-ILL<3		NPR
GUN CONTROL	ASSAULT RIFLE BAN NOT OVERRIDDEN IN NJ	INME	9303160106	I	00:03:30	CONAN, NEAL<+	NJ	NPR
GUN CONTROL	NRA & DEBATE OVER AVAILABILITY OF GUNS	INWE	9304240105	I	00:06:45	CONAN, NEAL<+		NPR
GUN CONTROL	TEXAS VOTES TO ALLOW CONCEALED HANDGUNS	INAT	9304270211	G	00:04:15	BURNETT, JOHN<*	TX	NPR
GUN CONTROL	FAN MAIL: WACO & FEDS/NRA BOOK/"SEX IS"	INWE	9305010108	R	00:02:45	CONAN, NEAL<+		NPR
GUN CONTROL	SEMI-AUTOMATIC BAN CONSIDERED(P1)	INME	9308040104	G	00:04:32	VU, THUY<$		$
GUN CONTROL	CLINTON UNVEILS CRIME FIGHTING BILL	INAT	9308110202	G	00:04:00	CROCKETT, PHYLLIS<*		NPR
GUN CONTROL	JANET RENO DISCUSSES CLINTON CRIME BILL	INME	9308120115	I	00:08:30	EDWARDS, BOB<+		NPR
GUN CONTROL	NORTH & SOUTH COOPERATE TO CONTROL GUNS	INWE	9308210112	G	00:04:50	INSKEEP, STEVE<$	UE	$
GUN CONTROL	JUVENILE GUN CONTROL LAW PUSH IN DENVER	INME	9309130106	G	00:03:36	MARTINEZ, ANCEL<$	DV	
GUN CONTROL	DOCTORS URGE STRONGER GUN CONTROL LAWS	INME	9310070114	I	00:03:02	EDWARDS, BOB<+		NPR
GUN CONTROL	CLINTON & LAWMAKERS TAKE ON GUN LOBBY(P1	INME	9310120102	G	00:08:35	ARNOLD, ELIZABETH<*		NPR
GUN CONTROL	FLORIDA CONSIDERS TEEN GUN CONTROL LAWS	INME	9311040112	G	00:07:30	REVERON, DEREK<*	FL	NPR
GUN CONTROL	SENATE CRIME BILL DEBATE TARGETS GUNS(P1	INME	9311100103	G	00:07:40	ARNOLD, ELIZABETH<*		NPR
GUN CONTROL	BRADY BILL DEBATED IN HOUSE & SENATE	INAT	9311100208	G	00:03:30	ARNOLD, ELIZABETH<*		NPR
GUN CONTROL	FLORIDA BANS GUNS FOR KIDS 18 & UNDER	INAT	9311100209	G	00:02:30	GAGE, SUSAN<5	FL	W[FP
TROL	CRIME IN THE US: A FOREIGN PERSPECTIVE	INAT	9311130203	I	00:04:00	CORNWELL, RUPERT<$		$
GUN CONTROL	ASSAULT WEAPONS BANNED BY SENATE	INAT	9311170206	G	00:04:15	NAYLOR, BRIAN<*		NPR
GUN CONTROL	NRA ACCUSED OF RACIAL STEREOTYPING	INME	9311190114	C	00:03:05	CAMPBELL, BEBE MOO<$		$
GUN CONTROL	BRADY BILL BURIED IN SENATE FILIBUSTER	INWE	9311200102	G	00:03:30	GREENBERG, JON<*		NPR
GUN CONTROL	BLACK TALON BULLETS MIGHT BE BANNED	INAT	9311200204	G	00:05:30	ZARROLI, JIM<$		$
GUN CONTROL	BRADY BILL PASSED SENATE SURPRISE	INAT	9311210202	I	00:03:30	NAYLOR, BRIAN<*		NPR
GUN CONTROL	BRADY BILL SPONSER DISCUSSES LEGISLATION	INME	9311220111	I	00:06:00	EDWARDS, BOB<+		NPR
GUN CONTROL	BRADY BILL STUCK IN A FILIBUSTER	INAT	9311230203	G	00:04:00	ARNOLD, ELIZABETH<*		NPR
GUN CONTROL	BLACK TALON BULLETS TAKEN OFF MARKET	INAT	9311230204	G	00:04:00	ZARROLI, JIM<$		$
GUN CONTROL	BRADY BILL BLOCKING SENATE YEAR WRAP-UP	INME	9311240110	I	00:04:00	ARNOLD, ELIZABETH<*		NPR
GUN CONTROL	BRADY BILL HANDGUN LAW PASSED IN SENATE	INAT	9311240202	G	00:04:00	GREENBERG, JON<$		$
GUN CONTROL	CONGRESSIONAL REPORT CARD: GUN CONTROL	INTN	9311240502	G	00:59:00	SUAREZ, RAY<+		NPR
GUN CONTROL	BRADY BILL PASSED BY SENATE:IT'S HISTORY	INME	9311250102	G	00:03:22	GREENBERG, JON<*		NPR
GUN CONTROL	HANDGUN RESTRICTIONS:HOW EFFECTIVE?	INME	9311250103	G	00:05:19	MANTEL, BARBARA<*		NPR
GUN CONTROL	NRA ADS FOCUS ON FEAR OF CRIME(P1)	INWE	9311270105	G	00:02:30	TROOP, WILLIAM<5		WAMU
GUN CONTROL	WK IN REV: CONGRESS/CRIME/STRIKE/BOSNIA	INWE	9311270111	G	00:10:00	SCHORR, DANIEL<$		$
GUN CONTROL	BRADY BILL SIGNED INTO LAW BY CLINTON	INAT	9311300202	G	00:04:30	ARNOLD, ELIZABETH<*		NPR
GUN CONTROL	CLINTON SIGNS BRADY BILL (P1)	IESP	9311300900	G	00:45:00	WILLMAN, DALE<*		$
GUN CONTROL	COMMENTS: NRA/FL GUN CONTROL/SMALL WORLD	INME	9312010108	R	00:05:00	EDWARDS, BOB<+		NPR
GUN CONTROL	BRADY BILL BEGINS GUN CONTROL DEBATE	INME	9312030110	G	00:05:30	ARNOLD, ELIZABETH<*		NPR
GUN CONTROL	CLINTON STEPS UP RHETORIC AGAINST CRIME	INAT	9312090202	G	00:04:30	LIASSON, MARA<*		NPR
GUN CONTROL	CALIFORNIA GUN CONTROL LAW EXAMINED	INAT	9312090203	I	00:04:30	WERTHEIMER, LINDA<+	CA	NPR
GUN CONTROL	GUN LICENSE REFORM PROPOSED BY GIULIANI	INME	9312100114	G	00:05:15	EDWARDS, BOB<+		NPR
GUN CONTROL	FLORIDA GUN CONTROL: WAIT PER/BKGD CHECK	INAT	9312100211	G	00:04:30	PHILLIPS, DOUG<$	FL	$
GUN CONTROL	IRISH PERSPECTIVE ON US VIOLENT CRIME	INAT	9312110204	I	00:04:40	O'CLEARY, CONNOR<$		$
GUN CONTROL	RADIO ADDRESS: VIOLENT CRIME/GUN CONTROL	INEX	9312110700	L	00:10:00	CLINTON, BILL (US <1		NPR
TROL	GUN SHOW PARTICIPANTS WORRY RE BRADY(P1)	INAT	9312120207	G	00:05:30	BURNETT, JOHN<*	TX	NPR
GUN CONTROL	GUN CONTROL DEBATE RE LICENSING	INME	9312130110	I	00:05:00	ROBERTS, COKIE<$		$
GUN CONTROL	NATIONAL GUIDELINES FOR GUN CONTROL	INME	9312140114	G	00:06:00	DEVALL, CHERYL<*		NPR
GUN CONTROL	MAINE HOUSING PROJECTS SEEK GUN BAN	INWE	9312260112	G	00:05:19	DELEON, ANDREA<5	ME	WMEA

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KEYWORO REPORT 02-FEB-1995
FROM 930101 THRU

KEYWORO	PROGRAM TITLE	PROCOD	RECORD IO	FRMT	TIME	NAME	GEO1	SRC1
GU[illegible]NTROL	FLORIOA GUN CONTROL LAW AIMED AT MINORS	INME	9312300105	G	00:03:42	REVERON, OEREK<*	FL	NPR
GUN CONTROL	OEATH CLOCK" AT TIMES SQ HIGHLIGHTS VIOL	INME	9312300111	G	00:03:42	ZARROLI, JIM<$	YC	$
GUN CONTROL	GUN OEALERS REACT TO HIGHER LICENSE FEES	INME	9401050102	G	00:04:30	LOHR, KATNY<$		$
GUN CONTROL	GUN SWAPS GROWING IN US CITIES	INME	9401050103	G	00:04:00	OEL BARCO, MANOALI<$		$
GUN CONTROL	SPORTSMEN COULD REOUCE STREET GUNS	INME	9401050109	C	00:03:35	OEFORO, FRANK<$		$
GUN CONTROL	GUN BUY-BACK PROGRAMS: OO THEY WORK?	INWE	9401080104	G	00:04:45	LOHR, KATNY<$	MO	$
GUN CONTROL	GUN SWAPS & BUYBACKS OISCUSSED	INTN	9402020502	G	00:59:00	SUAREZ, RAY<+		NPR
GUN CONTROL	GUNS FOR RAP TICKETS LATEST SWAP PROGRAM	INME	9402150115	R	00:02:03	JOHNSON, GENE BRIA<5	YC	WNYC
GUN CONTROL	TOMBSTONE AZ WORRIES ABOUT LEGAL GUNS	INWE	9402260115	I	00:02:40	CHAOWICK, ALEX<+	AZ	NPR
GUN CONTROL	BRADY LAW GOES INTO EFFECT AMIO DOUBTS	INME	9402280115	G	00:04:49	JOROAN, LORNA<5		WVXU
GUN CONTROL	BRAOY LAW GOES INTO EFFECT & DEBATE CONT	INAT	9402280208	G	00:04:00	BASSNAM, GORDAN<5	KS	KMUW
GUN CONTROL	POLICE FRISKING ADVOCATEO BY POLICY PROF	INME	9403240104	I	00:07:20	CHADWICK, ALEX+		NPR
GUN CONTROL	GUNS OESIGNEO TO APPEAL TO WIDE AUOIENCE	INAT	9403310202	I	00:10:00	ADAMS, NOAH<+		NPR
GUN CONTROL	NEAL KNOX: PRO-GUN ACTIVIST INTERVIEW	IAFA	9404070402	I	00:22:29	GROSS, TERRY<5		WHYY
GUN CONTROL	CRIME RISE & # OF GUNS MAY NOT RELATE	INME	9404130103	I	00:04:09	EOWARDS, BOB<+		NPR
GUN CONTROL	GUN SWEEPS IN PUBLIC HOUSING & CIVIL RHT	INTN	9404130503	G	00:59:00	SUAREZ, RAY<+	NC	NPR
GUN CONTROL	ASSAULT WEAPON VICTIMS TALK TO CONGRE(P1	INME	9404270113	G	00:05:20	ARNOLO, ELIZABETH<*		NPR
GUN CONTROL	BUY-BACK GUN PROGRAM OF CONN TOO SUCCESS	INAT	9404280206	I	00:03:30	SIEGEL, ROBERT<+	CT	NPR
GUN CONTROL	ASSAULT WEAPON BAN OEBATE IN CONGRESS(P1	INAT	9405040209	G	00:05:00	ARNOLO, ELIZABETN<*		NPR
GUN CONTROL	VOTE ON ASSAULT WEAPON BAN MAY BE CLOSE	INME	9405050109	G	00:03:30	ROBERTS, COKIE<$		$
GUN CONTROL	CONNECTICUT ASSAULT WEAPON BAN CHALLENGE	INME	9405050110	G	00:05:00	BROOKS, ANTHONY<$	CT	$
GUN CONTROL	ASSAULT WEAPON BAN PASSES HOUSE (P1)	INAT	9405050202	G	00:04:30	ARNOLO, ELIZABETH<*		NPR
GUN CONTROL	ASSAULT WEAPONS BAN PASSEO BY HOUSE(P1)	INME	9405060110	G	00:05:16	ARNOLO, ELIZABETH<*		NPR
G[illegible]NTROL	AMO NOUGHTON SUPPORTS WEAPONS BAN	INME	9405060111	I	00:03:15	CNADWICK, ALEX<+	NY	NPR
[illegible]TROL	ASSAULT WEAPON BAN PASSAGE ANALYZEO	INWE	9405070106	I	00:04:30	STAMBERG, SUSAN<+		NPR
GU[illegible]ONTROL	RADIO AODRESS:WEAPONS BAN/GAL NEALTH CAR	INEX	9405070800	L	00:10:00	CLINTON, BILL (US <1		NPR
GUN CONTROL	NRA CHALLENGES BRADY BILL ON AMENDMNT 10	INME	9405250102	G	00:05:15	BERKES, HOWARO<*		NPR
GUN CONTROL	CRIME BILL COULO PROVIOE BRAOY LOOPHOLE	INAT	9408040207	G	00:04:00	ZIEGLER, LAURA<$	KS	$
GUN CONTROL	CRIME BILL OEFEAT BLAMED ON NRA COMEBACK	INME	9408160104	G	00:04:05	KENYON, PETER<*		NPR
GUN CONTROL	SNOULO YOU OWN A GUN: PROS-CONS	INTN	9408240502	G	00:59:00	SUAREZ, RAY<+		NPR
GUN CONTROL	CHILOREN'S OEFENSE FUNO ANTI-GUN ORIVE	INAT	9410150204	L	00:01:45	ZWEROLING, OANIEL<+		NPR
GUN CONTROL	MILWAUKEE SPLIT RE GUN CONTROL INITIATIV	INME	9411040105	G	00:03:38	QUIRMBACN, CHUCK<5	WI	W[WP
GUN CONTROL	CANOIOATES COMING OUT MORE AGST NRA (P1)	INWE	9411060104	G	00:05:45	WESTERVELT, ERIC<5		W[NN
GUN CONTROL	NRA INFLUENCEO MIOTERM ELECTION OUTCOME	INAT	9411110205	G	00:05:00	OEVALL, CNERYL<*		NPR
GUN CONTROL	GUN CONTROL ADVOCATES MAY TURN TO COURTS	INME	9411280103	G	00:04:25	GALLAGNER, PAUL<$		$

TOTAL HOURS: 13.04

Written Testimony in Opposition to Rescinding the FY 95 and FY 96 Appropriations for the Department of Education's Dropout Prevention Assistance Program

presented to:

United State House Appropriations Subcommittee on Labor, Health and Human Services, and Education

Representative John E. Porter, Chairman

Subcommittee Members: David R. Obey, Henry Bonilla, Jay Dickey, Steny H. Hoyer, Ernest Istook, Nita Lowey, Dan Miller, Nancy Pelosi, John Porter, Frank Riggs, Louis Stokes, Roger Wicker, Bill Young

presented on behalf of:

The National Dropout Prevention Coalition
*A coalition of human service organizations and school-communities from across the nation**

prepared by:

The NDPC Executive Committee
Maria Chairez, Ed.D., Nevada
Wally Lindsley, MPA, New York
Albert Smith, Ph.D., Washington

February 22, 1995

The National Dropout Prevention Coalition is an organization of professional educators, social and health service workers, and advocates of diverse cultural and ethnic communities from across the nation who are actively involved with dropout prevention and intervention programs.

We are pleased to have this opportunity to offer prepared testimony in support of continuing the Dropout Prevention Assistance Program. As you are aware, the President's FY 96 budget request includes a proposal to rescind the $28 million previously appropriated by Congress for FY 95. The President's request also omits $28 million Congress authorized earlier for FY 96. Part C of Title V of the 1994 Improving America's School Act (H.R. 6) specifically authorizes and appropriates funds for the first year of a two-year extension of this program.

Republicans and Democrats participating in a joint House-Senate Conference Committee of the 103rd Congress agreed last summer that this program should be maintained with a shift of focus from "Demonstration" to "Assistance." The reasoning behind this decision was essentially that many to most of these programs were beginning to show strong evidence of effectiveness and no mechanism was (and still is not) in place to (1) assure that program features evaluated as effective would be made available to other school-communities of the nation, (2) assist other LEAs in initiating variations of these programs, and (3) transition from federal to local support of the current projects through the two-year extension of the program. Discontinuing this program under these circumstances was considered neither cost-effective nor programmatically efficient.

The 85 projects under this program are now operating in 33 states providing direct dropout prevention services to approximately 750,000 at-risk children and their families residing in a variety of very different and culturally diverse communities. Dropping out of school and living in poverty environments are risk indicators strongly associated with unemployment, gang activity, and family violence. School dropouts are disproportionately involved in child abuse/neglect situations, drugs, crime and the other descriptors referenced in the needs being addressed by the National Education Goals all of us are supporting. We have begun to demonstrate that there are model program initiatives that work and can be successfully replicated elsewhere. Yet, much remains to be done in order to avert a national disgrace. Our members are telling us that overall numbers of dropouts are not declining and are showing increases among several of our rural isolated, inner city, and other diverse school-communities.

Current Title 1 legislative increases and enhancements while important are unlikely to address the dropout prevention needs of many of our students and their families. Title 1 imposes eligibility or service limitations that very often do not permit programs to serve large numbers of families and many others who are part of the "working" poor, and typically do not qualify for AFDC, free and/or reduced lunch, or other low income descriptors prescribed by Title 1. Furthermore, these funds are not available to community-based programs, where much of the innovation and experimentation with dropout prevention is taking place. Title 1 funds are frequently committed to maintenance of established school bureaucracies that are often not inclined toward innovation in partnership with other organizations committed to working with at-risk students and their families.

The likelihood of state and local sources replacing or institutionalizing the current dropout prevention projects is slim at best. Local governments and school bureaucracies are unlikely to divest their resources to support a program the federal government appears to have abandoned. Our coalition recently surveyed a representative sample of the current demonstration projects to assess the likelihood of their programs continuing after the August 31, 1995 expiration date currently set. Ninety percent of respondents reported that their current program initiatives will very likely not be continued beyond the federal expiration date and 75 percent went further to say that their program definitely would not survive.

Abandoning these efforts now when evidence of success is beginning to be demonstrated is in our opinion not cost-effective. The national evaluation of these projects presently under way is set for completion a year after the scheduled program expiration date, not allowing time for sharing, dissemination, and institutionalization of project features evaluated as effective. With all of this in mind, we are respectfully requesting the House to maintain the $28 million appropriated by the 103rd Congress to fund the Dropout Assistance Program in FY 95; and to include an appropriation of $28 million to fund the program for FY 96. Specifically we are requesting the following:

1. That the current program expiration date continue to be extended by a minimum of two years, to August 1997, to allow sufficient time to complete evaluations, disseminate results, institutionalize features of these projects evaluated as successful, and transition to local funding support;

2. That the $28 million appropriated by the 103rd Congress to fund the Dropout Prevention Assistance program not be rescinded;

3. That $28 million be appropriated by the 104th Congress to fund the Dropout Prevention Assistance Program in its concluding extension-year FY 96.

We appreciate the opportunity to provide this testimony and will be happy to forward further information or answer any related questions. Thank you.

The National Dropout Prevention Coalition Executive Committee

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SUBCOMMITTEE ON LEGISLATIVE APPROPRIATIONS

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RAY THORNTON, Arkansas
JULIAN C. DIXON, California

NOTE: Under Committee Rules, Mr. Livingston, as Chairman of the Full Committee, and Mr. Obey, as Ranking Minority Member of the Full Committee, are authorized to sit as Members of all Subcommittees.

EDWARD E. LOMBARD, *Staff Assistant*

THURSDAY, FEBRUARY 2, 1995.

DOWNSIZING LEGISLATIVE BRANCH SUPPORT AGENCIES

WITNESSES

JOSEPH R. WRIGHT, JR., CORPORATE EXECUTIVE AND DIRECTOR, TRAVELERS INC., FORMER DIRECTOR OF OFFICE OF MANAGEMENT AND BUDGET
CHRIS HILL, PROFESSOR OF PUBLIC POLICY, GEORGE MASON UNIVERSITY
DAVID MASON, HERITAGE FOUNDATION
NORMAN ORNSTEIN, AMERICAN ENTERPRISE INSTITUTE
THOMAS SCHATZ, CITIZENS AGAINST GOVERNMENT WASTE
DANFORD SAWYER, PUBLISHER, TV EXECUTIVE, FORMER PUBLIC PRINTER
TIM SPREHE, INFORMATION INDUSTRY CONSULTANT
JOHN J. BOYLE, FORMER PUBLIC PRINTER
RICHARD HAASE, BUILDING AND DEVELOPMENT CONSULTANT; FORMER FEDERAL BUILDINGS COMMISSIONER
L.W. FREEMAN, DIRECTOR OF REAL ESTATE AND FACILITIES, DEPARTMENT OF DEFENSE, NATIONAL CAPITAL REGION

Mr. PACKARD. Ladies and gentlemen, we would like to begin.

Good morning, ladies and gentlemen. We want to welcome you to this hearing. We will be starting our hearings on time. I have attended enough hearings in my career that have started significantly late that I have decided that if I ever had the chance, we would begin our hearings on time. We would like to start that way this morning, and we are.

This is a joint hearing, and the purpose is to receive testimony that will give us assistance in downsizing the legislative branch and its support agencies. We intend to go until 12:00 noon. Then we will begin again at 2:00 and go to 4:00 o'clock. We would like to wrap up the hearing by 4:00 o'clock.

This is the subcommittee's first hearing of the 10th Congress. It is, as I mentioned, a joint hearing with Members of the Subcommittee on Legislative Branch Appropriations on the Senate side. They have joined us, and we have with us my very good friend and classmate, we came to Congress together, the Honorable Connie Mack, Chairman of the Senate subcommittee. We are looking forward to working with him and with his subcommittee in doing our job this year.

Before we begin, I would like to introduce the members of our subcommittee on the House side. Myself, Ron Packard as Chairman, and we have at the moment Dan Miller with us, from Florida. He is a second term member, his first year on this subcommittee. We are very pleased to have you with us, Dan.

And, Senator, would you like to introduce your Members?

Senator MACK. Well, at this point there are no Members from the Senate side here, so that makes it fairly easy.

Mr. THORNTON. Mr. Chairman, I am here from our side.

Mr. PACKARD. On the other side of the table is Ray Thornton, from Arkansas. We are glad to have Ray with us. We will be joined, I am sure, later by other Members off and on. Vic Fazio has been the chairman of this subcommittee over the last several years, and he will be joining us. He is the ranking minority member of the subcommittee.

I presume also later on we will be joined by full committee Chairman, Bob Livingston, from Louisiana.

I want to welcome the witnesses that are here today. We are truly grateful that you have accepted the invitation to come before our subcommittee. This is a historic opportunity for us.

For the first time in 40 years, the House subcommittee will have a different majority. We believe there is great opportunity to reach a more effective and efficient way of operating the legislative branch of government. We have been given a clear signal by the voters, we believe, that government must be downsized, and that is something we intend to do. And that certainly will include the legislative branch of government.

Some of these efficiencies can be achieved right here by action that we take in the appropriations process. Others will require the enactment of new and amended authorizing legislation. But we must recognize that there are several committees who have legislative jurisdiction over many of the programs in the legislative bill. For example, the Committee on House Oversight authorizes many of the House items.

The Government Printing Office, as well as portions of the Library of Congress, fall into that authorizing committee. We also have a Committee on Government Reform and Oversight and GAO comes under their jurisdiction. The Rules and Budget Committees have jurisdiction over CBO and other legislative oversight responsibilities. The Committee on Science has jurisdiction over OTA. The Judiciary Committee over the Copyrights Office and the National Film Preservation program; and the Transportation and Infrastructure Committee has authorizing jurisdiction over the Architect of the Capitol construction projects. And, of course, the Joint Committee on Printing conducts management oversight with respect to GPO and its programs.

So we can't do it all on the appropriations committees. We can, however, reduce and adjust the funding levels in the appropriation bills. But changes in statutory mission or transferring functions to appropriate agencies requires the enactment of authorizing legislation. The authorizers have to enact appropriate legislation for us to do the changes that we want to do, and we are going to be working with them; we have already met with several of them. We intend to meet with all of them to make certain that there is a smooth transition as we make these changes that we sense are imminent upon us.

We are looking forward to this year. We sense that this subcommittee is going to be a major part of the huge changes that are taking place in government and in how government operates. We are looking forward to this opportunity.

I am extremely grateful to have the privilege of working with Senator Mack. We have had a long relationship and this is going to enhance that relationship. I would like to turn, if I could, to you, Senator, for any opening statement that you would like to make.

Senator MACK. Well, thank you, Mr. Chairman. And I, too, look forward to working with you. We have already had the opportunity to meet together and talk about the direction that we are headed, and I look forward to these next couple of years working with you on this committee. I think there is a lot to do. You each know the size of the budget is not huge by any stretch of the imagination with respect to other subcommittee budgets on the Appropriations Committee. But it is an important one.

I understand that we are making a little bit of history here today: the first joint hearings held by an Appropriations Committee. But fresh in my mind is the history made by the American people last November. The American people sent a clear and unmistakable message when they sent the new majority to Congress. This new majority has an equally clear and unmistakable mission: Reduce the size, the scope and the cost of the Federal Government; return to the American people control over their own lives.

While the appropriations bill reported by the Legislative Branch Subcommittee is the smallest in terms of dollars, this year takes on symbolic importance for this simple reason. If Congress is going to make the necessary reductions to the entire Federal Government and return to fiscal sanity, if Congress is going to mandate that executive departments and agencies become more focused and efficient, and if Congress is going to return to the American people control of their lives, then Congress must demonstrate the political will and leadership by putting its own house in order.

But putting Congress' house in order does not only mean a simple reduction in budgets, it means taking a long and thoughtful look at the core mission and responsibility of each chamber and support agency. I am confident that this long overdue review will provide us with a once-in-a-generation opportunity to focus the entire institution on its primary legislative and oversight mission.

Our representative committees will be exploring ways to use technologies to make Congress more efficient and responsive. We will look for opportunities to privatize a variety of operations currently being conducted by congressional agencies; we will consolidate redundant functions being performed by two, three, sometimes four separate offices. We will eliminate some operations altogether.

Let me just make one additional comment here. Some may conclude that this is a partisan statement; it is not meant to be at all.

I think any institution that is controlled by one thought or one entity for 40 years has a tendency to keep doing the same thing or expanding in a similar direction. I think in this past 40 years that somehow the Congress has come to the conclusion that it is a second executive and, therefore, we have established a number of functions in the legislative branch that, in fact, are executive in nature.

And so as we go through this process, we are going to try to again focus the Congress on its legislative responsibilities, not its executive, which I think in fact has been developed over the last 40 years. So it is from that perspective that I am going to be looking at a number of the different functions that are carried out under our jurisdiction.

There are many policy issues to be debated. There are many ways to get where we want to go. And it is not going to be easy. But the bottom line is we must put this House and the Senate in order to do the job the American people sent us here to do.

I look forward to working with you again, Chairman Packard, as we served together when I represented the 13th district of Florida, and I see my friend Dan Miller who now represents part of that 13th district. I also look forward to working with the other House committee members and ranking member from the Senate, Senator Patty Murray, and we have had an opportunity also to talk about the general direction and to express to each other our desires to work together. And I also look forward to working with Senators Bennett, Jeffords and Mikulski.

Thank you, Mr. Chairman.

Mr. PACKARD. Thank you very much, Mr. Chairman. As I mentioned earlier, I was sure the chairman of the full committee would be here, the Honorable Bob Livingston from Louisiana.

Do you have any statements you would like to make, Bob? We would appreciate it.

Mr. LIVINGSTON. Well, Mr. Chairman, only in the interest of the demands from the other subcommittees, I would, if you don't mind.

I just, first of all, want to congratulate you. I haven't had a chance to officially congratulate you on your subcommittee responsibilities as chairman of this subcommittee and I look forward to working with you in my capacity as one member of the subcommittee. And I also congratulate and look forward to working with our friend, Senator Connie Mack, your counterpart, and welcome Senator Murray to the House side. You are slumming, but we are glad to have you.

But I am very interested in the responsibilities of this subcommittee and one particular instance because it just seems that it was a gentleman by the name of Joseph R. Wright, Junior, the first witness before the subcommittee who, when he was Deputy Director of OMB developed a program called Reform 1988. That program aimed to consolidate much of the routine Federal administrative processes that all Federal agencies must perform, including payroll and personnel recordkeeping, inventory controls, general ledger accounting, travel records, management and the like. The idea was to have a single entity or perhaps a few separate entities do this work.

The computer operations, the recordkeeping procedures and the like were all of government. And an excellent example of this program turns out to be the National Finance Center, coincidentally in New Orleans, Louisiana, which does the work for many agencies, inclusive with the Departments of Agriculture, HUD, parts of Treasury and various others. They also do the payrolling and personnel recordkeeping for many of the legislative branch agencies, including Library of Congress, the Architect of the Capitol, GAO, OTA and CBO. GPO has not yet converted, and I don't know exactly why, but we have GAO looking into that.

We have also asked the Capitol Police to develop a plan for moving their payroll and personnel to the NFC in New Orleans. The Comptroller General has endorsed that idea enthusiastically, and since you have the father of Reform 1988 with you, Mr. Joe Wright, I will be very interested to get his views. Thank you, Mr. Chairman.

Mr. PACKARD. Thank you very much. We will place your questions in the record.

[The information follows:]

Questions Submitted by Chairman Bob Livingston

CONSOLIDATED ADMINISTRATIVE PROCESSING

Question. What other steps do you think we can take to consolidate our administrative workload?

Response. A study really needs to be conducted of the total Congressional over load with priorities established by the committees and overlapping requests and services identified. This study has to be done by an outside source. Then the Subcommittee on Legislative Appropriations needs to make additional organizational changes and reduction. This study should not take more than six months.

Question. Do you see any disadvantages for us in continuing to press on with similar consolidations of other legislative branch agency administrative workloads?

Response. No—it should be done. Make some cuts now and then wait for the study results from the effort described above.

Mr. PACKARD. Would you have an opening statement, Mrs. Murray?

Senator MURRAY. Thank you very much.

Good morning, Mr. Chairman, to you, and to my colleague, my Chairman, Senator Mack. Thank you for calling this important hearing.

I just want you to know that I look forward to working with all of you on this subcommittee. I think we have some tough choices we have to make for the American people, and I think we are going to go down a road and I think we will be able to accomplish some of that.

I also want to thank our guests. I am looking forward to your input. I unfortunately won't be able to stay for much of the hearing. I have a lot of constituents from the State of Washington that have traveled 3,000 miles today, but I will be looking back on the record and following closely what occurs today.

I do want to make a few brief remarks about how I intend to view my responsibilities on the subcommittee, because I was elected in 1992, that first year of big change and I understand that demand from the American public. In fact, only a few years ago I was struggling at home in Seattle, Washington trying to make my family's ends meet and get my kids off to school and make sure that they had a good world to grow up in, and today much remains the same.

My kids are here in school now, they still have two working parents and I still feel that we are struggling like a lot of American citizens today to try to make ends meet and provide a good world. But as I have traveled back and forth across this country numerous times and talked to the citizens in my state, it seems clear that people are saying that they want to see their government work for them, and I think that is something that this committee can work to accomplish. I hope we can make government work better for people, and I think we do that by bringing government closer to people.

I think there are many legitimate questions facing this subcommittee about the tools of this legislative branch. The agencies under the jurisdiction of this subcommittee have performed very important functions and I look forward to examining with all of you their missions in more detail as we go through this committee. But I intend to approach this job with an eye toward what the individual senators need to serve his or her constituents in the most efficient way possible.

Mr. Chairman, I know you have a long history of excellent work on this committee, and I think we have a bipartisan tradition to uphold, and I look forward to working with you and the other members of this committee, along with the House in working towards those ideals.

Thank you.

Mr. PACKARD. Thank you, Mrs. Murray.

As I mentioned earlier, Vic Fazio was the chairman for some time of this subcommittee. He has a long and very, very outstanding experience with the issues that we deal with. I am extremely grateful that he has been selected, or he chose to remain on this committee to help us through this transition.

And so, Vic, I would like to hear any opening statements that you would like to give.

Mr. FAZIO. Well, thank you very much. I want to thank both you and Connie for having brought us together to talk about the legislative branch in a common setting. I think it is a good idea, precedent-setting idea, but one that probably will serve to increase the communication between the two branches here, the two sides of the Capitol, the two branches of the Congress.

This is, I think, an important committee in ways that are perhaps not always viewed by the general public and the press. We know it is highly symbolic and therefore it becomes often somewhat political. And yet I think the history of this committee is that we have worked in a very bipartisan manner to the maximum extent we possibly could. I think today's hearing is indicative of the fact that that will be our continuing mode of operation.

I want to thank you, Ron, for allowing us to include witnesses that we think will provide even more balance to the proceedings today. And I am particularly pleased that you have chosen to retain the clerk of this committee who has worked for so many years, Mr. Ed Lombard, in a way that I think indicates the spirit in which you intend to proceed.

It is certainly my experience to have been in many, many hearings over the last decade or more on this branch of government, but I do want to say for the record that I think it is always appropriate to continue to view the way we are doing things to see whether we can do them better, to find ways to improve the management of this branch of government as well as the way in which we are structured.

So I come to this with an open mind, although I obviously have looked at this question and these issues on many occasions. I want to assure you that I think the minority is interested in making whatever improvements we can make. But there are issues of separation of powers, of independence for this branch of government vis-a-vis the executive and judicial branches.

There truly are questions of the prerogatives in the legislative branch that I think are neither liberal nor conservative, but are really truly important to maintain a perspective on the way the country is governed. I think everyone knows the amount of money we spend is relatively small, but as Senator Mack has said, it is important in ways that are very symbolic for the way we manage and run the rest of the government, particularly the executive branch. But I am hoping that we can view the subjects that we discussed here today in a manner that will not impede our branch of government from the exercise of its constitutional responsibilities.

I don't think that would be the intent of any here. I think we simply have to be very careful as we attempt to streamline or in some way reduce the size of this branch. We don't do it in a way that will be in the long run counterproductive for the very important role that the Founding Fathers gave to Congress.

It is I think very indicative of the degree to which you want to give all sides a hearing on this that you brought together such an outstanding panel of people. I don't think this panel would be inappropriate were we still in the majority and you in the minority. I think you have brought the right mix of people and the right voices. And I want to congratulate both the chairmen for that decision.

I look forward to the hearing.

Mr. PACKARD. Thank you, Mr. Fazio.

Mr. Taylor has come and we are grateful to have him with us.

Mr. TAYLOR. Mr. Chairman, I recall in last year's hearing when our fine Architect came in and presented his plan for the Capitol up through the year 2050, you noted that you might be chairman at that time and I am glad to see that you are 55 years ahead on your career plan. When we were members of the minority, we often heard Members' proposals to streamline the legislative branch and cut its spending.

After all, Mr. Chairman, we have asked the American people to sacrifice and certainly we ought to be willing to do it. Now that we are the majority, I think we should move forward that plan and I am glad to see the witnesses here today will be making suggestions.

In 1993 we offered a plan which would cut the legislative branch budget by 25 percent. We proposed a pooling of staffs of the economic support organizations, the staffs of the Joint Committee on Taxation and the Joint Economic Committee, the Congressional

Budget Office and the economic staff of the Library of Congress. And as scary as it might seem, the thought of turning more lawyers loose on the public, we proposed pooling the legal staffs of the committees on the Library of Congress and the Legislative counsel and the House counsel to eliminate duplications that we thought were here, eliminating dozens of positions and hundreds of thousands of dollars.

We proposed turning the Government Printing Office over to the private sector and saving hundreds of millions of dollars over the next five years and bringing it into the 21st Century. So Mr. Chairman, under your leadership and under Chairman Livingston's leadership, I am heartened to see that we have made progress already in tightening the budget. The House Committee side staff has been cut by a third and the Senate has cut their budget by approximately 25 percent and I am eager to work on beginning this kind of reduction in the Federal Government that we have been talking about for some time.

Thank you, Mr. Chairman.

Mr. PACKARD. Thank you, Mr. Taylor.

Mr. Thornton?

Mr. THORNTON. Thank you very much, Mr. Chairman.

It is good to be on the committee with the Senators. I am very pleased that you and Senator Mack have decided to have a joint hearing, because the subject matter is one that is pervasive and one that both committees will need to work closely together on as we address the issues. It is innovative. And I think that perhaps what Francis Bacon wrote was apropos when he said, "It would be unsound and contradictory to suppose that that which has never been accomplished can be accomplished, except by means which have not yet been tried."

You should be commended for approaching this with a new method of having hearings, and I do appreciate the privilege of being here with this distinguished panel.

However, I would like to echo the thoughts of Vic Fazio. Peter Drucker says that there is a difference between efficiency and effectiveness, that efficiency is doing things right; effectiveness is doing right things. It is very important, as we proceed into these hearings, that we recognize that our primary charge is doing right things for the American people and that we should do so in the most efficient and cost conservative way that we can.

I think we can make great improvements. I like putting everything on the table for review. And as we go through this process, let's not forget that our job is to have a strong and effective legislative branch operating more efficiently.

Thank you, Mr. Chairman.

Mr. PACKARD. Thank you, Mr. Thornton.

Mr. Miller?

Mr. MILLER. Thank you, Mr. Chairman. As a new member of the Appropriations Committee and of this subcommittee, I am excited about this hearing today. The total amount of money this subcommittee controls is relatively small in a $1.5 trillion dollar budget, but symbolically it is extremely important. I am also excited about the fact that we started at the beginning of the year with making cuts in our own committees, and in our committee staffs.

And I am pleased to note that the Senate has been doing the same thing.

So we in the House have already begun the process. But the symbolism coming out of this committee is very, very important. I hope to do a lot of downsizing of the government.

Thank you very much.

Mr. PACKARD. Thank you, Mr. Miller.

We haven't introduced Julian Dixon from California. We are pleased to have him not only on the subcommittee, but here this morning.

Do you have any opening statement?

Mr. DIXON. No, I really don't, except to say that I am anxious to learn as a new member on this subcommittee and I come with an open mind on most of these issues.

Mr. PACKARD. Thank you very much. We will not have everyone make an opening statement in future hearings. This morning we did allow all to make an opening statement, but in the future I would like to limit all opening statements to no more than 10 minutes, including the chairman and the ranking minority, so that we can devote most of our time to our witnesses. That is the general procedure we will follow.

This joint hearing was called as a joint hearing because Chairman Mack and myself had met together and determined that the gathering of information that would help us begin the process of rightsizing and perhaps downsizing the legislative branch could be very similar even though we held separate committees. And so we felt that it would be very useful not to call upon the same kinds of witnesses to come to two separate hearings. And it would also give us an opportunity to become acquainted with one another in the early stages of our process. So we were anxious to have a joint hearing.

We will probably not hold a lot of joint hearings, if any additional joint hearings, because we think it is wise to develop our own bill and our own priorities, and then the process will normally take its course in working out the differences between those two bills.

Listening to some of the statements, I would like to just off the cuff make a couple of points, also. We don't believe, at least I don't believe, that it is our sole responsibility, and it is the message that we have heard from the voters this year, to simply cut back on the different agencies of government. Several of you mentioned this. I believe that it is a time and a rather unusual opportunity for us to rethink the way we do things, and whether we ought to be doing some of the things that we have been doing for a long period of time. I believe that this is a good time for us not only to downsize, but to restructure and reprioritize, or determine what our missions are.

And to every agency head that I have met with thus far, that has been my instructions. That I want them not just to cut back, but I want them to assume to begin with that their agency doesn't exist, that they start with a zero base. That is a rule of the House now, that we generally think and start from a zero base as though the agency doesn't exist.

They must go back and look at their authorizing legislation to determine their fundamental mission, and then they determine what they must do; what is absolutely crucial that they do to fulfill that fundamental mission. All else that they are now doing that is not essential to the fulfillment of their mission ought to be discontinued or certainly reconsidered. And then they build their budget around those functions that they consider to be absolutely crucial to the fulfillment of that mission. I think many of them are already starting to do that and we hope that they will continue to do that.

Just some background before we start to hear from our witnesses. The legislative branch is provided $2.4 billion in annual appropriations, and we have about 35,000 full-time equivalent employees. It is not a lot of money in the total Federal budget, but it is a lot of money in many respects; and it is a lot of employees. But the more important thing is that we represent on this subcommittee one-third of the branches of government the legislative branch. And that one-third is a very, very significant responsibility.

I won't get into the details of the figures that we will be dealing with. Perhaps simply to say that about half of the $2.4 billion is in the operation of the Congress itself, the House and the Senate, and the other half is for the support agencies that work with the Congress. It is those support agencies that we are going to hear about today to try to get additional information to help as we begin the process of reviewing the budgets of each of those support agencies.

We have several witnesses that will be with us today, participating in our hearing, and they include the former member of President Reagan's Cabinet who served as the Director and Deputy Director of OMB. He will be our first witness, Mr. Joseph R. Wright, a man of great experience and one of great insight and we look forward to his testimony.

We have two former public printers, one is now a publisher and television executive, the Honorable Danford Sawyer, the other is the Honorable John J. Boyle, who has also had extensive experience in electronic printing technology, a technology that we certainly are going to consider moving on toward.

The Professor of Science and Technology at the Institute of Public Policy at George Mason University, Dr. Chris Hill. A former head of the Federal Building Service and now a business executive and consultant, Mr. Dick Haase. Then we have the senior facilities management official at the Pentagon who is in charge of the National Capital Region, Mr. L.W. Freeman; and three scholars at local private think tanks who have researched and written extensively in the field that we are dealing with, Norm Ornstein of the American Enterprise Institute, Thomas Schatz from Citizens Against Government Waste, and David Mason of the Heritage Foundation.

Also we have an information industry consultant and former senior policy analyst for the Office of Management and Budget, Dr. Tim Sprehe. We have divided these witnesses into four panels. Our first panel will be Mr. Wright himself.

We are extremely grateful to have you with us, Mr. Wright. We look forward to hearing your testimony and then we will open things up for questions afterward.

Incidentally, I should mention to all of the witnesses that are here, we have received your written testimony. We either have or will be reading it carefully, and it will be in the record. We would appreciate perhaps no more than five minutes of verbal testimony that would help reinforce what you have given us in writing. So with that, Mr. Wright, we would be pleased to hear from you.

Mr. WRIGHT. Thank you, Mr. Chairman. Chairman Packard and Chairman Mack, I appreciate this opportunity and I will submit my testimony for the record. And I will hold my comments to five minutes.

I must say that this is a unique experience for me because while Deputy Director and Director of OMB, I was never asked before to testify to the Congress on its budget. As a matter of fact, if I would have, it probably would have been a career shortener. And so, therefore, even though I have more gray hair right now, I appreciate the opportunity.

Let me reinforce a little bit about what some of the members of the committee have already stated.

I believe that this committee is taking an extremely important step, not only from the prospect of saving money for the taxpayers, but also from the prospect of setting an example to the entire rest of the government as you go through your downsizing and your restructuring exercise. It is vital that this be done.

I would consider the exercise you are going through to be similar to that of a board of directors of a corporation who is asking the corporation to make substantial cuts in all of its operations and then it just purchased a couple of new airplanes for its own use. And so therefore, the steps that you are taking to set the example, as I said in my testimony, I applaud and will be supportive in any way that I can.

Specifically, I believe that Senators Domenici and Mack put together a good package of recommendations, and to cut it short, I would just say that, Senator Mack, I go along with those recommendations, particularly those on the staffing at the administrative support agencies, and I will not get into any of the other parts, because as far as I am concerned, that really is the Congress' business and the way you conduct business.

I would like to add a few comments, and that is on page 4 I mention that you might also take a look at the recommendations from Congressmen Schaefer and Penny in 1994, and those of Congressman Penny and Kasich in 1993. There were some that they included, particularly, for example, on franking, on CBO and, on the Government Printing Office that were not included, Senator Mack, in your task force recommendations.

Beyond that, I notice that I did not include anything on the Government Printing Office on contracting and eliminating some of the services that they have got in privatization. Mr. Taylor, I think you mentioned this. I totally support that. The Library of Congress, I notice, was not included in there, and I would suggest that the committee do take a look at the Library from the standpoint of user fees and also the Copyright Office, being separated from the Patent and Trademark Office. I notice the Architect of the Capitol was also absent in any recommendations, and I see tremendous opportunities for privatization with the Architect.

Beyond that, I would say that I think there is going to be real savings that can be generated, not only in the Congress, but also from the entire rest of the Federal Government. But I believe it has been mentioned before, you have to change the way you to do business, not just work around the fringes, and you have an opportunity driven from the Congress rather than the executive branch to make some fundamental changes in this area.

I see no reason to make offices and committees that are not needed more efficient. I see absolutely no reason to make reports and studies that are not required faster and more accurate, and I see no reason to streamline duplication where duplication should be eliminated. I have a statement on page 5 where I was talking about the administration's reinventing government exercise. I call it a redecorating effort. And the only reason I did that, Mr. Chairman, was because of the fact that we now in the Federal Government have a house that from a performance role and a cost point of view is falling down. It is not the time to start a repainting exercise.

And so therefore, I think you have an opportunity to set the example for major structural changes. And I am happy to be a witness to start off your hearings. I wish you all the best of luck in this exercise. It is very important.

Thank you, sir.

[The information follows:]

TESTIMONY

BY JOSEPH R. WRIGHT, JR. ON DOWNSIZING

LEGISLATIVE BRANCH SUPPORT AGENCIES

TO

THE JOINT HOUSE-SENATE LEGISLATIVE APPROPRIATIONS

SUBCOMMITTEE

FEBRUARY 2, 1995

Messrs. Chairmen and members of the Legislative Appropriations Subcommittee: I am pleased to be with you today to discuss reducing the size, and hopefully the scope, of those agencies that currently support the Legislative Branch of our Federal Government.

First of all, I applaud you for this effort. The "downsizing" of the Federal Government must start here, because if this new Congress is truly serious about reducing the size and role of the entire Federal Government, with its annual budget of $1.5 trillion, annual deficit of $180-200 billion and debt of $4.9 trillion then you are correct to begin by setting the example by getting your own "house in order." Several good steps have already been taken as the Congress begins passing the first proposals of the "Contract with America" package including congressional accountability, unfunded mandates and a balanced budget amendment. But now the appropriation process begins.

This new "leadership" from the Congress in reducing government and the Legislative Branch is long overdue. A New York Times article entitled the "Imperial Congress" last year stated that Congress has overstepped its proper size and authority and "...legislated itself into a position of independent power... creating enough committees and subcommittees (more than 100 in the Senate; almost 150 in the House) so that virtually every Senator and most Representatives can have a senior position...increased its work force from about 22,000 in 1960 to 37,000 today, giving each member plenty of jobs to fill. Personal staffs of House members have jumped from 2,500 in 1960 to more than 7,000 in 1992; in the Senate personal staffs have more than tripled, from 1,200 in 1960 to more than 4,000 in 1992." As a result legislative costs and budgets have escalated beyond those that are prudent and appropriate and Congress has probably taken on a list of powers and responsibilities that are properly those of the Executive Branch.

Funding (outlays) for the Legislative Branch in 1962 was $196 million and grew to almost $2.5 billion in 1995 - - an increase of 13 times in 33 years! And the President's budget (Fiscal Year 1995) proposals last year estimated that this number would increase to $2.7 billion by 1999. Congressman Cox stated the other day on the floor of the House that since 1947, legislative branch funding has grown at a rate that is six times inflation and he stated: "There is just no excuse." I agree.

Of the $2.5 billion budget for the entire Legislative Branch in 1995, $1.14 billion or almost 46% is spent on "legislative support agencies" which include the following:

- Office of Technology Assessment;
- Congressional Budget Office;
- Architect of the Capitol;
- Government Printing office;
- Library of Congress - - Excluding Congressional Research Service; and the
- General Accounting Office.

If all legislative support is included, I understand the spending level for the Legislative Branch is actually $2.9 billion in 1995 and is projected to grow to $3.4 billion by 1999!

There currently are actions that can, and should, be taken to substantially reduce these expenses as part of an overall cost reduction program in the Congress. As a start, I strongly support the recommendations that were proposed recently by the "Working Group on Congressional Reform" led by Senators Domenici and Mack. As you know, many of these proposals are two years old and were part of the recommendations made by the "Joint Committee on the Organization of Congress" co-chaired by Senators Domenici and Boren in 1993. I attach a copy of the recent recommendations for reference.

While I will not comment directly on the proposals to streamline the committee structure, budget process, and floor procedures - - I believe they all go in the right direction. My comments on the Staffing, Administration and Support Agencies are as follows:

- Recommendations 10-13: I agree on the reductions in offices and committees but believe there should be a further review on actually eliminating or combining unnecessary offices - - rather than simply reducing them 12.5-15%.
- Recommendations 14-19: I also agree but would suggest that the following recommendations made by Congressmen Schaefer and Penny in "The Fiscal Responsibility Act of 1994" be considered:

Recommendation	Five-Year Savings (Millions of Dollars)
• Reduce congressional franking by 50%	$100
• Eliminate the Joint Committee on Printing and the Joint Economic Committee	$26
• Reduce CBO funding by 10%	$11
• Reduce Architect of the Capitol funding by 10%	$50

I would further support many of the proposals included in "A Common Cents Plan" by Congressmen Penny and John Kasich in 1993. There is simply too much duplication in the legislative support agencies. Congressman Taylor stated recently on the House floor: "...if one wants information in taxation and economic matters, one can go to the CRS that has 875 employees, one can go to the Congressional Budget Office that has hundreds of employees, one can go to the Government Accounting Office and ask for a study that has thousands of employees, one can go to the Joint Economic Committee and ask for a study, one can go to the staff on the Committee on the Budget and ask for that, one can go to the staff on the Committee on Ways and Means and ask for that one, one can go to the Senate Finance Committee for their staff and ask for that, one can go to the Committee on the Budget in the Senate and ask for that..."

I agree with Mr. Taylor. This duplication of effort (which occurs in the Executive Branch on a much larger scale) has to be substantially reduced. It's grown out of control.

In addition, I believe that most, if not all, of the activities of the Government Printing Office which spent $122 million this year should be contracted out after a careful and critical review to reduce and eliminate any unnecessary publications. There is no reason for the Federal Government to conduct such an obvious private sector activity. I would further suggest that the Congress look for other "privatization" opportunities such as administrative processing (voucher, payroll, financial, etc.), banking, auditing, security services, facilities, etc., etc. Again, you could be setting a very important example for the Executive Branch that resists any privatization efforts. And as President Ronald Reagan said in his early career: "Government tends to grow; government programs take on weight and momentum...but the truth is that outside of its legitimate function, government does nothing as well or as economically as the private sector..." I agree - - but it's tough to get the government agencies to "let go."

In summary, the Administration has set, as a high priority, the "Reinventing Government" initiatives. While many of their efforts are well founded, they should first "De-invent the Government" back to its proper size and role before trying to make it work better. Why try to make a prehistoric, outmoded, overweight dinosaur run faster when you should have a smaller greyhound? Dramatic structural change is required - - not simple rewiring, renovating, or redecorating.

So I again applaud the efforts and leadership of these two appropriations subcommittees and the Congress at this time in this area and will be happy to answer any questions you may have.

RECOMMENDATIONS OF THE WORKING GROUP ON CONGRESSIONAL REFORM

A. Committee Structure

Recommendation #1:	Senators should serve on no more than two (2) "A" Committees and one (1) "B" Committee. The Majority and Minority Leaders may make assignment adjustments to reflect party ratios, resignations, deaths, etc.
Recommendation #2:	Waivers granted for the 104th Congress should not be affected.
Recommendation #3:	Each "A" Committee -- with the exception of the Committee on Appropriations -- should be limited to no more than five (5) subcommittees in the 104th Congress. (The Majority Leader may grant a Committee's petition that it would seriously impair the petitioning committee's ability to perform its function with fewer than six (6) subcommittees.)
Recommendation #4:	Each "A" Committee -- with the exception of the Committee on Appropriations -- should be limited to no more than four (4) subcommittees in the 105th Congress.
Recommendation #5:	Each "B" Committee should be limited to no more than two (2) subcommittees. Senators shall serve on no more than one (1) such subcommittee.
Recommendation #6:	A committee should be abolished and its jurisdiction transferred by the Rules Committee to other standing committees if, as a result of these assignment limitations, it falls to less than 50% of both its majority and minority membership as of the 102nd Congress.
Recommendation #7:	Effective this Congress, the Joint Committees on Printing, Library, Taxation, and the Joint Economic Committee should be abolished, with their respective

responsibilities and appropriate resources transferred by the Rules Committee to the relevant Senate Committees and the Congressional Budget Office.

Recommendation #8: Senate committees, other than Appropriations and Budget, should develop schedules to meet only on certain days to avoid overlap. This rule should be waived only in extraordinary circumstances where time is of the essence.

Recommendation #9: Proxy votes should not be permitted to affect the outcome of any vote in full committee.

B. Staffing, Administration and Support Agencies

Recommendation #10: The 1995 Committee Funding Resolution should be reduced by 15% from the 1994 Committee Funding Resolution.

The Committee on Rules and Administration should allocate the appropriate resources to reflect the anticipated legislative committee workloads. Additionally, when examining areas of reduction, special consideration should be given to committees that have experienced disproportionate growth over the last decade. Conversely, consideration should also be given to those committees which have not experienced growth.

Recommendation #11: There should be a 12.5% reduction in every Leadership, Officer, Conference, Policy and support office. These reductions will be achieved in the fiscal year 1996 Legislative branch appropriations legislation or on a similar vehicle.

Recommendation #12: These offices and their committees of jurisdiction should review their structure and mission with the goal of continued delivery of critical services.

Recommendation #13: The legislative support agencies and joint items constitute 50% of the legislative branch appropriation. The appropriate Senate committees and leadership should engage the House in a complete review of each agency with the goal of substantial reductions in staff and budgets while maintaining the deliver of core and statutory services.

Recommendation #14:	The Government Accounting Office (GAO) should be reduced by at least 25%.
Recommendation #15:	The Office of Technology Assessment (OTA) should be abolished.
Recommendation #16:	The permanent authorization for the GAO, GPO, CBO, and CRS ("instrumentalities") should be repealed; the Congress should instead enact authorizations of eight (8) years for each instrumentality.
Recommendation #17:	The instrumentalities should institute a cost accounting system to detail the cost of providing services to each Senator and Senate committee.
Recommendation #18:	The instrumentalities and the relevant committees of jurisdiction should examine the feasibility of establishing a voucher system for the committees' use of the services of such instrumentalities.
Recommendation #19:	Detailees for the instrumentalities to Senate committees and Senators offices should be on a reimbursable basis.

C. **Budget Process**

Recommendation #20:	The Congress should adopt a two (2) year budget resolution and appropriations cycle, with the budget resolution and appropriations bills adopted during the first session of a Congress, and authorization legislation enacted during the second session.
Recommendation #21:	The Congress should prohibit authorizations of less than two (2) years.
Recommendation #22:	The Congressional Budget Office should submit quarterly deficit reports to Congress.

Recommendation #23:	The Congressional Budget Act should be amended to clarify that the Byrd Rule is permanent, applies to conference reports, requires sixty (60) votes to waive, and applies to extraneous matters.
Recommendation #24:	During the second session of a Congress, the General Accounting Office should give priority to requests by authorizing committees for audits and evaluations of government programs and activities.
Recommendation #25:	Four (4) years after the enactment of a two year budget resolution and appropriations process, there should not be an appropriation for any program for which there is not a current authorization.
Recommendation #26:	The Congress should abolish baseline (or current services) budgeting.
Recommendation #27:	The Congress should restore the "firewalls" between defense and non-defense spending.

D. Floor Procedure

Recommendation #28:	Debate on the Motion to Proceed should be limited to two (2) hours.
Recommendation #29:	Sense of the Senate resolutions should be cosponsored by ten (10) Senators unless offered by the Majority or Minority Leaders.
Recommendation #30:	Under cloture, time consumed by quorum calls should be charged against the Senator requesting the quorum call.
Recommendation #31:	Under cloture, a three-fifths ruling should be required to overturn a ruling of the presiding officer.
Recommendation #32:	The Senate should dispense with reading conference reports so long as the report is printed and available one (1) day in advance.

Mr. PACKARD. Thank you very much, Mr. Wright. I am going to defer to the chairman of the Senate committee for the first questions, if you would like, Senator Mack.

Senator MACK. Mr. Wright, you made the comment "change the way you do business."

Mr. WRIGHT. Yes, sir.

Senator MACK. Tell me the first one, two or three things that you think we ought to change.

Mr. WRIGHT. The Congress should change or the government?

Senator MACK. The Congress should change.

Mr. WRIGHT. I believe that, as Mr. Taylor said, you have way too much duplication in the areas of the economic studies, technical studies. I believe that you have too many requests, for example, of GAO that are coming in from the Congress that are not required, and they are overlapping and duplicating. I believe the Congress has been very slow to do any privatization.

Senator MACK. Let me hop in here for a second on GAO.

Mr. WRIGHT. Yes, sir. I can keep going.

Senator MACK. There would be some who will say that cutting down or trying to limit the ability of the Congress to ask questions is really not—we won't be carrying out our responsibility as a legislative branch, that the General Accounting Office is, in fact, there to be an extension of the Congress, to be able to delve into some very difficult issues. Again, what is your reaction?

You know, the Senate Republican resolution that was passed at a Republican Conference earlier this year calls for a 25 percent cut in the General Accounting Office. Again, what is your reaction to that? Is it in fact going to limit the Congress' ability to do its job?

Mr. WRIGHT. Senator, I do not believe it is going to limit the Congress' ability to do its job at all. If I remember from the documents from GAO, 80 percent of their total volume, I believe they said, was driven by requests from the Congress.

Senator MACK. Just to clarify that, you are saying that 85 percent was requested by various Members of the Congress and was not directed at its auditing function?

Mr. WRIGHT. They said 80 percent were by Members or entities—committees, joint committees of the Congress. I am sure some of it was information and reports from their auditing function. But the point is that the Congress itself is the driver of how large GAO is by the requests that you as a body make upon that institution. And so therefore, understand that if you are going to reduce the size of GAO—and by the way, I supported your recommendation—if you are going to reduce the size of it, you also are going to have to adjust your own insatiable appetite for getting overlapping, duplicative reports, for having committee chairmen—and I do not mean this in a disrespectful way at all, but having committee chairmen go and basically ask for a report on information for a subject they already know the answer to. This happens over and over again.

Now, I can say this because I am not in GAO, and so therefore, you know, I am not going to go back and hear from Chuck Bowsher. But that happens too many times. One area also that I would say that they could reduce is what they call transition reports. From the executive branch, I do not believe that those have been very useful nor been used very often.

They also get into management reviews which I worked with Chuck Bowsher on. And in the management reviews I believe they have gotten too top heavy, they are too duplicative with the Inspector General activity. So I think there could be quite a bit of paring down and making a much leaner and effective organization. But the Congress is going to have to also reduce its appetite and demands upon that institution.

Senator MACK. I mean, put yourself in Chuck Bowsher's position, though, when you have chairmen of the committees all through the Congress that come to him and say, we want a particular report done, we want to investigate this or that. I mean how is he going to tell the Congress that he can't do that? I mean after all, we created him for the purpose of investigating, doing things that the Congress said they wanted to have done.

The second point that I would make, and I think—I guess I know in my own mind what the answer is. I think the Congress needs to define more tightly the kinds of things that would be open to the GAO to review.

The second thing is that some people have suggested that maybe that the Members and the committees ought to have to pay a fee out of their budget to the GAO and therefore, people would be a little bit less likely to just kind of off the cuff say, gee, I would like to have a report from GAO about how many stars are in the universe. Because when you go through the process of thinking, well, aren't you going to take some of the money out of my office budget or from a committee budget to get that work done, maybe that would be the kind of thing that would discourage a number of requests from GAO.

Mr. WRIGHT. Senator, if—I think it would be a very good idea for Chuck Bowsher to come in with the Appropriations Committees and reach—with you, really, and reach an agreement on standards that are going to be followed to give him some protection to be able to say no in the form of priorities to reports or studies that are not needed or are very low priority or are repetitive.

In other words, you may be asking him for the report and he has got 95 percent of it already done somewhere else and it is only a year old in a subject that is not timely. But he is going to have to have some cover from the committees to be able to sit down and say here is what our standards are.

Second is I believe that the Members of Congress should be charged up against their committee's budgets for the use of not only GAO, but the other services. Because there is an unlimited demand for a free good, and that is what is being exercised right here in many of the duplications that I have seen. So therefore, I have seen that recommendation, I totally support it.

Senator MACK. Let me switch to another area. In your statement that you submitted for the record, you referred to an article titled "The Imperial Congress", and I think it was by Joseph Califano.

Mr. WRIGHT. Yes, sir, that is right.

Senator MACK. One of the quotes in there was Congress has overstepped its proper size and authority. Can you elaborate on what you believe Joseph Califano meant by that and what your impressions are?

Mr. WRIGHT. I will give you my impressions of it, because if you read the article at the time, it was pretty explicit. I think that Mr. Califano was talking more in the policy areas. I believe what we are dealing with right here is more in the administrative areas.

I questioned why the Copyright Office is part of Congress. I understand the requirements for registration, but that is easily handled, you just send a copy. I question the entire Government Printing Office, that this is a managerial contracting-out function. It is not a legislative function.

There are some other duties, for example, resolving disputes. You know, overseas as well as with contractors. You have got administrative law judges. You have got these types of functions within the agencies. I don't think anybody has really taken a good look at how many executive branch activities you really do. And if you do take a look at it and you decide that, for whatever high priority, there is a reason to do it, my guess is that those activities that you decide upon are going to be relatively small.

Senator MACK. What about the Office of Technology Assessment?

Mr. WRIGHT. I agree with your recommendation, that it is not worth the dollars that you are spending on it, and it is being duplicated elsewhere. I would shut it down.

Senator MACK. I think that is all I have right now.

Mr. PACKARD. Thank you very much. Mr. Fazio?

Mr. FAZIO. Well, thank you, Mr. Chairman. I wanted to get into a couple of these areas. I know that there are problems in terms of GAO's overload in the sense that Members still have the authority to request some sort of investigation, study or report. I do think we would be mistaken if we didn't admit that the degree to which they comply with that request varies tremendously based upon the seriousness of the question, and, frankly, the source.

Committees and entities that speak in a bipartisan way in particular I think tend to get a lot more attention than an individual member who has a particular district problem. And I think the resources at GAO are far more likely to be spent more meaningfully on the more significant issues.

But I do think that it has to be put on the record that GAO has been downsized in recent years, certainly in the period since 1981 when I came to the committee, and maybe the clerk can help us with the numbers. But we have not only seen a voluntary reduction of downsizing in the aids, I think some 500 positions were eliminated, but in the last couple of years with the early-out incentives we have seen GAO downsize even more. Not to say that that is sufficient.

I believe Mr. Bowsher has a three-year plan for further downsizing. But I have heard people talk about a 25 percent cut in one year. I think that would be the kind of cut that would be rather difficult for any agency to absorb and still maintain its level of efficiency, and I particularly want to highlight it in regard to GAO because I think in a period of downsizing government, GAO could make a significant contribution in that regard. And to in effect impede the legislative branch's ability, in fact the government's ability, to make reductions appropriately throughout government would be somewhat counterproductive.

Let me just comment in addition on the recommendation to reduce CBO by 10 percent. I hear your comments, Joe. We have kept CBO in recent years at a level of funding, have essentially paid only cost of living adjustments for staff. We have not increased the number of people there at all. And yet we continue to ask them to do more work.

We just passed a bill through the House yesterday which requires them to do more analysis of unfunded Federal mandates, something we have all decided is very important. Last year we were all banging on CBO because they couldn't produce sufficient analysis on the plethora of health reform plans coming from every ideological perspective in Congress.

We are constantly demanding more finite work on all sorts of government expenditures for a better job of budgeteering. They, of course, came into existence in the 1970s, long after most of the growth of legislative branch funding came to a close. I am concerned that CBO would find it very hard to meet the demands of the new majority in Congress if it were to absorb that kind of cut.

Lastly, OTA. I think again, here is a question of whether or not the legislative and executive branches should have the ability to provide some check on each other. OTA is a relatively small agency, mostly seeking private sector input, non-profit sector input by contract. Very few permanent personnel.

But essentially, an effort to bring the best in the scientific community's technological advances to the attention of Congress, run by a bipartisan board that vigorously prevents Members of Congress from interfering with the priorities that are set for the institution, not by individual requests. And it would seem to me a real loss if we were to not have the kind of input on a number of subject areas that frankly Members of Congress, given our typical backgrounds, are not really proficient enough to handle.

So I would be interested in your thoughts. Where is the input we would get in lieu of OTA that isn't within the purview of executive agencies that have their own agenda, their own axe to grind, which can often amount to spending money?

Where would we go for the kind of help that CBO increasingly is being told it must provide to Congress? And where do we go in the downsizing of the government when we are making a 25 percent cut in a GAO that has already made significant reductions in personnel?

Mr. WRIGHT. Okay. Mr. Fazio, I have a whole list of items that you brought up. Let me take first of all, GAO. The numbers in 1981. They had a budget authority which is approximately the same as outlays, about $220 million and 5,182 people. And this last year, they had $429 million, which is a little over a doubling of that, and 4,928 people. Now, I don't know what is going to happen, you know, for the rest of the year. So in effect, they stayed about even.

Now, I totally agree with you that the reports will be dramatically different depending upon whether or not they are coming from a chairman—pardon me, the request is coming from a chairman of a powerful committee or somebody else. But the fact still remains that by what GAO says, the Congress drives approximately 80 percent of their workload.

So all I am saying is if you are the big bear out there and you are driving the market forces that are keeping that product line going at its rate, you can change your requirements. I don't pretend to be smart enough right now to be able to tell you how that should be done.

But I believe that a 25 percent cut is doable; I believe that Mr. Bowsher should come up with the committees, and he should get some very good understanding of what is going to be, you know, honored in terms of requests. There should be a process of going through an appeal that is done all the time, that is no problem. The overlapping between the executive branch, particularly in the areas of the inspectors general and some of the appeal mechanisms they have got like on the international, as well as the contract disputes, should be handed back to the executive branch. I believe that is where it belongs.

Now, I think you can get down to 25.

On the——

Mr. FAZIO. When you say you think the appeal function should be in the executive branch, wasn't it placed in GAO in order to make sure that there wasn't the bias that might occur in the executive branch itself had the issue before it?

Mr. WRIGHT. Yes, it was. And then you set up the administrative law judges activities, and then you set up the inspectors general activities, both investigative and auditing in 1978. So what has happened is you have set up the structure, and then you have set up duplicative structures after that.

The point I was trying to make is rather than taking a system that has grown up over the years—that is really a faulted process, it is a faulted structure—and making it more efficient, restructure it. Do the hard job now, because you have got a mandate. In my feeling, Mr. Fazio, Ronald Reagan when he became President in 1980 had a mandate, but from my point of view, that lasted for about two years. And from that point on, any recommendations that we came up with for closing down agencies or any major restructuring—and if you remember in about 1981 and 1982 we had about over 100 agencies, including the Departments of Education and Energy for reductions—and very few, if any of those, were ever implemented, because our proposals, when they arrived up here in Congress, were called dead on arrival every single year.

So I am saying for the Congress to drive it down through the executive branch, you have got the best chance that I have ever seen, and that is why I think it is so important what this committee is doing.

Now, you are right, appeals were set up in GAO, but I believe that you really have to take a good look at this.

On the Office of Technical Assessment, you asked me where you could go and get that, and by the way, I do believe that is important information for you to have for the most part at your disposal. I believe it goes to the Congressional Research Service. I believe that you could go to GAO, you could go and—you could go to a contractor through the Congressional Research Service and have it done. I believe there are many places.

As a matter of fact, I think there are too many places for you to go to. I would narrow it down so if no other reason, not only would you improve the efficiency and reduce the cost, but you would improve the effectiveness of it.

Mr. FAZIO. If I could interrupt, and I want you to be able to go on.

Mr. WRIGHT. Yes, sir.

Mr. FAZIO. There was a real effort on this subcommittee over a number of years to eliminate the duplication of studies, and in fact we have required that the four agencies that are often asked to do studies meet regularly to clarify exactly who is doing what and to avoid duplication. In fact, there is a publication that is made available to show exactly which agency chose to take a level of analysis, the CRS analysis normally far below what would be available to someone who is contracting at the Office of Technology Assessment, for example, to do a scientific analysis.

So there has been an effort, it may not be sufficient, it may not be adequate, to avoid agencies duplicating each other's work and assigning some requests to the proper agency for the proper level of analysis. I do think that is something the committee needs to look at in that regard, and I will withhold any more questions and let you finish.

Mr. WRIGHT. I appreciate that.

I also appreciate the Congressman's earlier comments of, look, let's not destroy what is truly needed to effectively govern. That is not the point. The point is, I believe that what you have done is not so much different than what I consider to be the reinventing government that is being done on the other side of Pennsylvania Avenue. It is not making major restructuring and major differences in the way that government truly operates.

It is working on the fringes. And we have got a bankrupt corporation here. We can't work on the fringes. And you have got an opportunity now to drive the changes from the Congress. The executive branch cannot do it, sir.

Mr. PACKARD. I think we are going to need to move on to the next member for questions. Mr. Taylor?

Mr. TAYLOR. Let me see if I can make a small statement and ask you, Mr. Wright, if it is in the area you are talking about. We have been sort of nibbling around the edges of reform here in past years, and what I was talking about in making a 25 percent cut does not necessarily mean that we go to each agency and ask them to make a 25 percent cut. It means obliterating some in order to get the 25 percent, because there are some areas we may want to hold in zero cuts or perhaps even make more effective. We might need more funds. To talk about what you were saying in the area of, say questioning the taxes, and I said this two years ago and—I went over it—I was never corrected, but if I have a question on taxes as a Member, I can go to the Joint House and Senate Tax Committee, I can go to the Ways and Means staff, the Senate Finance staff, GAO, CBO, I can go to CRS, I can go to the Department of Treasury, I can go to OMB, I can go to the IRS, and that is before I ever get to maybe getting outside consultants which I think, if we are going to put, if we are going to do, as Senator Mack said, and I agree, talked about getting private bids that we pay for the information we get, let's get rid of most of this and just go ahead and bid it from private organizations.

We don't have a government shipbuilding organization when we want to build a carrier, we go out and put it on bid and contract it out. I don't know why we couldn't do that with research in an independent way and get rid of many of the duplicative staffs that spend millions of dollars in waiting for us to come to them with a request.

So I think it is practical when you are talking about the need. I have three boys. They all want a horse. I can't afford to feed three boys, much less three boys plus three horses. So we got one old plug and they can all call it their own and get by. And that is what I think we are going to have to do, as you said, in a bankrupt corporation.

You may need to call on that kind of assistance and we may need to take that kind of look rather than saying, well, let's make a 10 percent reduction in GAO here or 5 percent there, and assume we have done something.

Now, what you are thinking is a consolidation or perhaps a new look altogether to these things rather than just nibbling around the edges?

Mr. WRIGHT. Yes, sir, Mr. Taylor. It is completely what I am talking about. It is looking at what has to be done without how it is being done today. And then establishing a brand-new model of how the Congress should work and how we should accomplish the tasks of the future from the executive branch. And the executive branch, understand the structure that they have got to come through to go up through the appropriations committees and the authorizing committees. Every time that they make a proposal for dramatic change, they are threatening one of the chairmen or the ranking minority members on one of those oversight committees in some way.

Now, what chance do you think that they have got to really make any fundamental change in the way we deliver important services to the American people? So from that standpoint, it has got to be driven by the Congress, but not how do we improve what we are doing today. And that is the difference that I am trying to make. What do you have to do first? Now, let's create a whole new structure, and then let's do that well.

Mr. WRIGHT. I know it is complicated, but when have you ever had the opportunity to do what you can do right now? And you are going to lose—well, I don't mean to—I think you are going to lose the mandate.

Mr. PACKARD. We are going to try to hold this panel to about five more minutes, so we want to move along.

Mr. Thornton.

Mr. THORNTON. Thank you very much, Mr. Chairman.

I will be brief. I, first of all, see a distinction—and wonder if you do not also—between the functions such as the Copyright Office or Government Printing Office and other functions which are difficult, in my mind, to relate to the legislative purpose, as distinguished from functions such as the GAO and the Congressional Budget Office. Mr. Fazio has explored the GAO situation completely. I am familiar with its history and background, the 15-year appointment of a director to give the Congress an arm which has been very useful over the years.

The Congressional Budget Office came into existence in the 1970's. I am a "retread;" I was here when Congress for the first time decided that it should do some budgeting. Up until that time, the budgets were produced by the executive branch, sent to the Hill, and we tinkered with them. There was no capacity for a joint Budget Committee or for a congressional legislative review of budgetary authority. Do you think that it was a good thing that we moved the Congress into the area of being a check in budgeting?

Mr. WRIGHT. Yes, sir, I do. I am always in favor of that. I never, from the standpoint of the Office of Management and Budget, never had a problem with the Congressional Budget Office over there. And as a matter of fact, we worked very well together.

Mr. THORNTON. So you do think that CBO performs a useful service?

Mr. WRIGHT. Yes, sir, I do.

Mr. THORNTON. Has CBO been held to about level funding in the past dozen years or so?

Mr. WRIGHT. Let me see. The Congressional Budget Office in 1981 was $12.5 million in budget authority, this year it is $22.3 million. So just a little bit under double. The staffing is about the same, 221, to 220 people.

Mr. THORNTON. So the increase is in the cost of the operations rather than the growth of the agency and staffing size?

Mr. WRIGHT. Yes, sir. But during that time, from 1980 to 1995, the increase in the funding was 87 percent. For example, from my old agency, the Office of Management and Budget during that same period was 50 percent.

Mr. THORNTON. Oh, 50 percent as compared with 87. Very useful information. But you do recommend that we keep CBO strong?

Mr. WRIGHT. Yes, sir, I do.

Mr. THORNTON. Okay. I yield back, Mr. Chairman.

Mr. PACKARD. Thank you. Mr. Miller?

Mr. MILLER. We are talking about rethinking federal policy with a mind towards fundamental change and thinking big, and one of the more interesting suggestions out there has been proposed by Lamar Alexander I would like to get your reaction to someone who has been on the executive branch and out in the Nation as a business leader, about the concept of reducing the Congress in particular to a group that just works only six months a year.

Thirty, 40 years ago, that is the way it worked. Under this idea the people could cut our pay in half and send us home the other six months of the year and let us have a real job in the real community where we are from. What is your reaction to Mr. Alexander's idea? I am not necessarily advocating it, I am just getting reaction. That is a dramatic suggestion.

Mr. WRIGHT. That is a dramatic change. I think it is a wonderful idea. I don't think it would ever happen, because you can't get your work done now within the time period that you have got. And I think in order to be able to do that, you are going to have to substantially streamline the budget process, because that is what you are spending an extraordinary amount of your time on, and the executive branch. And I haven't seen that happen yet.

So you could set the six months, but then my guess is you would just keep delaying it, and then you would have the executive branch saying we don't have our appropriations yet, we are going to close down the government, and you and I both know what that means, you are paying overtime to Federal employees, and they are all going to come back and get paid again, and if there is some way to really hold to that and enforce that, that is fine. But I am rather skeptical.

Mr. MILLER. Thank you.

Mr. PACKARD. Mr. Dixon?

Mr. DIXON. I have no questions, Mr. Chairman.

Mr. PACKARD. Let me just present one or two questions before we dismiss this witness. Mr. Fazio referred to the OTA being a streamlined organization that does a lot of outside consulting work rather than have a large employee base. Couldn't the GAO operate that same way?

Mr. WRIGHT. Certainly. All you have to do is you just have to ask them to. But could the GAO or could parts of the Congressional Research Service? Absolutely.

Mr. Chairman, like Mr. Taylor stated, you have got all of these choices of where to go to for either research support or economic support or financial support. You shouldn't have all of these choices and have to make a decision. There ought to be a place to go to for a purpose, you know, by the Congress.

Mr. PACKARD. A lot of the—there are a lot of agencies that are available for reports, for studies, for analyses; and you have got the IGs in each of the agencies or most of them. You have CRS and the OTA, the GAO, all doing much the same kinds of things, perhaps a little bit different areas. But if we were to restructure and try to look and find ways to prevent duplication and maybe even combine a lot of these study agencies, would it be best to phase out the current program or phase in a new program, or to restructure it at one time?

Mr. WRIGHT. I think you would want to do a combination of things. I don't mean to make my answer complicated. It depends upon what the agency is and what they are doing and what their backlog is. I would make the decision at one time. Because my concern is in this town if you don't take advantage of a mandate, you lose it very rapidly, and I saw that very early in the 1980s, because we lost it.

And from 1983 on, we were just defending, trying to hold on to what we already had. So I would make the decision in terms of the structural change that you are going to make and the operating change. Then if you find that there is a reason to phase it in for several years, that is fine.

But basically, you give the instructions through the appropriation committees. And I know that there is a debate between the authorizing committees and the appropriation committees on this. And there should not be. The appropriations committees have been giving instructions to your agencies and the executive branch agencies for years.

And you know, for example, on privatization, there is something like 37, 38 prohibitions against agencies even studying privatization in the executive branch. That is done by the appropriations committees. So from that standpoint I would make the decision now and then from the implementation of the decision I would work with the agency head, if it is not going to be eliminated, as to the best way to get that done.

Mr. PACKARD. With your experience at OMB, Mr. Wright, and dealing with the management of payrolls and personnel record-keeping, inventory control and so forth, could the National Finance Center help in the legislative branch to better coordinate and better manage that part of our work?

Mr. WRIGHT. The National Finance Center, Mr. Chairman, is one of the most efficient processing centers that I think we have anywhere in the country. I believe that the National Finance Center should take over the what I call the voucher processing, that includes payroll, that includes all your vouchers, your payables, your receivables for the Congress and do it on a contract basis. I would even seriously consider privatizing the National Finance Center itself. I see no reason why a government entity should be doing what is so clearly a private sector activity.

Mr. PACKARD. Mr. Wright, I want to thank you very much for being here. There are many of us that would like to ask additional questions. If any individual on the committee, either the Senate or House subcommittee would like to ask questions, would you be willing to respond in writing?

Mr. WRIGHT. Absolutely. It would be my pleasure, Mr. Chairman.

[The questions and responses follow:]

CONGRESSIONAL BUDGET OFFICE

Question. We have had a Congressional Budget Office since the enactment of the Budget Act in 1974. Are there downsizing opportunities at that agency?

Response. Yes—every agency can be downsized—my estimate is 10% for CBO.

Question. CBO does important work for the Congress in budget scorekeeping analysis, and in the fiscal and tax areas. But a large portion of their resources goes into program analysis. Does that make sense? Should program analysis be done at GAO or CRS, or is it important for CBO to do some of this?

Response. CBO should do little, if any, program analysis.

Question. The budget and fiscal sections at CBO are comparable to activities carried out at OMB for the President and the executive branch. Does OMB have a program analysis mission? Does it work to their advantage or disadvantage?

Response. Yes—OMB conducts program analysis on a continual basis. This is an integral part of their budget, and management, function. It works to their advantage most of the time since they need to be able to check the program agency requests and presentations/proposals to the President and Congress.

COPYRIGHT OFFICE

Question. We have a Copyright Office at the Library of Congress. They register copyrights and generally oversee the administration of intellectual property rights. Over half of their program is paid for by receipts received in the registration process. Is this an appropriate program for the Library of Congress—does the Copyright program belong in the Legislative Branch?

Response. No, it belongs in the Executive Branch.

Question. There is a Patent and Trademark Office at the Commerce Department. What are the pros and cons of merging these programs?

Response. I see very little "cons." They should be merged in order to obtain management efficiencies and make it more convenient for the private sector to come to one government agency for patents, trademarks, and copyrights.

Question. One of the great benefits of having the Copyright program at the Library of Congress is the use of deposited copyright material as one of the principal sources of new additions to the collections. Each copyright application is accompanied by a copy of the book or manuscript being registered. Last year, the Library received 685 thousand items from the copyright process. That was over 20% of the 3.3 million items that were added to the collections—and represents a great savings in acquisition costs. It's also a very good way to ensure we are getting the newly published U.S. works onto the Library of Congress shelves. We don't want to lose that source of new publications—if we merge these programs in the Executive Branch, is there a danger we will significantly damage the collections of the Library of Congress?

Response. No—there can be a simple reporting requirement from the PTO to the LOC for all copyright material.

GENERAL ACCOUNTING OFFICE

Question. About 33 percent of all GAO employees are in the regions, but the regions only have nine percent of the senior positions at the SES level. That leaves a much higher percentage in the Washington headquarters. What is your judgment about those ratios? Is Washington too top heavy?

Response. Its difficult to tell—most of the senior executives in every agency are at the headquarters. My guess is that 9% of the SES is too low unless GAO intends to substantially reduce their field force.

Question. GAO is consolidating and closing many of their regional offices. On the one hand, regional offices represent a sort of duplicative overhead. But, on the other hand, staffing costs in regional offices are lower and they are frequently physically closer to the subject matter of the individual audits. Their conclusions, therefore, may be less vulnerable to "inside-Beltway" influences.

What do you think of the GAO regional office structure—should it be retained? Or, would it be better if GAO were centrally located in Washington—which seems to be the current management philosophy?

Response. GAO should have some regional, or field, structure—but most of its staff should be in Washington and reduced by 25–50% with more contracting out of the studies. But, as I mentioned in my testimony, the Congress also has to reduce the unnecessary and duplicative requests of the GAO.

Question. Would it be better if we cut GAO employment significantly and insist they obtain the necessary program expertise on a temporary, contract basis when needed?

Response. Yes it would.

Question. Is it possible for them to contract out to consultants, think tanks, or universities when they staff projects? Then they could focus on project management and quality control.

Response. Yes, there is plenty of private sector capabilities in D.C. and elsewhere to conduct these studies at much less expense [and, in my opinion, at a much higher quality].

Question. Does it make sense to have a GAO work force with a wide variety of audit and program subject matter expertise, or would it be better off having audit and program analysis management expertise—and acquire the specific expertise needed for specific audits on an ad hoc basis?

Response. This is not easy to answer briefly—but I would opt for the latter. GAO should definitely contract our more of their studies—particularly those of a technical nature.

Question. They have an Economics Division. We have some of the best economists in the government at CRS and CBO. We also have them at the Joint Economic Committee, and the Joint Tax Committee. Do we need a separate Economics Division at GAO?

Response.. No, you do not.

Question. A major product of the Economics Department are the so-called "transition reports." Do you have any knowledge of these reports?

Response.. Yes, I have seen them for many years.

Question. Are they useful?

Response.. Sometimes they are—but not very often.

Question. Can they be eliminated?

Response. They should be eliminated.

Mr. PACKARD. I appreciate that. I wish we had more time, but I think we need to move on to our next witnesses. We have a very full day. We appreciate very much your testimony.

Mr. WRIGHT. Thank you very much, and good luck.

THURSDAY, FEBRUARY 2, 1995.

WITNESSES

CHRIS HILL, PROFESSOR OF PUBLIC POLICY, GEORGE MASON UNIVERSITY
DAVID MASON, HERITAGE FOUNDATION
NORMAN ORNSTEIN, AMERICAN ENTERPRISE INSTITUTE
THOMAS SCHATZ, CITIZENS AGAINST GOVERNMENT WASTE

Mr. PACKARD. The next panel of witnesses, Mr. Chris Hill, Professor of Public Policy at George Mason University; David Mason, Heritage Foundation; Norman Ornstein, who is with the American Enterprise Institute, Thomas Schatz, Citizens Against Government Waste.

I believe that there will be hopefully room enough at the table for the four of you. We appreciate you being here. We are looking forward to your individual testimonies. We will hear from all four of you and then we will open up for questions at that time.

Senator MACK. The first recommendation is to get a larger room.

Mr. PACKARD. We wanted this close to where the Senate and the House could move, because it is an all-day hearing and we needed to be able to get to our votes and other activities quickly and we just could not find a room that would be a little bit larger—maybe I should have done it on the Senate side.

Senator MACK. There is no guarantee it would have been any larger.

Mr. PACKARD. So we apologize for the size of the room. So we will now hear from Chris Hill, please.

Mr. HILL. Thank you, Chairman Packard and Chairman Mack, members of the committee.

Mr. PACKARD. Again, the same applies to all witnesses. We would like you to summarize your statement and not read it.

Mr. HILL. We will do that, Mr. Chairman.

The basis for my testimony is 25 years experience in teaching, consulting, research and analysis in the field of science and public policy, including seven years in the most senior position in that field in the Congressional Research Service and earlier in my career, two years at OTA. And I think it might also be relevant that I spent time on the staffs of three distinguished academic institutions, MIT, Washington University and George Mason University, and two of the Nation's foremost study houses, the RAND Corporation and the National Academy of Sciences.

So I have seen the process of analysis from the perspective of one who worked for you in two different of your support agencies, as well as in some of the places you might think of going to first for contracted or private sector studies.

I would like to make a few observations about the agencies, focusing on the ones I know best, CRS and OTA, and then spend a little bit of time just giving you some recommendations of things I think you might want to do and things you might not want to do. First, the agencies obviously exist to serve you, but they have enormous impact on the well-being of the American people by virtue of their effects on the decisions that you make. And so while this is in a sense what I call an "inside the rotunda" issue, what to do with these agencies, on the other hand, every American has a stake in the decisions you make about these agencies.

It is interesting to me that representatives of almost every democratic Nation in effect, and a good number of the emerging democracies in eastern and central Europe, pass through CRS and OTA, and one of their first questions is, how can we get an OTA and a CRS for our parliament or our legislature. And they look with envy on what you have, and I am sure would be absolutely amazed that you thought that you might want to for some reason shut them down.

Policy mistakes can be expensive. The agency's job is to help you avoid making mistakes you don't want to make. Sometimes Congress makes mistakes it does want to make; the agencies have no say over that, and it is appropriate they shouldn't.

There are major—Congress needs your own trusted sources of information. As has been pointed out, there is no shortage of information in Washington. Your job is to sort through it all and you need help sorting through it all, and figuring out what is accurate and what is not. Every special interest today does a study. You can get a report done by a distinguished think tank, distinguished consulting firms, private consultants, a university, that will support the position of the national association of anything under the sun from any perspective you would like to have it.

Your problem is figuring out who is telling the truth. These studies rarely lie. They rarely lie, but what they do is exploit the fact that there are usually major uncertainties about the reality of complex policy debates, and they build their case around extremes of what is a credible position to hold. And in doing that, they make it extremely difficult for anyone to sort out where the truth is. One of the things the agencies do for you is to do their level best to look at all sides and sort out the truth from the distortion.

It is also important to remember that you asserted your equal role in policymaking with the executive branch in part by establishing these agencies in the first place. OTA and CBO were set up in the 1970s when there was a tremendous battle between the Congress and the executive over access to information, and over withholding and impounding budgets and the like, and in earlier years CRS and GAO were set up for the same kind of reason, to help the Congress cope with the President who maybe wasn't so cooperative as this President or the previous one might have been with the Congress, and who knows what the next one might be like.

Issues involving technology and economics are particularly difficult, and I have already heard that here this morning when the work of the information agencies was compared to building a ship or buying a horse. The difference between building a ship and buying a horse and producing a report is profound. You buy one horse, it is $1,000, two horses, it is $2,000 and the next horse is another $3,000. One ship is a billion, the next ship is a billion, the ship after that is a billion.

If you do a report, the first report is $100,000 and the second one is two bucks. Why is that? Because the second report comes for the cost of reproduction. It is like a movie. The first copy of a movie is $75 million and the second one is $4.95 at the video shop. That means that any scheme that involves you charging yourselves to have a report done can't possibly work.

You will always let George do it. You will always say, I would love to have a report on this subject, but I am not going to spend 10,000 or 2 million or 50 million out of my office budget or my committee budget on that report, I will wait until the other guy does it, and the other guy won't do it for the same reason, so you won't do it at all.

How do you get around that problem?

You set up agencies that do it for you in bulk, that achieve economies of scale, that do the same report and make it available to all of you, and you share the cost. Now you could share the cost with an elaborate system of chits and vouchers and accounting rules and the Comptroller General should have to tell you how much you spent, but it turns out, I believe, it would cost you more to run the system of accounts on how you charge yourselves than you would save by setting up that system of accounts.

Now, let me make a few specific recommendations. First, I don't think it makes a bit of sense to eliminate OTA. OTA is a national treasure. Eliminating it in view of what it saves you I think would make very little sense. It is a unique source of authoritative, unbiased, broadly-based and widely evaluated analysis of new developments in technology.

Now, technology used to be the province of nobody in the Congress. It wasn't until 1965 or so that you set up your first committee concerned with technology. It used to be an arcane subject. It now pervades everything you do. Last year, 25 or 30 committees of the Congress asked OTA for help on technical issues that affect things in the area of the Judiciary Committee, Indian Affairs, Commerce, the late Merchant Marine and Fisheries, and so on, all had questions for OTA.

I don't believe that the capability of OTA exists in the executive branch. It could be there, but it is not. It can't be found in academia, and I have been in some places that tried to do it, and it is not in the think tanks. Why is that? Because writing reports for Congress is a special skill. And those places don't have the skill.

When OTA was set up in 1974, the initial scheme was, staff of 10, to let contracts to think tanks to do studies, and that is what they did. And they generated more trash that way. What essentially happened as a result of that experiment was that OTA had to hire staff, I was one of the people brought in, to try to save something out of what the think tanks produced that simply did not meet what Congress needed. Perhaps they can learn, I don't think it would be a cheap process.

I think it would also be difficult—my testimony says don't combine OTA and CRS. You could combine OTA and CRS. That could be done. I am not sure that you could save much except the $2 million that they pay to a recalcitrant landlord down the street. But OTA and CRS work very, very differently, very differently. OTA was established in part because CRS couldn't find the time to do the long, complicated studies that you needed to be done.

I would like to recommend that your subcommittees change one of your policies. You have told CRS over the years not to run a publications program, and the result of that has been to deprive the American people of direct access to one of the really wonderful sets of information and analysis on public policy. There were a lot of reasons for doing that in the past, but with the advent of the Internet and the Thomas system, and when the Senate presumably does its analogy to the Thomas system or gets on Thomas, you will have a way to make CRS reports available at zero marginal cost to everyone in the country, and it just strikes me that that is something you ought to try to do.

I have made a number of other specific recommendations which are more technical and efficiency oriented, and in the interest of time I think I will hold those for discussion. Thank you very much for the opportunity to talk to you.

[The information follows:]

THE FUTURE OF THE CONGRESSIONAL SUPPORT AGENCIES

TESTIMONY

before the
Subcommittee on Legislative
Committee on Appropriations
United States House of Representatives

and the
Subcommittee on Legislative Branch
Committee on Appropriations
United States Senate

February 2, 1995

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Chairmen and Members of the Subcommittees:

My name is Christopher Hill. I am a professor of public policy and technology at George Mason University in Fairfax, Virginia. After earning a doctorate in chemical engineering from the University of Wisconsin, I have devoted most of my professional life to participating in and studying the processes of public policy formulation in the United States. My work has emphasized federal support for the nation's scientific and technical enterprise and the effective use of scientific and technical information and understanding in public policy making. I served from 1983 to 1990 as a Senior Specialist in Science and Technology Policy at the Congressional Research Service. I also served in 1977 and 1978 as a senior professional staff member at the Office of Technology Assessment, while on leave from a faculty position at Washington University in St. Louis.

In my testimony, I will make a few observations about the role and nature of the congressional support agencies, with particular emphasis on CRS and OTA. I will then comment on proposals to change them.

OBSERVATIONS

1. CRS, OTA, CBO and GAO serve you.

The congressional support agencies exist to serve you, the Members, committees, and staffs of Congress, as you conduct the people's business. The work of the agencies has great value to the nation, directly as they help you do your jobs better and indirectly as their work helps inform all of us.

The organized public constituencies for CRS, OTA, CBO or GAO are quite small. Whether these agencies exist and how large their budgets are is mostly an "inside the Beltway" concern; indeed, it may even be largely an "inside the Rotunda" matter. Outside Congress, interest in them and their work is largely confined to those of us actively involved in the policy making process. On the other hand, the information and understanding that they make available directly to you, and indirectly to the general public and to everyone involved in the policymaking process, has incalculably large impact on the well-being and future of every American.

When I was at CRS, I was always impressed at the constant stream of visitors from other democratic countries and from newly emerging democracies in eastern and central Europe. They always wanted to learn more about how OTA and CRS worked so they could create similar organizations to serve their legislative bodies.

2. **Policy errors can be very expensive--information is a bargain by comparison.**

Every day Congress makes decisions that affect millions of people and billions of dollars--not just billions of taxpayers' money but billions more in the private economy. The stakes in human and financial terms can be very high! Adopting a policy that is unnecessarily expensive or that is based on a faulty understanding of the underlying problem can cost tens of billions more than a better policy, independent of political or ideological differences of opinion. Failing to act can have extraordinary costs as well. Spending a few thousands or even a few hundreds of thousands of dollars to develop the best possible analysis of the outcomes of a set of alternative policies is surely a bargain when so many lives and so many dollars are in the balance.

3. **Congress needs its own trusted sources of information to help cope with the deluge of inputs from the media, the administration, and special interests.**

There is no shortage of "information" on Capitol Hill. Everyone wants to help you do your jobs by supplying you with facts, information and analyses. Special interest groups today commission sophisticated studies that support their positions, almost as the price of admission to the policy debate. The Executive Branch sends up mountains of facts. TV, radio, newspapers, books, magazines, and, now, the Internet, continue to be among the most important sources of information for Congress.

You have the difficult task of setting broad national policy in a myriad areas. You make the tough tradeoffs among competing national goals that those of us in academia insist cannot be made in any analytical way. You have to know a little bit--the essential little bits--about a great number of issues, and unless you stay here a long time or have a profound interest in some policy matter, you will always be dependent on other people for most of the information you use to make decisions.

Congress asserts its equal role in policymaking with the Executive Branch in part through arming itself with the very best information it can get. Establishing and strengthening the analytical support agencies helped to transform Congress in the early 1970s from a passive recipient of external information into an active participant in determining how issues that come before it are framed and defined.

The American Constitution and our political traditions incorporate--indeed, celebrate--an institutional distrust between the Congress and the Executive Branch. The support agencies exist in part to help Congress maintain its co-equal status with the President in governing the nation, not for partisan but for institutional reasons. For example, the debates over the establishment of OTA began in the mid-1960s when Congress was contending with a Democrat, Lyndon Johnson, and OTA was put in place while Congress was contending with a Republican, Richard Nixon. Likewise, CBO was created and the policy analytic roles of both CRS and GAO were enhanced during the Nixon administration.

Much has been made in recent years of the need to reduce the influence of special interests in governance. Without taking a position on this point, it is important to recognize that lobbyists for special interests rarely lie to Congress--those who do will quickly be recognized and shunned by everyone, including their employers. What they do is more difficult to discern--they learn to exploit the uncertainties that pervade every important area of public policy. They often build their cases around data at the extremes of the evidence. The support agencies, and especially OTA, pay exquisite attention to describing the *range* of plausible facts underlying most of their studies; i.e., to uncovering and explaining the important areas of uncertainty. This kind of analysis is nearly impossible to obtain from any other source.

Each of the thousands of special interests that offer you information has a point of view and an interest to advance. How can you possibly "sift and winnow" facts from distortions, reality from fantasy? Some Members throw up their hands and vote their intuitions, their prejudices, and their constituencies--some even vote with their leaders. Staff are essential in sorting out fact from fiction and in balancing competing views, but often they have neither the time nor the resources to parse out the subtle and not so subtle issues involved.

The advantage of maintaining a staff of analytical and information resources who know and respect the needs and dynamics of the legislative branch can not be overestimated. CRS, OTA, CBO and GAO are each specialized in giving you the right kind of information at the right points in the legislative process. Importantly, they work hard to maintain the objectivity of their staffs and the products they provide. Repeated use of these agencies, and the scrutiny to which their efforts are subjected in the policy making process, help Members and staffs develop a finely tuned sense of the nature and limits of the trust they can place in them.

4. Issues involving technology and/or economics are especially difficult to resolve on the basis of the judicious, but unaided common sense of public-spirited elected officials.

Congress wouldn't need special help with technology and economics if these were arcane topics that didn't matter much. However, they matter to almost every issue that comes before the Congress today, and they demand the best understanding available as the basis for responsible policy making.

It is no accident that over the years Congress has established a variety of special organizations to help it cope with both technological and economic matters. These include CRS, OTA, CBO and GAO, as well as the Joint Economic Committee, the Joint Committee on Taxation, and others.

Economics is notorious for being counter-intuitive at all levels; it demands special understanding to get it "right," and even then it is often gotten "wrong."

Technology and its impacts are difficult to understand in depth because doing so requires a program of years of study in fields--like math, physics, chemistry, materials engineering, or control theory--in which knowledge is cumulative and in which there are few short cuts to understanding. Almost all science and technology policy issues arise in areas in which the state of the technology is itself in some dispute and where it is devilishly difficult to achieve consensus on the likely future even among the experts.

To illustrate, the White House today is promoting the proton exchange membrane based fuel cell as a high priority candidate power source for the next generation of American vehicles. How many Members or staff would have the slightest idea about whether spending major public funds on this technology would be a good bet for the nation? If this example is too close to industrial policy for your taste, how many Members had any idea of whether it was important to confirm the existence of the Higgs boson when they voted for or against terminating the superconducting super collider (SSC) project last year? Or, in the economic realm, how many Members have sufficient understanding of modern financial derivatives to make sophisticated decisions about the possible need for new regulations to cover this market?

5. There are major economies of scale for Congress in sustaining shared information and analytical resources.

It usually makes little economic sense for each Member of Congress to expend public resources finding out "what the truth is" or "what is going on" regarding a wide range of public policy problems. Too many Hill staff already spend too much time finding out what someone else on the Hill already knows. In my years up here I can't tell you how many times I answered essentially the same question from different Member offices. The support agencies--especially CRS--constantly attempt to achieve economies of scale in responding to Member inquiries. Sometimes the demands of confidentially make it difficult to use the same materials in replying to the same question from different sources, but the majority of CRS "products" are used many times over and the cost of all uses after the first is usually trivial compared with the cost of the first response. (As noted below, this aspect of the CRS operation is the Achilles heel of the notion of direct charges to Members and committees for using CRS resources.)

6. You can cut more deeply into the support agencies, but I wouldn't.

The political imperative to cut the budgets of Congress's own support agencies is nearly overwhelming. However, these units are not luxuries or perks of office, nor are they manifestations of an imperial Congress run amok. In the best tradition of American governance, by providing information and understanding to the Congress, they help keep Congress from making mistakes it would not want to make. (There is nothing they can or should do to help Congress not make mistakes it wants to make, but that is another story.)

ACTIONS TO TAKE--ACTIONS TO AVOID

The support agencies are not perfect. Each has already made many changes over the past decade under the pressures of increased demands from Congress in the face of growing fiscal constraints. Modern computerized information technology has helped them control their operating costs and has facilitated your access to their products. OTA has been sharply reorganized--"re-engineered" if you like, with a major reduction in the number of supervisory and supporting personnel. CRS has also re-engineered many of its work processes and has changed its product slate and some of its operating rules to enable it to serve you more effectively.

The agencies could do more to improve their service to Congress and the American people. Conversely, some changes that have been suggested would not be prudent. I would now like to comment on some of these matters.

Here are some actions that could change things for the better:

1. Publish CRS reports.

Congress routinely prohibits CRS from publishing its reports, issue briefs, and other products that are generally distributed on the Hill without specific approval from Congress. The result is that the public is denied direct access to this important storehouse of national wisdom. To get a copy of a CRS report, an ordinary citizen has to request it through his or her Member of Congress. This might have made sense on practical grounds in the past, and, of course, each report so supplied serves to aggrandize the Member a bit. But, I am persuaded that this posture is no longer tenable today. With electronic publication, ordering, and dissemination possible at nearly zero marginal cost, and in light of the Speaker's new commitment to the Jeffersonian-like ideal of public access to congressional information via the Internet, the time has come to put CRS's open reports, issue briefs, and the like on line for all Americans to read and use. The work that CRS does that is confidential for Members or that supports committees in preparing for hearings and the like, which it does not now share even among Members or committees, should remain out of the public eye.

2. Tighten up OTA reports.

OTA was created in a great wave of enthusiasm for comprehensivist views of policy making. Apparently, OTA never saw an aspect of an issue that it couldn't productively study and incorporate in one of its reports. This makes the typical OTA report long, expensive, and sometimes late. In a year when "something's got to give," I would urge you to urge OTA to tighten things up, perhaps by addressing complex issues in series of shorter reports or by disciplining staff to work within tighter time, budget or even page length constraints.

3. Encourage CRS to hire more and more senior staff from outside its own ranks

Compared with past decades, budget constraints and affirmative action expectations have caused CRS to focus nearly all of its (limited) professional hires on analysts who are fresh out of graduate schools at the masters level, and to make nearly all of its promotions into the senior analytical ranks from inside. It has been fortunate in being able to attract a coterie of bright young people this way and in substantially broadening the participation in its work of minority and woman professionals. In areas of public policy in which the relevant expertise is about governance itself, such as CRS's Government Division, these practices pose little problem. But in other areas, like science, technology, the environment, and health care, education at advanced levels and substantive experience in jobs outside government is essential to advising Congress adequately. Therefore you need to help CRS find the resources and the will to fill some of its openings with experienced, highly trained and senior people. That it do so with continued vigilance over the diversity of its work force goes without saying, but without the money to compete for the best, CRS will be unable to hire seasoned professionals of any background.

4. Preserve the flux of outsiders through OTA.

OTA represents perhaps the epitome of the argument made above for the need for experienced and highly trained staff in the support agencies. Science and technology change so rapidly that a new hire who is familiar with the state of the art of, say, space engineering or organ transplants, will almost inevitably grow out of touch with the real frontiers after a dozen years in the service of Congress. OTA must not be deprived of its long standing practice of filling out the staff ranks with short timers from academia, industry, executive branch agencies and elsewhere. If they have to face major budget cuts, there would be a tendency to cut here first, and that would not be in the best interest of Congress. Similarly, OTA must continue to seek the uncompensated advice and opinions it receives annually from thousands of volunteer experts, many of whom represent the interests most affected by a technology, through its project advisory panels and external report reviewers. Each of these mechanisms helps ensure that OTA has considered all sides of issues it is studying and that its products be as credible to all points of view as is humanly feasible.

<u>Here are some things not to do:</u>

1. If cuts must be made, don't protect staff at all costs.

CRS spends nearly 90 percent of its budget on staff, and the other agencies are not far behind. Increasingly, the support agencies depend on information technology to help them meet your needs. They also need funds to support the continued professional development of their staffs, to travel when essential, and to hire outside expertise when none is available in-house. In the face of cuts, bureaucracies, especially politically sensitive ones, nearly always cut everything else to save staff. This makes sense if the budget stringency is temporary or in response to emergency However, if the cuts are to be permanent, the agencies are going to need to cut some muscle in order to save the fat that enables them to function.

2. Don't cut the OTA contracts budget further.

The original notion of OTA when it was established two decades ago was that it was to have a very small staff who would act essentially as contract managers to oversee the work of outside experts, think tanks, and consultants. That soon proved unworkable in practice. (A good part of my time at OTA during this early phase was devoted to helping a project recover from having spent substantial sums on projects with "blue chip" contractors that did not meet Congress' needs.) So, the analytic staff grew to take over major responsibilities for most of the work of OTA. Nevertheless, to ensure that OTA continues to be able to draw on the best minds and the best understanding in the diverse areas of technology in which it works, wherever they are, it needs to have funds to retain consultants, hire contractors, and pay the expenses of the legions of experts who otherwise assist it in its work *pro bono*. Also, it is part of the genius of the OTA process that its use of widely divergent panels of experts as advisors to its projects ensures that its reports are nearly always widely acceptable to people on all sides of contentious issues. Their results may not always be politically palatable, but their work is almost never successfully challenged on the grounds that it is incorrect, biased, or uninformed.

3. Don't eliminate OTA.

This recommendation should not need any discussion at all. OTA is perhaps the nation's greatest public policy bargain in terms of value contributed to national well-being per dollar spent--eliminating it would be the height of fiscal folly. OTA is a unique national source of authoritative, unbiased, broadly-based and widely-validated analysis and evaluation of new developments in technology and of their implications for society and public policy. Its work is heralded around the world for its quality. This capability does not exist in the Executive Branch, nor is it in academia, any of our distinguished independent think tanks, or the private sector.

4. Don't combine OTA and CRS.

These two agencies do very different things, with different resources, on different time scales, with different expectations of confidentiality, and so on. OTA was created in part to do things that the demands from Congress on CRS's staff could never let it do--some senior CRS staff encouraged the establishment of OTA originally. If the OTA functions are worth performing and paying for, they should not be weakened by joining them to an organization whose mission is so different. CRS does not have the kind or number of staff needed to do any significant part of what OTA now does. And, any savings from combination would be trivial, limited largely to office space and some administrative functions.

5. Don't adopt a voucher system to ration Member access to CRS

CRS's services look "free" to Members, committees and staff. As a former insider, one of the most impressive facts about CRS was that it is able to manage and prioritize the diverse demands on resources in a highly decentralized manner while satisfying most of its clients, largely by constantly instilling in the staff a shared sense of purpose--serving Congress.

Some have suggested that the demands on CRS could be substantially attenuated and that the agency could thus be downsized if requesters were made aware of the costs of meeting their requests, and especially if they had to pay for those costs from a fixed annual budget, as they do for office staff and supplies. CRS products and services could be priced in dollars, and Members and committees could be allocated a certain budget each year to pay for them. Alternatively, to avoid adding to Member office budgets, a voucher system has been suggested in which some sort of "pseudo money" could be substituted for the real thing. Members and committees would be given some number of vouchers, or "chits," to spend each year.

Since CRS often serves many members with the same or similar products, these notions of direct charges for CRS products and services would not make sense in practice. Textbook notions of marketplace relationships often don't work well for information products, as evidenced by the need for a system of copyright to protect author's interests, by the fact that radio and TV broadcasting must be paid for by advertisers or public subsidy, and by the fact that the Internet offers users services at essentially no direct cost. Further, CRS serves a political clientele in the Congress that would inevitably turn any sort of internal market for CRS products and services into yet another aspect of its overall negotiation process. If the CRS budget must be cut further, by far the better approach would be to give CRS management maximum discretion in reallocating its resources to work within whatever budget limits you establish.

It has been an honor to address these matters. I would be pleased to take your questions.

Mr. PACKARD. Thank you very much.

Mr. Mason, who is with the Heritage Foundation.

Mr. MASON. Thank you, Mr. Chairman. I would like to commend you first of all for getting this process started early. I think it is very important for some of the reasons that you mentioned in your opening statements. And I think you are all aware that the American people want the budget of the Federal Government cut; and they want it to start here in Congress, or at least for Congress to take its share of the cuts.

And I think that is important, because as you go through the process, and it is going to get more difficult with the balanced budget amendment, of eliminating agencies and downsizing, if in your own bill you have already done that, and the legislative appropriation perhaps has come down faster and further than just about any of the other 12 other bills, you will be in a far better position to say to other agencies or constituencies, we have done it here. Particularly with examples like OTA.

I recommended abolishing OTA. I don't do it with any particular relish. In fact, the way OTA does its business and the kind of employees they have I think could be a model you could use in other agencies. However, I think you can get along without OTA. Not that they don't do good work and useful work, but you can live without it.

And as you go about the task of balancing the Federal budget, there are going to be a lot of functions in the government that are good and useful and nice to have, but that you may not be able to afford. And, frankly, that is the kind of test you are facing with OTA.

When you start asking yourself on a kind of zero basis that the Chairman suggested, if we didn't have OTA, would we be talking about creating it today, I think the answer would clearly be no.

I mean you would have to have CRS or something like CRS to do general research. I think you would have to have something like the GAO, although I think you could do it with a smaller agency. You wouldn't do GPO. You wouldn't do the Architect the way you do it today, having your own special furniture shop, for instance, and so on. So I think it is a very good test and that fundamental test, not again that the OTA does a bad job, but do you really need it.

In the area of GAO, which is of course your biggest agency and consequently one you are going to have to look at seriously, I think you can afford some additional big cuts, and I do acknowledge, as Mr. Fazio pointed out, that they are already on a path of about a 25 percent reduction. I think you can take a substantially bigger cut out of that agency and still manage to do the critical parts of its job.

It has been mentioned that 80 percent of their work is on request. And the agency really gives you a couple of reasons for why they can't cut further faster. In one sense, the Comptroller and the management there has been pretty cooperative about the process of working with this committee and saying, okay, we have got to be smaller, how do we do it in a rational way? And they are to be commended for that.

One of the reasons is their tenure system. Their employees are under civil service protection, and they are extremely long-tenured employment over there, which is unusual in Congress, unusual among the other support agencies, and that is something I think you ought to look at. I know the agency has a proposal for some additional early-out authority, which could affect as many as about 400 employees, that is 10 percent of their total employment.

If you went through a process where you worked with the relevant committees, got that early out authority and then said, in addition to the early out authority, we are going to take another 10 percent out next year, say fiscal year 1997, and we are also going to change the bumping requirements so that doesn't cause massive dislocation in the agency, then you would be far more sure to get the people in the early outs you would want to get, you would be able to get a major reduction, do it in a rational way, take the easy ones the first year, that is the early outs, people eligible for early retirement and then you would have a year to work with Comptroller General Bowsher or his successor for how you implement the rest. So you could get 20 or even 25 percent in two years, I think, in a rational way.

I would also urge you as you are looking at this, and again, it is important to acknowledge, as Chairman Packard outlined, that a lot of this requires structural change. You need to look at the appointment authority.

I am not convinced that a 15-year term of a Presidential appointment is the right way to run that agency, because the mission has changed quite a bit from the day when it had the responsibility for auditing all government responsibilities. It also has been pointed out, not only do you have the inspectors general, but as of three years ago, you had the Chief Financial Officers Act, which institutes a lot of financial controls and audits within the executive agencies, and the GAO points out rightly that they are going to have some additional responsibilities under that act.

But to say that we are going to institutionalize financial controls in the executive branch and because of that, GAO can't be cut, you are going to have to go back and say, well, was the CFO Act written wrong or do we get more accountants just to get more accountants? I don't think that is the case. I think that represents an opportunity to cut the agency.

In the Government Printing Office, I won't try to go into a lot of details, except to observe that I think the plans that have been put forward to privatize it, transfer the functions, make a lot of sense. In the material that the committee sent us in preparation for the hearing, there is a little note on CBO expenses, where their expenses for printing went down 25 percent because of a contracting-out program, if I am reading the figures correctly. And so I think there is substantial savings that can be achieved there.

And I really don't think there is anything particularly unique about what GPO does. If you need rush printing jobs, you can get them. There are a lot of things about technology now that could change the way—for instance, even you could get overnight things if you are worried about bills or whatever. My own organization, for instance, prints all of our own reports internally. We do it with photocopying technology.

And if we want several hundred thousand copies of a report overnight, we can get those very quickly. So even if you are talking about documents, committee reports that you have to have for Floor action the next day, the process of doing that is a lot different today. I think the way you need to do that is turn GPO over to a contracting agency and let a new manager decide how much you want to keep in-house and how much you want to contract out. It is just not a decision that the existing agency can make in a kind of dispassionate way.

I wouldn't recommend looking for a lot of cuts at CBO, though I would suggest that you think again about how that agency is organized. You have gotten into a position where you kind of have a budget czar. There was this high drama when the CBO Director was going to come and make a pronouncement on the Clinton health care plan.

Frankly, I was pleased at what he said. I thought the thing was too costly, and I and my organization opposed it. But to have someone who is essentially a staffer with kind of life or death power over legislation, I don't think is appropriate. And so you may want to look at putting that agency back in a role more like the Joint Tax Committee which I know itself is a target for possible elimination. But where the staff work is being done through the committees, in this case through the budget committees, and those are the people who are responsible for it ultimately and not having someone sitting out there on their own. That also might eliminate some of the problems that are going on right now about the appointment of a new director.

I will stop there. There are a lot more details on some of these recommendations in my written testimony. I very much appreciate the opportunity to share these with the committee.

[The information follows:]

Congressional Support Agencies

testimony of

David M. Mason, Director

U.S. Congress Assessment Project

The Heritage Foundation

before a joint hearing of the

Legislative Appropriations Subcommittees

of the U.S. House of Representatives and U.S. Senate

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Chairman Packard, Chairman Mack, members of the subcommittees and the new leadership of the 104th Congress are to be commended for recognizing the need for Congress to reduce its own expenses, both in order to lead by example for the remainder of the federal government and for the good of the Congress itself in promoting greater efficiency and better management of legislative operations. Holding this joint hearing at this early date provides an outstanding start to this year's legislative appropriations cycle, and I appreciate the opportunity to be a part of that process by testifying today.

A poll from the Americans Talk Issues Foundation issued in January of last year indicated that some three quarters of the public agreed with the sentiment that we need to cut the federal budget, and to show Members of Congress that we are serious we should start by cutting their pay. This was the most popular of a dozen or so reforms polled, even exceeding term limits in popularity. While recent polls show that the public opinion is up, I believe that upturn is because, and to the degree, that the new majority in Congress largely agrees with the public sentiment to cut spending, and perhaps even with the proposition that it needs to start in Congress.

I believe that substantial cuts in Congressional operations are possible, and that two agencies, the Office of Technology Assessment and the Government Printing Office can be abolished, with some transfer of residual functions. I would further recommend an additional 20% cut in General Accounting Office employment and greatly expanded use of contracting and temporary employees in its audits, and I would suggest transfer and contracting out of most of the service functions of the Architect of the Capitol, sharply reducing employment and producing substantial savings. I would not recommend seeking substantial savings from the Congressional Budget Office or from the Library of Congress and Congressional Research Service, though I would recommend some management changes in those agencies. In one sense these are breathtaking cuts, but these are breathtaking times. Further, not only will these cuts not wreak havoc on Congressional operations, the may actually streamline and improve the Congress.

At the same time, it is important to acknowledge that Congress has lived with relatively flat budgets, with real declines in some areas, for several years, and that in some areas we are now talking about cuts in addition to reductions which have already been made or are planned. It is also crucial to note that the House and Senate both have already cut their own committee budgets substantially in this session of Congress. If you are going to make further cuts, and I agree that you should, then you must look at the support agencies, for those agencies account for the bulk of the spending in the legislative appropriation. While this hearing itself is proof that I do not need to convince you that Congress must reduce its budget, reviewing the reasons for doing so can provide useful guidance in determining where and how to cut. Cuts in Congressional spending are useful and desirable for the budget savings they bring, for the example they provide, and even for the improvement of the operations of Congress itself.

While the legislative appropriation represents far less than one percent of the total federal budget, the total elimination of which would be but a decimal point in aggregate figures, the very enormity of the challenge of balancing the federal budget demands that no area be overlooked and that no potential savings be bypassed.

What small contribution toward reducing the deficit Congress makes by reducing its own spending will be magnified many times by its value as an example to other federal agencies and to recipients of federal funds, whether individuals, institutions or state and local governments. What better response to the special pleading that inevitably will be made against budget cuts than that Congress has cut none of the other twelve appropriations bills more deeply than it has cut its own. What better practice in determining how best to make cuts in other areas of federal spending than implementing them yourselves, and experiencing the consequences, good as well as bad?

You can see, from the experience of cuts your subcommittees have already made, that personnel reductions can force an agency to become more efficient, to adopt better management practices, and to review its operations with a seriousness that would never be present in government without the requirement to cut spending. In preparing for this hearing, for instance, I discussed with the heads of the General Accounting Office and of the Office of Technology Assessment the budget cuts which are already being made in those agencies. Both acknowledged that theirs were better agencies for having been through the reduction exercise, in spite of the difficulty and even pain of making the spending cuts. It is also important in applying these lessons to cutting the executive branch to note that flexibility in personnel practices and organizational structure were essential to the satisfactory outcomes of the reduction exercises.

In a related vein, when the House cut its franking budget a few years ago, it invested in new equipment which allows House Members to sort mail better, taking advantage of postal discounts. This is a step which should have been taken even if the franking budget had not been cut, but without the pressure of cuts there was no incentive for Members' office or support staff to do so.

Guidelines for Cuts

In considering cuts in support agencies and Congressional expenses your subcommittees should consider whether an agency or function is genuinely necessary; if it is necessary, whether it is best carried out by the legislative branch directly or should be contracted out or delegated to the executive branch; and if the function is essential and must be carried on internally, whether efficiencies can be achieved in the operation. For each of the support agencies a varying mix of these guidelines apply. The budget reductions already in progress in the Office of Technology Assessment and the General Accounting Office fall into the efficiency area. By forcing cuts of roughly 25% in both agencies, Congress forced these agencies to make personnel and structural changes (and in the case of GAO, technology investments) which needed to be made, but which would not have been undertaken without the cuts. In neither case however, did these fairly significant cuts imply scrutiny of the agency's rationale for existence or its fundamental methods of doing business. In this sense, a 25% cut, phased in over a reasonable period, turns out not only to be readily achievable, but in many ways preferable to a flat budget. While I believe some additional efficiencies and shedding of lower priority tasks could be achieved by an additional cycle of cuts in these two agencies, I believe Congress should also look beyond into the purpose and basic operations of these organizations as well.

I would note before moving into specific recommendations, that several of my suggestions will require statutory changes or cooperation with authorizing committees. You may be able to incorporate such changes into your bill, or to force action by certain cuts, but I think it is important to acknowledge that significant cuts in the congressional budget will require policy judgments and structural changes, and that those should be faced up to rather than avoided at this point in the process.

General Accounting Office

The General Accounting Office is the largest of the support agencies and, as I mentioned, is already in the process of implementing a 25% personnel cut, which the managers believe can be achieved without major reductions in the scope of the Office's work. I would suggest that you could speed up the current personnel reduction schedule and impose an additional 10-20% cut, again without a fundamental alteration of the agency. In addition, you should begin an inquiry into whether more significant changes in GAO personnel practices, including possible contracting, or reductions in areas of work can be achieved.

The GAO's principal argument against deeper and more rapid personnel cuts is that such cuts would cause RIFs, leading to bumping among employees of various sections of the agency. This could be disruptive since many employees have highly developed areas of expertise, making auditing skills between, for example, aircraft engines and education program not readily transferable. The simple solution, of course, is to change bumping rules for GAO (restricting them to within individual sections), or preferably to remove civil service protection altogether, so that employees can be discharged due to agency restructuring. The GAO is already considering a request for additional early out authority which could result in the reduction of an additional 400 personnel, about 10% of the work force, which would be clustered in the more highly paid ranks. I would urge this subcommittee to work with the Government Reform and Governmental Affairs Committees to secure this authority and to make a corresponding budget cut. If the early out were followed by a mandated additional reduction of 10%, along with permanent or temporary changes in the bumping rules, employees would be even more likely to take the buy-outs.

While placing the GAO on a path toward these additional personnel reductions, you should take a further look at how the GAO does its work. The GAO workforce is characterized by long tenure, and while experience brings advantages to the auditing task, we should question whether having the entire auditing corps in civil service positions with the expectation of permanent employment represents the best mix of experience and economy. The OTA, by contrast, has a core professional staff at the top and middle levels, supplemented by non-tenured junior professionals hired for one or two projects (one to four years). The GAO can be expected to argue in favor of the status quo in regard to its employment practices, but this committee should insist on serious consideration of this or other alternatives to a 100% tenured civil service system.

One obvious alternative is additional use of contracting to supplement a core GAO workforce, including contract for entire audits and studies. Contracting would make costs for specific studies more evident, avoid the overhead of permanent employees, and provide the opportunity to retain highly expert auditors only when needed. The GAO contracts in some cases already, but the office should consider a system of internal competition in which contracting represents perhaps 20% of work years, so that contracting an entire audit or bringing in some temporary help is considered seriously for every major study. This kind of internal competition would allow cost savings, but it would also allow GAO management to better judge the job its own auditors are doing, and for Congress to assess the agency's claims of unique skills and value.

The best way to force a serious trial of contracting and non-tenured employment would be to mandate cuts in the permanent workforce, perhaps at the 20% level I have suggested, while allowing GAO to retain some portion of those funds for contracting or non-permanent employees. GAO's response to such a proposal might also provide a good test of whether pleas to be protected from additional personnel reductions represent a genuine commitment to the office's mission, which might be well served by at least some variance in the employment mix, or simple protection incumbent employees. I would hope that an aggressively managed agency would be coming to you with such suggestions, rather than waiting for changes to be imposed.

Though the matter is not within this committee's jurisdiction, you should give some thought to the appointment and tenure of the Comptroller General. General Bowsher's term is up next year, and while he and his predecessors will defend the value of their extraordinary 15-year appointment, I think this needs to be questioned seriously. If GAO is a Congressional agency, why is the head appointed by the President, and is there really a reason to make the Comptroller General essentially unremovable? In a period when Congress and government is changing, you may need a manager who is independent, but more responsive than current arrangements require. Mr. Bowsher argues that the Executive Level appointment brings a necessary bureaucratic status to the agency, which may be true to some degree, but I do not believe that the Congressional Budget Office, by contrast, has suffered from a lack of cooperation from executive branch agencies because its director is not a presidential appointee. It may be that the position of Comptroller General is so unusual as to demand this unique status, but I am more prone to believe that the appointment is a relic of the early 20th century cult of bureaucratization, and needs to be reconsidered in an era of re-engineering in the private sector and term limits in the public.

Throughout this process you should continue to ask: how good is the GAO's work? While I am not an auditor, I believe questions in this area remain. The problem of requester bias has been raised in, and I know from my own early days as a Senate staffer in the late 70s, that this characteristic was believed to exist back that far. At a minimum, the GAO needs to do a better job than it has in convincing you, its client and manager that it is truly independent and effective. In the last few months I myself have anecdotal but disquieting accounts that the GAO is not completely prepared to act as the faithful executor of Congress's wishes. This includes reported statements that the agency will simply fight off cuts in the appropriations process, and at least some evidence of a failure to follow up aggressively on potential budget cuts in the health area. While I would not press these examples too far, I would suggest that the agency's independence and employee tenure make it less responsive than it might otherwise be. As I have suggested, a significant contract program may be the best test. After a number of contracted studies Congress, outside observers, and even GAO managers will be in a better position to judge whether outside auditors can review government programs as quickly, expertly and cost effectively as GAO. Without a serious test of this sort, we will never really know.

I do want to acknowledge that the GAO has made some advances in its employment practices, which may provide a critical example when other appropriations subcommittees cut executive branch employment. Some years ago the GAO eliminated the GS pay system in favor of broader bands with annual pay for performance evaluations. As a result, employees no longer received periodic increases in response to marginally acceptable performance. After several years of this system, when the GAO offered an early out incentive, the lowest rated employees were the first to leave, a direct contrast to the pattern experienced in other agencies when more highly-rated employees have tended to leave during downsizings. This is clearly a model which might well be applied to other agencies, time allowing.

A final note on GAO's workload: the agency presents the demand for it to find budget reductions and the responsibilities under the Chief Financial Officer legislation as arguments against further reductions. The CFO legislation, however, should represent an opportunity to reduce GAO's workload as major departments internalize good financial management practices, allowing GAO to assume an oversight role. To argue otherwise is to claim that auditors, as is alleged of lawyers, simply make more work for one another. I also believe that there are among GAO studies some that do not need to be done. While the blame for inessential reviews often lies with requesting Members, reducing GAO resources may be the best way to force the Congress itself to focus on the highest priority reviews. An internal accounting system to assign and report costs by study, which has been discussed for those support agencies which provide reports on request, would also be helpful in this regard.

Government Printing Office

I understand that your afternoon panel will focus in particular on the Government Printing Office, so I will not attempt to provide detailed comments on its functions, other than to observe that continuing reports of inefficiencies are disturbing. In some respects, however, the case is quite simple, and regardless of the state of management or employment practices at the agency, I would urge you to abolish the GPO and transfer its residual functions to other congressional or executive agencies.

The existence of the GPO as a legislative branch agency is an historical anomaly the purpose for which has long passed. At one time, corruption in the printing industry was so widespread that Congress felt compelled to internalize printing activities in the government and exercise control directly. Today this system encourages the inefficiency it was once designed to combat. Printing is now a highly competitive industry, and the protections against widespread fraud are clearly sufficient to allow government agencies to manage their own printing needs.

Technology has also made many centralized printing functions obsolete. Until recently, and perhaps still today, executive branch agencies faced the absurd requirement to clear individual purchases of high speed photocopiers with the Joint Committee on Printing. Such a requirement appears to have far more to do with protecting a franchise than with sound budget review. As the distinction between printing press and copier is eroded, electronics also makes far fewer paper copies of any given document necessary. Again, the need for any centralized printing function, much less one managed by the legislative branch for the executive is completely undermined.

Clearly this is a function that Congress need not perform, and which may not need to be done at all. I would recommend that you transfer the depository library and electronic dissemination functions of the GPO to the Library of Congress, and replace the printing functions with a contract management office, whose only responsibility would be the timely and cost effective procurement of printing services for Congress. What Congressionally-operated printing functions would be retained, if any, should be determined by these contract managers who are completely independent of the operating printing function. Executive agencies should be free to make their own printing arrangements free from direct congressional supervision.

Office of Technology Assessment

The question regarding the Office of Technology Assessment is also fundamental: that is whether its job needs to be done at all, and with this agency as well, I would recommend that this committee consider outright abolition.

Like the GAO, OTA has undergone a recent downsizing, including substantial structural changes. OTA's work appears to be generally respected in the scientific and technical community, and as I suggested earlier, I find the OTA's congressional oversight mechanism, leadership appointment and personnel practices to be potential models for other support agencies. OTA acknowledges that it can take some additional budget cuts without further structural changes, though not without some reduced work output. Thus, I do not mean my questioning about whether OTA is needed to be an indictment of the abilities or commitment of OTA employees. In fact, the case is all the more clear because we are not facing serious structural, management or personnel issues.

The OTA's arguments for its existence as a congressional agency are speed, an assurance of independence, and ability to provide technical information in a legislatively useful form. Of these arguments, the independence or disinterestedness claim is not overwhelming. Professional standards in these fields are sufficient that a congressional debunking office or truth ministry is not really necessary.

As for speed, the question is what is Congress in a hurry to do? One possible implication of having an OTA is that Congress is in a position to choose winning and losing technologies, a task at which the government, or any central planner, will fail. Neither do I think the choice of the application of particular technologies to problems in society is an area of legislative responsibility. I simply do not see the argument that having to deal with technical issues is a reason for Congress to have a technology office any more than dealing with health care requires a congressional health care office or welfare reform requires a congressional social services bureaucracy.

I do not see anything the OTA does that Congress could not live without or could not get elsewhere. Certainly some OTA studies are of low value (again a problem for the requesters): an ongoing study of telecommunications on Indian reservations, for example. Others could be performed on a grant or contract basis by national academies, academic institutions or others.

There may be some level at which Congress wants to retain a staff conversant in technical issues, to review studies and advise legislators and their staffs. You might, for instance, allocate some additional funds for technical analysis staff on the relevant House and Senate committees, perhaps, as OTA does now, filled with rotating personnel at the immediate postgraduate level. This would place a reduced level of resources at the disposal of particular committees, rather than making science studies essentially a free good to be bargained for by every committee in Congress.

In summary, I believe Congress can get along without OTA, and that is reason, in this environment, to eliminate it. Just as budget tightening in Congress is necessary as an example, the elimination of functions here in congress will make the job of eliminating other government functions far easier.

Architect of the Capitol

The operations of the Architect of the Capitol have also been the subject of serious questions about management and personnel practices. In addition to addressing those problems, Congress should review the Architect's functions to determine whether and how much work can be contracted out. Though you cannot know for sure ahead of time the exact level of savings that are achievable, it is quite reasonable to expect reductions of up to 25%, possibly along with increased efficiencies from a vigorous contracting out program. As a general rule it is inefficient for any organization to perform non-central services internally: construction, painting and furniture are all areas which might more efficiently be contracted out than performed by a permanent work force. This is generally the case with executive branch agencies, even those such as the Defense Department, whose large work forces and installations could imply some economies of scale.

In addition to the general proposition that the competition and private sector incentives inherent in contracting out can save money, I am confident that economies can be found in the Architect's operations from my own observations as a Hill staffer. At one point, for instance, the House office in which I worked was partially repainted, and operation which required the services of a ladder mover to assist the painter. During the entire operation the ladder mover did nothing but move a ladder where the painter instructed. While painters often work in teams, I have never seen an example where worker did virtually nothing for most of the time. If this practice has been reformed, I am relieved, but I suspect that it or similar practices continue, for without the discipline of competition, the incentive for service providers is to use excess labor.

While I would like to be able to give the committee a line item cut for the Architect's operations, the real solution is structural: simply cutting funds without changing operations and reforming management will certainly result in poorer service, when the goal should be better service at lower cost. As with the GPO, there is an inherent conflict in asking the management which now supervises those functions to be disinterested judges as to whether someone else should be providing those services. I would recommend that the Architect's existing functions be divided, with responsibility for House and Senate office buildings and capitol areas assigned to the Chief Administrative Officer of the House and the Senate Sergeant at Arms. Those officials should be charged with comprehensive management reviews, and perhaps even a target for savings. Necessarily shared functions such as the steam plant and curatorial activities could either be maintained in a single, downsized office or managed by boards of House and Senate offices similar to the Police Board.

Implicit in this recommendation is the elimination of the position of Architect as a Presidential appointment. The case for Presidential appointment and a long term is even less valid in the case of the architect, whose principal function is to manage internal Congressional services, than it is with the Comptroller General.

Library of Congress

I have neither budget nor structural management recommendations regarding the Library of Congress. I am, however, aware of allegations of a poorly managed affirmative action program at the Library. In October of 1993 the Library Chief of Staff apparently assigned twenty or so specific positions to be filled by the affirmative action office, resulting in adverse consequences for some incumbent employees. If employees were transferred or dismissed specifically in order to free up their positions for affirmative action, hiring, they were victimized by both injustice and mismanagement. While my source for this information was an aggrieved employee, the allegation appears to me to be specific enough as to merit further inquiry, and I would urge the committee to look into the matter.

Congressional Research Service

My impression, from over a decade of being a consumer of its products and working with its employees, is that the Congressional Research Service is a professional, well managed and responsive organization. Small economies aside, if you make cuts, you will get less research. CRS has a well defined priority system which allows them to manage a backlog for original work. As with the other agencies that respond to member and committee requests, there is some low priority work that might be eliminated, and the best way of doing that is by assigning costs to requesting offices. As a first step, I would urge you to require CRS to come up with a simple cost accounting system for original reports. Once an acceptable system is in place, you could require reporting, in a preface to each study and in some aggregate fashion, the cost of studies done for each Member and committee. Alternatively you might assign vouchers to each office, requiring Members and chairmen to prioritize research requests within a limited claim on CRS, GAO or other resources. I believe such a system would be beneficial both in focusing CRS resources on their best use, and in making some cost reductions, but I would not hold CRS out as a candidate for major budget cuts.

Congressional Budget Office

The demands of the balanced budget amendment, recent changes in budget procedures and the unfunded mandates legislation will probably make it impossible to reduce spending on the Congressional Budget Office, and may indeed demand some increases. There is however, one structural reform, again outside the explicit jurisdiction of this committee, that should be considered. The current dispute over replacing the CBO Director should bring into question whether Congress needs (or can afford) to have an independent budget czar. The Joint Tax Committee, which is itself a target for possible elimination, has done work on tax bills, similar to that of the CBO, for many years without the controversy which has often swirled around CBO estimates, not to mention staffing. A joint budget staff, more directly under the supervision of the two Budget Committees, could perform CBO's function, perhaps with less controversy than has recently been the case with CBO. This would also put the CBO's function in the appropriate category of necessary staff work, rather than setting it up as a virtually independent arbiter of the fate of legislation. Putting any staffer in the position of essentially giving a thumbs up or down on major legislation due to cost estimates (or for any other reason) is simply inappropriate, and the budget committees should exercise their responsibilities in this regard more directly.

Cuts in House and Senate Operations

I believe it is important to note again that today's hearing, however early, is not the beginning of budget cutting efforts in the 104th Congress. The House has already cut its committee staffs by one third, beginning the first day of the session, and the Senate has begun administering a 15% cut in its committee budgets. I agree that the bulk of cuts in the congressional budget must come in the support agencies, both because that is where most of the money goes, and because those functions are less central to the operations of Congress. However, I would urge your committees not to overlook the possibility of additional cuts, particularly in individual members' offices which have been shielded from cuts to a large degree. Just as cutting the overall Congressional budget may provide the best test of your willingness and ability to cut other government spending, cutting the individual office budgets which are closest to each Member may provide the ultimate test of budget cutting commitment. And no less than has been the case in other areas, such reductions might spur a productive re-examination of current functions and operations. As you well know, the issues of franking and personal office staff are likely to be controversial, particularly in the House when your bill comes to the floor. Some early thought as to how these areas might best be addressed would be far preferable to waiting for or hoping against floor amendments.

Summary

The new Congress, its leaders and this committee are to be commended in taking seriously the mandate of the public, delivered last November, to cut the federal budget, including Congress's own spending. It is especially notable that you are moving early and jointly in this effort. As a long time staffer I do not especially relish recommending substantial cuts in the congressional budget. I know the committee will find the choices difficult and sometimes painful, but the American people have demanded and deserve nothing less than a rigorous examination of every government expenditure, and the willingness to start with Congress first, which is being displayed, is tremendously helpful.

As I have suggested, Congress might consider this examination of its own budget to be a dress rehearsal for the perhaps even more difficult choices involved in balancing the federal budget. At the same time, serious reductions in the Congressional budget, including the abolition of entire functions, as I have recommended, should make cuts in the vast remainder of federal spending far easier politically. If you can withstand the pleas from within your own halls, you will be better equipped to resist pleading from outside. I do not believe that the cuts I have recommended -- eliminating the OTA, reducing the GAO by an additional 20% and contracting out some of its audits, abolishing the GPO with a transfer of residual functions, and transferring and largely contracting out architect functions -- would cripple Congress or any of its essential functions. In fact, I believe that these changes in sum would result in a more efficient Congress, and would set the stage for similar progress in other areas of federal activity. I again thank the committees for affording me this opportunity to present my views.

Mr. PACKARD. Thank you very much.

I did want to note that Steny Hoyer has arrived and we appreciate him being here and appreciate him being with the committee.

Our next witness is Norm Ornstein from the American Enterprise Institute.

Mr. ORNSTEIN. Thanks, Mr. Chairman.

Let me first commend you for holding a joint hearing. I think it is the sort of process which makes a lot of sense where we can. As you have noted, I think from other times when I have testified, I am not a big fan of joint committees, but I am of joint hearings. I think they provide a kind of synergy, and they economize the time of an awful lot of people. So that is a very good step that we are taking here.

I would say, apropos of joint committees, one other introductory note. We are going through a process now, the House has already, the Senate will soon, of reorganizing the committee system. It is a seamless web that we are talking about here, and it is important that you pay attention to both what the House has done in terms of reorganizing the committee system, and what the Senate is about to do, the cuts that you made in staffs, the changes that you have made in committees and jurisdictions as you look at the support agencies and everything else. There is a balance here, and of course in some cases where you are cutting committee staffs, you want to be careful that you don't cut other places which compensate in expertise for those.

I also want to offer a special commendation to Senator Mack, who has joined in the effort to eliminate some committees, including one he chairs, which is most unusual, and it is an example that all of us ought to follow where we can.

I want to take my few minutes just to make a couple of broad points and a few specifics. Let me start offering at least a little bit of a counterpoint to Mr. Hill. It is something that we discussed last year in a hearing of the House subcommittee.

As you talk about cutting back on the supply of resources in these support agencies, I just simply think you cannot ignore the demand side, that if you don't bring some discipline yourselves to what you ask of support agencies and begin to set some priorities appropriately, you are going to have an increasing disjunction as you move to cut back. The fact is, almost everywhere in the private sector and in many places in the public sector, we are moving through systems of internal accounting that make people think twice before they ask to use the resources.

I mean I turn the example that Mr. Hill used around. If I as a citizen wanted to see an Arnold Schwarzenegger movie and I could order one to be made and it wouldn't cost me anything to do so, rather than go in and pay the $4.95, I would call up and say make me a movie. Sure, it would cost $75 million, but I don't have to pay for it, and the way things work now and have worked for years, any, practically speaking, Members or committees could call up GAO or call up CRS and say, send me this, do that, and it didn't cost anything more than the time a staff member or a member used to make the phone call.

Now, that doesn't mean that you charge an individual office account the full cost of the study. You don't have to do that. But if you find a way to raise the barrier just a little bit, it will make people think twice. In my own institution, we instituted an internal accounting system where now, for example, this afternoon I am holding a meeting with a number of French senators who are coming over to look at congressional reform in terms of their own institution, and I am going to use a meeting room. My budget, my own individual budget will be charged for the use of that meeting room.

Well, when I look at having people come over, I think about whether or not I want to find another spot, whether I am going to charge somebody else to defray the cost or what I am going to do. It has altered the way in which we do our business, and you ought to apply it. Frankly, I don't care how you do it, whether you do it through some kind of a voucher system, whether you do it by simply having a modest cost.

You could even take a very small step by making sure that everybody who requests a study has publicized the cost of that study. It is costing the taxpayers to do this sort of thing. But you have got to devise some way to bring discipline to the demand side here, because an awful lot of studies are done that may be very useful, but that if people took into account what they cost, would it be done and would it be necessary. And so bring some discipline in that regard.

I want to offer just a few cautionary notes here, as well. One thing you should always keep in mind, and it is absolutely the case that you have got to discipline yourselves and make cuts, you cannot ask the rest of the society to sacrifice or even the rest of the government to sacrifice without making it clear that you have exhaustively looked through all of your own operations, built some sacrifices in for yourselves, that is absolutely the case.

You want to avoid splashy change that ends up being penny wise and pound foolish, and make sure that where you cut back that you are not costing, not just yourselves as an institution—and we have got to preserve the independence and the role and strength of the Congress in this process as best we can—but taxpayers as well.

So I would look very carefully as you make cuts in GAO at that audit function. Now, it may very well be, as Dave Mason suggests, that with the inspectors general and the chief financial officers that all of the audit functions may overlap. But if in the process of that overlap you manage to squeeze out additional savings that bring more savings to the taxpayer than that cost provides, keep it. I don't know if that is the case or not; I don't have that expertise.

But I would look very carefully. And as we look now to squeezing dollars out of the Federal budget, finding ways wherever we can, if it means more accountants pouring through the books and looking at ways of economizing, it becomes even more significant. And I am sure we can squeeze a lot more out without necessarily cutting off desirable programs. So look carefully before you make those cuts.

I would also avoid the temptation of one-stop shopping for information, whether it be through privatization or some other fashion. What we know is there is very little information that itself stands objectively, that you want to have a creative tension, you want to have the marketplace work in the information world to a considerable degree, as well. So I am not as troubled as others might be by having some degree of overlap here.

I think we can find cuts in a lot of different places, and there may well be some of these agencies that don't have to stand. But having instances where you get information on technology coming from four or five different places, or where you get information on the budget, or on economics that come from a variety of different perspectives, actually improves the work product in the end, it makes you think twice. In the same way, while I think Dave is right that there is something a little troubling about having a staff member have this kind of power over Congress. The fact is that when we apply rigorous standards to programs and spending as CBO has done, it brings great additional discipline to the writing of legislation and, in the end, to the policies that we make in these areas. It takes us away from the notion of fudging the numbers, of pushing off the costs. So I—when I strike that balance, I am perfectly happy to have it struck in a way that provides some independent force that has some ties to Congress able to make it work.

I think that Dave is absolutely right about the problem of inured staff at GAO. But I remind you of one other thing. When I was on the Volcker Commission and we looked at the nature of recruitment to government and trying to get good people to come and to stay, GAO was one we found was a model. Really going out—in many cases, other agencies, just astonishing, didn't go to the best universities, didn't get up booths in the way that the private sector did, didn't try to get good people to come in, had all kinds of rules and regulations that prevented good people from coming here without enormous cost compared to what we had elsewhere, and somebody has really got to look at even more. But GAO was a model.

They went out to find good people and tried to build in a process where they could retain good people. Now, you don't want to simply get into the difficulty of people getting ensconced in a seniority system that necessarily weeds out bright young people while keeping in people who are going to stay in their jobs. But make sure you strike a balance there, too.

There are an awful lot of very high quality people who come in and who fit a model of public service that we don't often find in this country anymore, a la the British model. People who will do—will call the shots as they see them. I think GAO has gotten a little bit away from that as an agency and it has gotten itself into trouble as a consequence, and we need to tilt that balance back, but let's not do away with the good even as we move forward.

And let me just make one other point here, which is about the printing function. And I would associate myself with Dave Mason, something that he and I with our Congress project discussed some years ago, as we talked about eliminating the joint committees. I, frankly, cannot see any reason why Congress should have functions that deal with printing for the executive, or why in this one area, which has seen such dramatic technological changes, where small companies are doing desk-top publishing of high-quality things in-house, where we have all kinds of entrepreneurial organizations that have developed to put out overnight or even quicker high-quality printing jobs in a mass way.

If there is one area that is calling out for a pretty dramatic privatization and decentralization, it seems to me it is the printing function. And that is one I think you can probably move at with some dispatch. But you should also find ways of using information technology better to deal with the incredible mass of reports that we accumulate here.

A long time ago, in 1976, I was a part of a reform effort in the Senate, a joint committee chaired by Adlai Stevenson to reorganize the Senate. And we put all of our records over the course of the year on little microfiche cassettes, a stack of about that high, a whole year's records for a fairly extensive committee. I kept waiting to see that process continue to follow in other places, and I haven't seen it happen.

We could save an awful lot of money if we began to apply the cutting edge of information technology and storage to government, including to the Congress, in ways that we just haven't. We are two or three steps behind what the private sector is doing. Thank you.

[The information follows:]

Testimony of
Norman J. Ornstein
to
House and Senate Legislative
Appropriations Subcommittees
February 2, 1995

I am delighted to have the opportunity to appear before both of your panels to discuss the operations of Congress and ways to economize on them, making Congress leaner while maintaining its essential capacity to deliberate and make appropriate decisions. Let me first commend you on this joint hearing. I am not very fond of joint committees, as my testimony and many previous comments I have made suggest. But joint hearings can make a lot of sense in many areas, saving the time of members and witnesses, and adding to the discourse. Besides, it is always heartening to see any signs of real cooperation evident between the House and the Senate, and especially heartening to see it in this area of appropriations.

I hope in this session today to offer some suggestions for ways to improve Congress' operations while lowering costs. I also want to offer a cautionary note. Congress should, indeed must, find ways to cut its own expenses even as it cuts other budgets and goes through the process of reforming and streamlining executive agencies. You are operating under a mandate to cut many congressional budget items by fixed percentages across-the-board. A mandated, across-the-board cut can be a good way to force action and bypass excuses for inaction.

But every cut you recommend should be done after prudent consideration of the costs and the benefits. As you move to cut support agencies' staffs and budgets, for example, you need to look carefully at the functions performed by those agencies, and which functions should be preserved. The audit function of GAO, for example, may very well save taxpayers more money than it costs. I do not have the expertise to know if that is the case. But before you cut it substantially, I would investigate carefully what that function is, how it is carried out, whether it is necessary, whether it should be done as it is now by GAO or changed, and what the costs and benefits of the cuts would be.

At the same time, you need to be mindful of the painful reality that substantial cuts, made quickly, can cost more in the short run than they save. Even if it sounds good to have a 25% cut in this year, don't succumb to the temptation to do so for the public relations benefit unless the cut can be justified on the bottom line. Otherwise, it may be wiser and more economical to phase in the cuts over two years or three.

None of these comments should, or will, deter you in your task of pruning back on Congress' establishment and resources. But I want to make sure that as you make Congress leaner, you do not make it weaker. Make the diet a sensible one, not a crash one that jeopardizes the overall health of the institution.

Let me make two other introductory comments. The changes you will make through legislative appropriations are a necessary but not complete part of the effort to renew the way Congress operates. I would like to commend the House for the measures it has already taken to cut back on committees, subcommittees, assignments and staffs. I want to applaud the Senate for its smaller preliminary steps, and offer my strong support for the bulk of the proposals, generally paralleling the Senate recommendations of the Joint Committee on the Organization of Congress, that the Domenici/Mack task force has made to the Senate.

I believe that Senator Mack deserves a special commendation for his support of the proposal to abolish the joint committees, since that proposal would eliminate a committee he now chairs. It is all too rare to find reformers who are willing to see their own oxen gored, even as they recommend changes for others. Senator Mack is setting an example I hope the rest of his colleagues will follow.

The second point is a broader one. Your goal here is not simply to cut for the sake of cutting, to cut for the sake of saving some money, or to cut to set an example for everybody. Those may be worthy goals, but you must not lose sight of another larger goal-- to strengthen Congress' capacity as a deliberative body, to work through debate and discussion and come to judgments on important public policy issues. Streamlining, consolidating and economizing can all lead toward a greater deliberative capacity. But do not take actions without thinking about their implications in this regard.

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What follows is a series of excerpts from the first two reports of the Renewing Congress Project, a joint effort of the

Brookings Institution and the American Enterprise Institute, co-directed by Thomas Mann of Brookings and by me. These reports were written before and during the deliberations of the Joint Committee on the Organization of Congress, but remain relevant to the continuing reform efforts of the House and the Senate.

SUPPORT AGENCIES

Congressional support agencies, the General Accounting Office, the Congressional Budget Office, the Office of Technology Assessment, and the Congressional Research Service, are an integral part of Congress and have contributed to its strength and independence, as well as to its policy and institutional knowledge and expertise. They also need to be looked at carefully.

The General Accounting Office, by far the largest support agency, has substantial audit and investigation responsibilities that go well beyond its direct work for Congress. Consequently, it is a mistake to think of GAO's 5,000 employees as all being a part of the congressional staff. But as an aggressive and resource-rich agency, it is not immune from controversy. It is probably not surprising that twelve years of divided government have made GAO a target of criticism, much of it coming from a minority party in Congress that believes the agency has been used frequently by the majority for its own purposes.

Although we do not believe that the disproportionate influence on GAO's agenda by the majority party is itself a big problem, we do feel that the process by which GAO interacts with members to establish its agenda needs rethinking. GAO is often criticized by disgruntled lawmakers for tailoring studies to individual requesters. If the agency was able to better inform all of Congress about its activities and how it sets its agenda, the perception that it is in alliance with specific members would no doubt be less.

The agency, in our judgment, has no institutional bias toward Democrats, but it does show a sensitivity toward whoever solicits its help.

GAO needs to develop a more open process for defining problems, announcing new studies, and issuing reports.

The problem, we want to emphasize, is not simply GAO's. Rather, Congress has not created any institutional mechanism for a regular and systematic tracking or coordination of GAO activities that can reach all its members, and the members themselves, including many who regularly criticize the agency, have shown no particular interest in finding out all that GAO is doing, and why it is doing so.

Committees requesting GAO studies should include ranking minority members as well as chairs in discussions with agency personnel.

In the absence of movement in this direction, both by the agency and by Congress, we can expect more, and more bitter criticism, with a partisan edge.

Another area of controversy surrounding GAO involves the use of agency detailees by congressional committees and subcommittees. GAO assigns roughly one hundred detailees a year to committees. The majority usually end up on one of three House committees: Appropriations, Energy and Commerce, or Government Operations. In many cases these detailees are viewed as additional staff to the committee and subcommittee chairs, and therefore as putting GAO in support of the majority's agenda.

We recommend that Congress seriously consider eliminating concerns about partisanship, and incidentally increasing GAO's focus on auditing rather than policy prescription, by sharply reducing GAO detailees (to a maximum of fifty) and by restricting them to the process followed by the House Appropriations Surveys and Investigations staff.

These GAO detailees are used for investigations that are approved by both the committee chair and ranking minority members, to produce studies that are not published. This approach allows Congress to use GAO's special skills without any question of partisan bias.

Some modest reductions in GAO staffing are possible, but Congress should proceed cautiously to avoid disrupting the agency's highly professional and productive staff.

The three remaining agencies have generated nowhere near the controversy of GAO— in part because none have GAO's resources or power. While the Congressional Budget Office has sometimes been charged with bias, this is not generally viewed as a significant problem. CBO's greatest strength lies in its neutrality; the organization rarely makes policy recommendations and focuses instead on providing balanced analysis.

The Office of Technology Assessment is similar to CBO in its efforts to avoid taking firm stands on policy issues. The agency is considered highly credible by members of both parties and is well regarded for its technical competence. The OTA model is an interesting one. A relatively small permanent staff is supplemented by the use of outside experts on panels on a case-by-case basis.

The Congressional Research Service is probably the least controversial of the four agencies. But its role too should be considered by the Joint Committee. Its predecessor, the Legislative Reference Service, was set up in large part to act as a substitute for large personal, committee, and subcommittee staffs by providing a central core of trained professionals available to all members. The LRS was professionalized further when it was transformed into CRS, and its professional cadre was expanded and enhanced—at the same time that other staffs, in offices, in committees and subcommittees, and in other support agencies, were sharply expanded. Sorting out the functions provided by a central body like CRS from those provided by the myriad of other staff entities in Congress should be done periodically. It may be that the OTA model could be adapted in part to CRS, allowing some studies to be done in whole or in part by creating panels of outside experts, with measured reductions over time in permanent staff.

doing the substantive work necessary to Congress' legislative functions.

In looking at the support agencies, some observers have recommended aggregate reforms. Recommendations range from consolidating some or all of the agencies' functions and streamlining congressional oversight of them, to beefing up their resources and manpower to allow them to do their jobs more effectively. We feel a better approach would be to look at each agency individually, and a more regular examination of each agency's functions for Congress, and its resources, is in order.

Nonetheless, there is one general issue concerning the support agencies that merits consideration. Under present arrangements, there are few limits on congressional offices requesting services from the support agencies. The natural attitude among members and staff is, "Why not ask for a GAO report or CRS study? All it takes is a phone call, letter, or meeting." Of course, the costs to GAO, CRS, and the public—often in the tens of thousands of dollars—are not then considered. There are no costs to members or committees associated with their requests which might promote an efficient allocation of agency resources. Free goods tend to be overused: their costs outweigh their institutional benefits.

Congress should explore the use of vouchers, an internal accounting system, and public disclosure to reduce some of the inefficiencies inherent in the current process.

There is one other area of CRS's work that should be dealt with. The highly trained and competent professionals at CRS are not employed to carry out constituency service functions, answering inquiries from school children or voters that can and should be handled by individual members' offices. CRS's professionals should spend their time

Floor Procedures

SENATE

Proposing changes in the conduct of activity on the Senate floor constitutes the most difficult aspect of reforming Congress—even harder than changing committee jurisdictions—because it deals most directly with the basic nature of the institution.

While the rules of the Senate have changed very little over the past few decades, the attitudes of senators toward the institution and its processes, toward debate and toward one another, have evolved in ways that maximize the convenience of individual senators at the expense of the Senate's business. Additionally, relations between the parties have become more strained, making consensus harder to reach on Senate procedure. Rules that once served to foster debate are now used to delay legislation for frivolous reasons. Scheduling of bills on the floor—always an ad hoc, seat-of-the pants process for the Majority Leader—has become even more difficult, as the demands of fund-raising and speaking engagements keep senators from the floor. Attempts at even the most modest forms of discipline—the three-week-on, one-week-off scheduling of Senate business to ensure busy workweeks coupled with substantial time at home—quickly reverted to the Tuesday-to-Thursday-club routine.

Party leaders in the Senate are much more constrained than those in the House. Whereas the House normally plows through its legislative schedule, ignoring individual members' complaints or conflicts in favor of the conduct of the chamber's business, the Senate Majority Leader must accommodate the interests of individual senators before proceeding with the Senate's business. The Majority Leader gains nothing by attempting to bulldoze the Senate schedule or decree a plan of action, since he can be blocked by a single dissatisfied colleague. And there is always the implicit threat of opposition for reelection to his party post if the Majority Leader puts his vision of the chamber's business ahead of the care and feeding of the majority members' individual political interests and personal convenience.

Obviously, then, it is difficult for the Senate to engage reform issues that would speed up the pace of its deliberations, or introduce forcing mechanisms that limit the ability of senators to engage in extended debate. The ultimate goals of reformers also need to be clearly defined before they undertake reform. Is it to strengthen leadership, speed the pace of business, reduce the level of accommodation of individual senators, or improve the quality of debate? Some of these might require formal changes in Senate practices, while others could be implemented through leadership initiatives or the party conferences. In the House, it is easier to change discrete elements of the rules to achieve a particular reform objective. In the Senate, with less complex rules and greater reliance on unanimous consent, a seemingly modest alteration of routine can have significant effects. Reformers must also be careful that they retain the basic nature of the Senate as a deliberative body. We may quarrel with the quality of deliberation, but the solution is to produce processes or incentives that encourage senators to do a better job, not simply to speed up action or make the rules more efficient. The Senate should not be reformed to look just like a smaller version of the House.

Nonetheless, change is essential. Although the Senate likes to refer to itself as the world's greatest deliberative body, it is precisely that quality—deliberation—which is damaged by the process of endless delays and unfocused discussion that governs Senate consideration of many measures.

The Senate has become increasingly less manageable as filibusters have become virtually commonplace on both major and minor pieces of legislation, raising the standard for passage of even routine bills from fifty to sixty votes and resulting in frequent delays and uncertainties in scheduling, stop-and-go patterns of floor debate, and the use of holds and other obstructionist techniques that make the institution hostage to the whims of individual senators.

The Senate needs to create opportunities for debate to take place without the constant threat of filibuster-driven delay.

The most significant change the Senate could consider would be to sharply restrict the use of holds for capricious

■ *"You have to think of the Senate as if it was 100 different nations and each one had the atomic bomb and at any moment any one of you could blow up the place. So that no matter how long you're been here or how short you've been here, you always know you have the capacity to go to the leader and threaten to blow up the entire institution. And, naturally, he'll deal with you."*

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reasons by individual senators, and require public identification of any senator requesting a hold.

There is no mystery why holds have become such a prominent feature of the contemporary Senate. A reliance upon unanimous consent agreements to structure debate and amending activity requires the leadership to obtain advance warning from rank-and-file senators of their intention to object to unanimous consent requests or to conduct extended debate. Increasingly, senators are subject to sophisticated demands by lobbyists to use holds on behalf of their causes; and senators have been more than willing to fully exploit the notification process on behalf of interest groups, constituents, and personal agendas. At times the practice degenerates into rolling anonymous holds as lobbyists persuade one senator after another to hold up legislation they oppose.

The real question is how—short of a major change in Rule 22—to reduce the high costs to the Senate from delays caused by objections to unanimous consent requests or by extended debate. We believe a number of changes in rules and procedures would help at the margin by contributing to greater predictability in Senate floor action.

We start by endorsing the recommendations presented to the Joint Committee by Majority Leader George Mitchell.

We believe that his proposals will help streamline routine aspects of Senate procedure while preserving the minority's rights to extend debate and delay votes. He has recommended the following:

— that debate on the motion to proceed, made by the Majority Leader or his designee, be limited to two hours;

— that a ruling of the Chair in post-cloture conditions may be overturned only by sixty votes;

— that amendments reported by a committee be considered germane in a post-cloture situation;

— that time consumed on quorum calls in a post-cloture situation be counted against the senator who suggested the absence of a quorum;

— that the Senate request or agree to a conference through the adoption of a single motion, rather than three, each of which is debatable and subject to a filibuster;

— that conference reports be considered as having been read when called up for consideration; and

— that sixty senators could require that amendments to a measure be relevant.

In addition, to further facilitate floor action, we recommend that the Senate create a committee of the whole for floor action.

The Senate has used a committee of the whole in the past, but the mechanism was dropped in 1930 on the ground that every action it took could be repeated again outside the committee. Clearly, this objection had merit, and we do not propose reviving the committee as a mechanism to cause delay.

But we do believe that a committee of the whole, operating with more stringent debate and amendment limitations than the Senate itself, could be used to handle the bulk of less- controversial legislation, which often takes far longer to process than it needs to because senators are not used to disciplining themselves. Our proposed committee of the whole would be akin to the "Consent Calendar" process of the House for dealing with routine matters. We believe senators would welcome a process that expedited consideration of some legislation, leaving more time to devote to significant debate on controversial legislation.

In the committee of the whole the Senate would

- conduct general debate on bills, fixed by rule as in the House;
- consider legislation for amendment by title;
- allow only germane amendments;
- limit debate on amendments (to perhaps one half-hour for each side);
- limit debate on any debatable procedural motion, point of order, or appeal to thirty minutes or less; and
- further restrict debate or amendments by majority vote.

The Senate would go into the committee of the whole upon the adoption by supermajority vote of a nondebatable motion offered by the Majority Leader or his designee; the supermajority, equivalent to the vote needed to cut off a filibuster, would provide further legitimacy to the process and serve to discourage a repetition of the process outside the committee of the whole. The Senate would rise from the committee on a nondebatable motion, subject to a majority vote.

Outside the committee of the whole, the Senate would conduct its business as usual — limits on debate and amendments could be applied only by unanimous consent or by invoking cloture. In this fashion, the existing rights of senators would be preserved, and at the same time the bulk of debate on legislation would be more manageable and predictable. The Majority Leader would no longer be prevented from moving to some reasonably structured debate and amendments by individual objections to unanimous consent requests.

We also suggest that consideration be given to a number of other proposals for reducing obstructionism in the Senate.

The Senate should require that more than one senator (perhaps three or five) object to unanimous consent requests to expedite business.

If senators try to get around this rule by employing obstructionist quorum calls, the presiding officer should be given discretion to deny dilatory quorum-call requests and require sixty senators to overturn the ruling.

The Senate should develop a computerized system of floor scheduling that would give all Senate offices advance notification of the Majority Leader's intention to call up listed legislation.

Improved communication of the Majority Leader's scheduling plans may reduce the number of holds placed by senators solely for the purpose of getting timely notice from the leader. This type of hold isn't much of a problem for floor leaders, but some improvements here may reduce objections to tougher measures limiting holds.

The Senate's party conferences should adopt formal policies on the use of holds (for example, prohibiting holds on legislation on the party's announced agenda, appropriations, and tax bills, and any legislation considered in the closing weeks of a session) and grant explicit powers to their floor leaders with respect to observing holds and maintaining the confidentiality of holds.

The parties in this manner could empower their leaders to resist the importunings of individual senators when the interests of the party and the Senate are clearly at stake.

None of these changes, in our view, alter in any fundamental way the Senate's traditional role as a forum for the expression of minority views or as a deliberative body; indeed, having a committee of the whole might well focus general debate and provide a crispness to deliberation currently lacking in the institution.

Our final suggestion is that the Senate move to restore some integrity and meaning to the filibuster by requiring senators to engage in extended debate on the floor instead of merely issuing a threat to talk on at length.

The filibuster, as it has operated since the early 1960s, has lost its character as a classic procedure to highlight intense minority viewpoints over landmark issues. To expedite business and keep the Senate from embarrassing itself by screeching to a halt and blocking all business for a filibuster, then–Majority Leader Mike Mansfield moved to a two-track system, in which a filibuster would be announced and continue, but on an autonomous and distinct track, while other business could move forward separately.

The filibuster then evolved into a standard parliamentary weapon that simply raised the threshold on bills or nominations from fifty votes to two-thirds of those present and voting (now sixty votes). Instead of being used sparingly, for critical national issues, it became a routine process, used regularly for more mundane bills and threatened even more regularly by individual senators to gain leverage over extraneous issues.

We recommend that the Senate return the filibuster to its classic model—if a senator declares a filibuster on an issue, he or she should be prepared for extended and continuous debate, day and night, while all other business gets put on hold.

If senators feel strongly enough about an issue to filibuster, they should be prepared to risk ostracism from their colleagues, along with sleepless nights on narrow cots in the hallway of the Capitol.

This move does not require any rules

change: it can be implemented by declaration of the Majority Leader. We do, however, recommend an additional change that would require rules reform.

We recommend that the Senate create a second class of filibuster.

This second class would operate much as the routine, contemporary filibuster operates, on a separate track—but with two key differences. Currently, a single senator can initiate a filibuster; this Class II variety would require a petition signed by ten senators. The second difference would be about cloture petitions. As with current practice, the first cloture petition would require sixty votes to implement. But the second petition, taken at least one week after the first one, would need only fifty-five votes; the third petition, taken at least one week after the second, would require only a simple majority. If a senator wanted to bring the entire Senate to a halt, going day and night he or she could do so, and keep a high threshold of sixty votes to bring about cloture. But if the issue was not so vital, or the commitment as strong, a more limited filibuster could be initiated—with a higher standard to start it, and lower threshold to end it. Thus minority rights would be preserved, but with additional ways to expedite action.

HOUSE

The House, unlike the Senate, has few problems disposing of legislation once it has reached the floor. The key questions involve deciding how to schedule legislation and how to ensure a deliberative process during its consideration.

As we noted in our first report, House floor scheduling has long had an ad hoc quality, dictated by the availability of bills and the wishes of committee and subcommittee chairmen. There has been little in the way of long-range scheduling over weeks and months to develop a coherent agenda for the House and to inform members what will be expected of them. Even to the degree schedules are cobbled together now, there are often last-minute changes that disrupt the plans of members and committees who schedule their work around expected floor action.

To some degree, confusion is inevitable in any legislative body, but the mechanics of scheduling too often seem to have taken control, rather than being used to support leadership policy decisions.

We have recommended that the House go to a three-week-on, one-week-off scheduling system similar to the Senate's, and that floor action be intensive during the workweeks (a pattern less and less visible in the Senate). This requires a specific decision by the leadership not to accommodate the traditional Tuesday-to-Thursday-club mentality of the institution.

We anticipate problems, and have also noted signs that the large new freshman class, in its desire to be responsive to con-

■ *"We are only here Tuesday, Wednesday, and Thursday. On Tuesdays people are flying in the morning or around noon, they check their office, they make some phone calls, they come over and vote on the Journal. On Wednesday they settle down for a day, and Thursday they have got their airplane tickets in their pockets and in the early afternoon or late afternoon they are about to leave."*

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stituents, would like to have frequent long weekends in their districts. But we hope members realize that their goal of ending gridlock in Congress requires them to be in Washington to do work, and that a more intelligently designed schedule will still allow them plenty of quality time at home.

We were delighted with the House majority's action last December to create a Speaker's Working Group on Policy Development. We hope that it will be given substantial responsibilities and are pleased that the group has met fairly often. However, we note that the Working Group still seems to be searching for an effective identity, and we question its larger size—thirty-eight members—which differs from the Democratic Caucus' initial decision to have a more cohesive and manageable group of twenty members.

The Working Group needs to be more than simply a debating society or a second whip meeting where members air their grievances. It should play a significant role in recommending the disposition of complicated referral questions on significant legislation and in coordinating priorities for scheduling. It can help the Speaker to use more aggressively and creatively his referral authority to set deadlines and to mesh those deadlines with decisions on advance floor scheduling.

Suspension of the rules, which is the most frequent technique used to pass less controversial legislation, should be extended to five days a week as a scheduling tool.

In our initial report, we speculated that the availability of this device, with proper advance notice to members and consultation with the minority, would encourage use of the early portion of a week for more substantive legislation and give members greater incentive to remain in Washington.

Perhaps the most troublesome and controversial aspect of House floor procedure results from the difficulty in striking a balance between considering legislation in a timely and orderly manner and allowing the minority party and individual members meaningful opportunities to offer alternative versions of legislation. The House debates and votes on legislation in a parliamentary situation where time is under some sort of control. It deals with an issue and moves on, in a straight line, unlike the Senate, which may never vote on a piece of legislation and shifts back and forth among pending proposals like a circus juggler. The House employs various parliamentary devices that strictly limit both the use of time and the opportunities for amendment, and others that open up the process to individual members proposing amendments or speaking. It is the balance between these devices that lets the House be representative and deliberative, but also definitive, in its actions.

The standing rules of the House provide for the one-hour rule in debate, the motion for the previous question, strict limits on the opportunity for quorum calls, strong recognition powers in the Speaker, and the ability to postpone and cluster votes, all as devices to limit delays, provide structure, and bring questions to a resolution. The minority is guaranteed in the standing rules the power to offer the motion to recommit and to control a designated share of debate time on certain measures and motions.

However, the rules are a means to an end, and the standing rules of the House do not always serve the House's interests. Special rules are required to provide for rational consideration of particular bills. The debate and amending process in the Committee of the Whole House on the State of the Union provides the most frequent opportunities for deliberation, since bills are debated and considered for amendment under the five-minute rule pursuant to a special rule reported by the Rules Committee and adopted by the House, and it is here that perceived abuses most often occur.

The minority strongly advocates the use of open rules that allow unlimited germane amendments under the five-minute rule, and has spoken sharply against the increasing use of restrictive rules. We see nothing wrong with the use of restrictive rules for managing debate, in a limited number of cases, so long as they allow sufficient deliberation on the major proposals and adequate participation by a broad range of members speaking on behalf of their constituents. There is nothing wrong with closed rules or modified rules so long as they serve these purposes.

It is impossible for the House to take the time to listen to the views of all members on all issues, nor is it desirable for members to feel they should attempt to address every issue that comes before the House. The House developed a committee system to provide for division of labor and specialization. Rules for floor consideration naturally give preference to members of the relevant committees handling a particular bill, and they should also allow access to the most vigorous opponents and those who propose significant amendments.

On the other hand, the use of these restrictive rules should not become the norm. They should be used only when necessary. An open rule should not be perceived as an aberration, a luxury the House cannot afford. The increasing practice of the Rules Committee majority of routinely announcing on the floor that a rule on a forthcoming bill might be restrictive, and providing a deadline for members to submit amendments they might wish to offer, represents a disturbing trend that should be reversed.

It is difficult to define the point at which a measure is considered under conditions unfair to the minority. Depending on the particular situation, adoption of a rule that does not permit a particular amendment to be considered could be interpreted as an attempt to silence or censure the minority; or as a management tool to save the time of the House from a frivolous amendment without significant support; or as a policymaking device to allow the minority some access, but not so much as to let it chip away constantly at a majority proposal until it finally finds a way to weaken it. The amending process should be used by the minority as a means of sharpening its own views and drafting legislative proposals that maximize their chances of passage on the floor, not just as a means of harassing the majority or endlessly attempting to probe for weaknesses.

Problems do arise when the Rules Committee, as the vehicle for the majority to structure floor debate, goes overboard to advantage the pending legislation at the expense of alternative proposals desired by the minority or by minority blocs within the majority. These advantages can come in the form of limited debate time, limited number and disadvantageous sequence of amendments, and restrictions on the minority's right to offer a motion to recommit with instructions. The majority has developed various rationalizations for its actions—preventing excessive delays in the floor schedule, blocking harassment by the minority and floor votes intended to embarrass rather than to represent legitimate alternative views, and barring killer amendments that could gut a bill, since the minority can always vote against the bill on final passage instead. Taken together, however, they constitute a disregard for minority rights, the rights of individual members, and a dismissal of the constructive role the minority or other dissenters can play in offering alternatives and pointing out flaws in a pending measure.

We recommend that the minority be guaranteed the right to offer a motion to recommit with instructions, if authorized by the Minority Leader.

The motion guarantees that the minority will always have at least one opportunity to voice its views. The majority goes too far when it tries to dictate to the minority what the minority's views might be and how they should be offered. The role of the Minority Leader should be upgraded to give the leadership responsibility for ensuring that the motion be used for purposes constructive to the minority's agenda. The Speaker should be given the power to postpone debate and votes on the motion to recommit and final passage for one legislative day, in order to encourage the majority to prepare for serious debate on the motion.

We also recommend that the majority allow other avenues for amendments to be offered as part of the normal amending process, and that it not approach these issues with a mind-set that the minority will get "one shot" and that this constitutes fairness.

The bias should be toward openness unless the circumstances on a particular bill demand some sort of limitation, and even then there should be limits beyond which the majority cannot go.

DEBATE

As we discussed in some detail in our initial report, the quality of debate in Congress has been diminished as members spend less time on the floor and come to votes preprogrammed on issues by information gleaned from staff and lobbyists. There is little real interaction and discussion among members. What passes for debate are often lonely declamations by members or senators at times when legislative business has been concluded.

In our first report, we recommended the use of Oxford Union–style debates as one means of encouraging deliberation on the House and Senate floor, forcing members to engage the ideas of the other party in a public setting and educating the American people on important issues facing the country.

We are greatly encouraged by the commitment of majority leaders in both houses to proceed in this fashion. Consideration should be given to the mechanics of how these debates might be conducted and what rules are required. We favor a more formalized process in which members perform specific tasks in debate for a specified period of time.

What is also needed in both houses of Congress is a focus on reintegrating debate into the legislative process, rather than using it for purely individual concerns or as a form of protest, as is frequently the case in the House's special order time.

By utilizing debate more constructively, Congress can overcome the mind-set of members, particularly in the House, that debate is merely a filler time dividing periods of important activity and giving members a respite to engage in other activities. The attitude toward general debate in the House frequently resembles the Senate's use of quorum calls, which are intended to delay action while members reach the floor or while private consultations occur.

In recent years, on some bills, notably the defense authorization bill, the House has broken up periods of general debate into sections that deal with specific policy issues in the bill. The House then considers and votes on even more specific amendments, and might then resume debate on some other issue. We find this practice constructive and recommend that it be used more frequently on complex legislation, to help members focus on broader questions as they then move toward more particularistic amendments. If members find that debate can actually help them understand issues, or is focused enough on specific policy questions to avoid the negative perceptions of the current process of general debate, there will be additional incentives to come to the floor and participate, or at least listen.

COMMITTEE NUMBERS

It may not be obvious why larger committees, more committees, and more assignments for members are deleterious to Congress. But there are good reasons why every reform effort since 1946 has strived to cut the number of committees and subcommittees, why most chairmen have tried to reduce, not increase, the sizes of their panels in recent years, and why one would be hard pressed to find a member of Congress who is content with his or her workload or array of responsibilities.

The goal here is to meet Congress' responsibilities. There may not be an optimal number of committees, but we believe there are too many now. Too many committees mean more difficulty setting priorities (especially if every committee believes its priorities are the most important ones), more difficulty scheduling committee and floor action, too much fragmentation of policy responsibilities and power bases, too many demands for multiple assignments.

If there are too many, it does not automatically follow that the deeper the cut in committee numbers the better. Radical cutbacks would reduce Congress' ability to identify nascent policy problems, reduce innovation, and stifle individual talents. But reducing the numbers, not radically but prudently, would mean that Congress could focus its attention more sharply on things that matter without decreasing its ability to innovate and reach out; permit a modest recentralization of authority and initiative; focus attention on which policy areas should be consolidated or highlighted; and make it easier to create panels roughly equivalent in workload, responsibilities, and attractiveness.

How do you cut the number of committees?

First, the Senate should follow the lead of the House and eliminate select and special committees (excluding intelligence and ethics).

The *concept* of select committees should not be abandoned by Congress; the ability to focus on a new, emerging and important policy area, whether it be hunger, narcotics control, or families, or to investigate allegations of wrongdoing, from Watergate to Iran-contra, is important for the institution. But select committees are, and should be, created for a limited and finite amount of time, to investigate, hold hearings, issue reports, and spotlight a problem. If it has legs, and can meet the tests of importance and priority, a subject or issue should then be the focus of a subcommittee on a standing committee or a standing committee itself. It is symbolic of the larger problem of self-indulgence and committee system inflation that select committees are invariably created for one Congress and inevitably continue for many more.

The Select Committee on Indian Affairs

is a good example—one for which we have special insight, since Norman Ornstein, as a staff member of the Stevenson Committee, worked directly on it. The Indian Affairs Committee was created out of the Stevenson Committee reforms in 1976-77, to deal with a specific problem. A federal commission on Indian affairs was scheduled to release a wide-ranging report the following year; at the request of then-Senator James Abourezk, the Stevenson Committee deferred for one Congress its judgment to put Indian Affairs jurisdiction in the Labor and Human Resources or the Energy and Natural Resources Committees, to enable a temporary select panel to consider the commission report. Its creation was accompanied by the solemn promise of Senator Abourezk that it would last for one Congress—and no more. It is bemusing, in a way, sixteen years later, to see the ploy to remove "select" from the committee's name as a way to avoid its elimination—since it should be exhibit A in why the system has gone out of control.

Select committees mean more panels, more assignments, more fragmentation, more staff, and less focus for the standing committees that have legislative jurisdiction. They are not the only committees that should be consolidated with other, larger panels to create some disciplined focus in broad-based standing committees with significant workloads and jurisdictions.

Congress also needs to address the issue of joint committees.

We believe that permanent joint committees do not usually work—the disparities in chamber size, time commitments, and outlooks make joint panels singularly ineffective—and they should be eliminated.

To be sure, the only joint committee focused on a substantive area is the Joint Economic Committee. Joint Economic has a special history, and a unique role, and its retention would be reasonable and defensible. But we believe a stronger case can be made for eliminating it and giving its broader economic focus, including its oversight of the *Economic Report of the President*, to the two chambers' budget committees.

The other permanent joint committees exist for specific reasons. The Library and Printing Committees act as coordinators for functions that are within the purview of the legislative branch as a whole, not the House or Senate separately. The Joint Taxation Committee is effectively a staff holding operation to serve the House Ways and Means and Senate Finance panels.

Is it really necessary to have congressional committees, with assignments and requisite responsibilities, to handle these functions? We think not. The library and printing functions, in our view, could be handled by administrative panels consisting of appropriate congressional officers, overseen by the joint leadership. The printing function itself needs a careful look: is it really appropriate for the legislative branch to have jurisdiction over most executive branch printing, via the Government Printing Office? We believe that Congress should have responsibility for congressional printing, with that responsibility handled administratively. It should transfer direct control over executive branch printing to the executive.

The Joint Tax Committee's staff is truly one of Congress' success stories, with its consistently first-rate, nonpartisan professional team. But it need not be organized as a separate congressional committee. We recommend that the Joint Tax Committee be turned into a Congressional Revenue Office, parallel to the Congressional Budget Office, or better yet, folded into CBO.

COORDINATING MECHANISMS

Even if one had carte blanche to rearrange jurisdictions as one wished, there would be substantial overlap in broad and important policy areas, and there would be emerging issues ignored or left unidentified by the committee system. To pull all health jurisdiction together, for example, would mean disrupting jurisdiction over taxation, education, science, veterans, defense, and other areas. However desirable it is to have a tidy process in which only a single committee readies legislation for the floor, each chamber must have mechanisms and strategies for dealing with the fact that several committees will often demand, and merit, a piece of the action on pressing policy problems.

The House should make more frequent use of the ad hoc committee authority that now exists, under which the Speaker can propose to the House the creation of a temporary panel, with members drawn from a range of standing committees and a chair designated by the Speaker, to address an important policy matter comprehensively and quickly.

The Senate Majority Leader should be able to propose, through privileged, non-debatable motions, the creation of ad hoc committees on matters involving two or more standing committees, as well as on a few important policy matters that generate such broad interest that a single committee cannot capture the variation in opinion.

■ *"We have silted up our processes with the kind of staff associated with large, hierarchical bureaucracies, which is not meant to be the deliberative mode of an assembly."*

VERBATIM FROM THE ROUNDTABLES

CONGRESSIONAL STAFFS

Few areas of Congress have been targeted more vigorously or universally for criticism than congressional staffs. The image of a bloated congressional bureaucracy resonates with voters. How else can one explain that in the third presidential debate in 1992. candidates for the White House got into a bidding war over how much they would cut congressional staffs. with Bill Clinton calling for a 25 percent cut. and George Bush upping the ante to 33 percent? The image of the bloated staff has become a symbol of the complacent. self-indulgent. over-activist Congress that Congress bashers and would-be reformers like to portray.

The staffing issue. for the most part. is not one to be decided by the party caucuses. but rather through the deliberations of the Joint Committee. That should include a workload audit of committees and subcommittees to assess overall staffing needs. It should include as well the support agencies—the General Accounting Office. Congressional Budget Office. Office of Technology Assessment. and Congressional Research Service. But the popular appeal of staff cuts suggests that we address the issue preliminarily now. A simple across-the-board cut in staffs to reduce costs would be a tempting recommendation to make. It is simple. easy to explain. and popular. But the issue of staffing is more complex; it goes far beyond questions of size and cost to broader issues: how staff are allocated. how they are used, and how professionalized they are—indeed, to questions of what we want Congress to be, and whether we are willing to damage some basic functions to achieve other, currently popular goals.

We believe that congressional staff can and should be cut, just as White House and executive agency staffs can and should be cut. The question is how, and by how much, to achieve goals of efficiency, cost savings, and appropriate institutional focus, without creating too much ancillary damage. One problem with across-the-board staff cuts is immediately apparent: they would be counterproductive. The more efficiently run, already over-burdened areas of the Congress would be hardest hit by such cuts. Rather than promoting efficiency, cuts would be likely to increase inefficiency and staff turnover and further weaken the institution.

There is no doubt that congressional staffs have grown sharply in the past quarter century. But this is another area where conventional wisdom is wrong. The explosive staff growth occurred from the late 1960s through the mid-1970s, coinciding both with the move to democratize Congress and with the sharp increases in the staffs of both the White House and the Executive Office of the President. Staff growth leveled off in the late 1970s, before the Republican takeover of the Senate and before the Reagan era. Staff sizes, personal and committee, are lower in the most recent systematic count than they were a decade ago.

That does not mean that congressional staffs are now streamlined or that committees and offices are lean and mean. Each has to be looked at individually.

COMMITTEE STAFF. The focus of executive branch and private sector ire at congressional staffs is on the committee side. The charge is that committee staffs have become individual power brokers, generating unnecessary congressional activity, including excessive oversight and regulation, demanding that cabinet officers and other top officials testify in front of scores of panels and focusing more on their own policy and public relations opportunities than on producing a collective legislative product. In the end, then, instead of alleviating the congressional workload, they generate more work and ultimately clog the process.

There is clearly some truth to these charges. But serious cuts in committee and subcommittee staffs would not be without adverse consequences. Major cuts in committee staffs would almost certainly make Congress more dependent on the executive branch and on interest groups for information and guidance. There would be a reconcentration of staffs and power at the full committee level, increasing the power of committee chairmen, while also likely limiting the professional staff available at the subcommittee level to the subcommittee chairmen.

Such cuts should be made carefully to

make sure that the unintended consequences do not outweigh the intended ones. Serious cuts in committee staffs should only be made in conjunction with broader committee reforms cutting the number of committees and subcommittees and the number of assignments.

But it would be appropriate now to eliminate "associate staff," those aides available to rank-and-file members on several important committees in the House and on many panels in the Senate.

Valuable as their expertise may be to the individual members, associate staff have on balance fragmented expertise and diluted resources on the committees. If individual members feel strongly enough about the need to have their own designated staff monitoring a committee, they should pay for it out of their office allowances; otherwise, they should be able to utilize the core central professional staffs on their committees. Committee chairs and ranking minority members, who often exercise total control over the staff, should be forced to allow the staff to work more directly with all other committee members.

PERSONAL STAFF. Each House member is currently entitled to hire eighteen full-time and four part-time employees. Measured by hard work, long hours, and dedication, the office staffs of virtually all members of Congress are no sinecures. Hill staff work hard, are not generally overpaid, and do serious tasks. Any significant cut in the sizes of personal staffs would result, then, in the loss of some functions now performed by offices, either answering mail, doing casework, or assisting in legislating.

Clearly, more office staff are devoted to processing mail than any other single task. No doubt some of those staff resources help to generate a lot of the mail that comes to Congress. But with a variety of computer software programs and information services such as Prodigy aggressively selling services that make it easier for citizens to write their congressmen, and with interest groups themselves generating huge volumes of mail, it would not serve the representative function of Congress to curtail the ability of lawmakers to answer letters from their constituents.

Still, there should be ways to streamline this function, to consolidate in some central staff operation a portion of the mail processing and casework functions, so that personal staffs can be pruned. More generally, we see a good reason to try to cut back on the size of House personal staffs. Each member of Congress now is the equivalent of a small business proprietor, running a shop with twenty-two employees (and usually several additional volunteers and interns).

The member and the administrative assistant have to spend significant amounts of time simply dealing with personnel, office administration, and their own bureaucracies—time that gets taken away from legislating or deliberation. We would like to see a realistic limit put on the size of each office. one a bit lower than now. and ensure that the numbers do not rise. that members' offices do not move from small businesses to large ones.

We recommend that the House reduce the size of House member offices from eighteen full-time employees to fifteen employees.

We recognize that this change would cause some serious disruption in many House offices. To ensure that offices could operate efficiently and well. we have several other suggestions:

The House should leave the office staff budget allotments at their current level, to give members more flexibility to hire and retain professionals; it should also create an Office of Congressional Staff Services to assist members in handling bulk mail and ancillary casework loads.

In addition. we would make a broader administrative change:

The existing restrictions on the ways members can allocate their office resources should be eliminated, to allow members more management flexibility.

PROFESSIONALISM. One of the biggest concerns about congressional staffs. rarely mentioned by critics. is the level of professionalism. Staffs are hired in a haphazard fashion. without any formal standards. often through an old-boy network. with a continuing role for patronage. including in both parties' leadership structures. Turnover is alarmingly high. Older traditions. emphasizing nonpartisan. career professionalism that are still typified today by the staff of the Joint Committee on Taxation and on some Appropriations subcommittees. have eroded. Many staff see their posts as temporary. mere springboards to posts in the executive branch or downtown in lobbying or law firms.

It is good for Congress to have some continuing flow of energy and ideas into the institution. and to give people an opportunity to spend a couple of years experiencing the legislative process from the inside. But it is also important for the legislative branch to have a core of experienced. highly qualified. long-term professionals.

To these ends. we recommend the following:

Tie the House and Senate to the same payroll system to reduce the chances of one house raiding the other for staff.

Direct the House Administration and Senate Rules & Administration Committees to create more formalized hiring standards akin to those in the executive branch, and to create a formal job-training program for congressional staff.

Mr. PACKARD. Thank you very much, Mr. Ornstein.

We are pleased now to have Tom Schatz, Citizens Against Government Waste with us, and we would like to hear from him.

Mr. SCHATZ. Thank you very much, Mr. Chairman.

I will be brief. These three gentlemen have been excellent witnesses and have put in a lot of points that we also agree with in terms of privatizing the GPO, in terms of reductions at GAO. I had asked my staff to look for an article that I couldn't quite remember, but it was Legal Times, February 10th, 1992, where they literally went through 20 years of GAO reports and made the point, for example, that since 1972, GAO had issued more than 130 reports, echoing the theme that the Pentagon squanders billions of dollars because it can't keep tabs on spare parts and other inventory stock. You add that to things like the Packard Commission report, the Grace Commission report. Finally last year some action was taken on procurement, but I am sure that all of those recommendations still haven't been done.

We have found, as Joe Wright mentioned, that many times these reports are requested, the blue books are waived around in subcommittees and full committees and then again nothing is done, new chairmen might come in or new staff might come in and ask for basically the same information.

I think taxpayers made it clear in November, they want action, not more reporting. And since you all do control the volume over there, I also agree that we should take steps and make some standards.

Your former colleague, Bill Frenzel, in discussing this made the point that GAO needs a clearer mission from the Congress so they won't be spinning their wheels and wasting taxpayer dollars drumming up ideas that are then ignored. Mr. Bowsher also said that Congress could be making better use inviting people to testify at the agency's authorization. And I think that is probably done a little more than it has been in the past.

One perhaps facetious comment from the congressional staffer was that GAO could flag certain areas that are dealing with many reports and simply refuse to follow up until progress has been made on other recommendations. We have seen these volumes of recommendations, hundreds, sometimes thousands in a year, and again, I think it is time to act on those. And we appreciate that you are reviewing their function.

When I worked for Congressman Fish for six years, I worked on the Republican Research Committee's High Tech Task Force, and with all due respect to Mr. Hill and the OTA, I really remember very little that we found useful from OTA during that several-year period of work on what was really those same issues. And in terms of review, we don't want to tear things down, we want to make them work efficiently and effectively, and I urge Members to do that as they review the various functions of the legislative branch.

With that I will conclude my remarks and be glad to answer questions.

[The information follows:]

Testimony of
Thomas A. Schatz,
President,
Citizens Against Government Waste
before the
Legislative Subcommittee on Appropriations
February 2, 1995

Good morning, Mr. Chairman. Thank you for the opportunity to testify today before the Appropriations Subcommittee on the Legislative Branch. My name is Tom Schatz and I represent the 600,000 members of Citizens Against Government Waste (CAGW). Your interest in CAGW's comments are a true indication of the tidal wave of change that swept the country on November 8th.

CAGW was created 11 years ago after Peter Grace presented to President Ronald Reagan 2,478 findings and recommendations of the Grace Commission (formally known as the President's Private Sector Survey on Cost Control). These recommendations provided a blueprint for a more efficient, effective, less wasteful, and smaller government.

Since 1986, the implementation of Grace Commission recommendations has helped save taxpayers more than $250 billion. Other CAGW cost-cutting proposals enacted in 1993 and 1994 will save more than $100 billion over the next five years. CAGW has been working tirelessly to carry out the Grace Commission's mission to eliminate government waste.

Mr. Chairman, you and the members of this subcommittee face one of the most important tasks confronting our country -- eliminating unnecessary spending and streamlining the government. Not only do you have an opportunity to save tax dollars, but you also have the chance to alter the power structure and the log-rolling that too often occur with appropriations.

The first step is to reverse some old assumptions. Congress has often viewed programs as perpetual, without taking enough time to evaluate their effectiveness. The premise has been: How much was spent last year, and how much are we supposed to spend this year, rather than whether the money should be spent at all. This is, after all, not the government's money -- it's the taxpayer's. Every expenditure should be viewed from the ground up -- instead of making the assumption that everything is sacrosanct.

We would like to both thank and congratulate Senators Domenici and Mack for reviving the Joint Committee on the Organization of Congress' recommendations and making additional proposals to streamline the Senate in their working group on congressional reform. American taxpayers should be pleased that the Senate will take up reforms such as restricting service on committees, reduced committee leadership office and support agency funding, and changes in the budget process and floor procedures. We hope to see those recommendations passed this year.

Mr. Chairman, when Presidents Roosevelt and Truman won World War II and President Truman moved on to the Korean War, there were only 193 congressional committee staff. That's why CAGW applauded the cuts in committee staff made on the first day of the 104th Congress and we urge the Senate to follow suit.

CAGW has made numerous suggestions to reduce and eliminate wasteful and duplicative expenditures in the legislative branch. Our recommendations would save the taxpayers tens of millions of dollars each year.

First, the budgeting process should be more effective and efficient. We support biennial budgeting, which would make the authorization and appropriations a two year event. With biennial budgeting, planning will, as it should, take precedence over spending. Expenditures can be made in one year and oversight can be conducted in the following year. Currently, there's little time to think about how the money is being spent because so much energy is given to just spending it.

The franking privilege allowed members of Congress has long been criticized by taxpayers as a campaign and incumbency protection tool. Each year Congress has been budgeted more money than it actually needs to maintain correspondence with their constituents. With new technology, taxpayers who send in a simple comment on an issue are subsequenly bombarded with unsolicited mail from members about their great interest in that issue. With the advent of C-SPAN, local media coverage of Congress, and the availability of information on the Internet, voters have adequate access to information about their representatives. They don't need specialized mailings that cost much and deliver little.

In the 1994 *Prime Cuts,* Citizens Against Government Waste supported a 50 percent reduction in congressional franking and a stop to the practice of unsolicited mass mailings by members, with five-year savings of $100 million. Last year, Congressman Torklidsen proposed automatic disclosure of monthly franking reports; we agree. In order to provide accurate information to voters, we implore you to avoid lumping the franking budget into a general office account. Finally, the Franking Commission should be abolished, saving even more money. By being open with America, you can restore the faith that they once had in their government.

We also have suggestions for elimination of duplicate agencies in the legislative branch. Currently, members of Congress can obtain tax and budget information from the Congressional Research Service (CRS) or the Congressional Budget Office (CBO), order a study from the General Accounting Office, go to the staff on the Joint Economic Committee, Ways and Means Committee, Senate Finance Committee, House and Senate Budget Committees, and the Office of Management and Budget. Last year, Congressman Charles Taylor said, appropriately, that we don't need thousands of employees and the expenditure of hundreds of millions of dollars on such duplication, especially when millions of people are already making sacrifices. Mr. Taylor also recommended consolidating legal staff for committees, subcommittees, and various branches of government; given the plethora of lawyers in Washington, that can only be of great benefit to the taxpayers.

Mr. Chairman, the Congressional Office of Technology Assessment (OTA) should be eliminated. Most, if not all of the information that is provided by the OTA, is duplicated by other government services, such as the executive branch, congressional committees, and the Library of Congress. By eliminating the OTA, taxpayers would save $21 million in one year and $105 million over the next five years. The Joint Committees on Printing, the Library of Congress, and the Joint Economic Committee should also be eliminated because they do not produce any legislation and are superfluous to the legislative process. The elimination of these three committees would save the taxpayers $26 million.

CAGW supports a 10 percent reduction in the Architect's funding, to encourage efficiency and eliminate wasteful spending, a savings of $50 million over five years. There has not been an authorization for $71 million to build an underground visitors center at the Capitol, and we oppose any appropriation for such a purpose. There has not been, to our knowledge, a massive demand by tourists for such a facility. I'm sure most Americans would be happier waiting on lines or suffering some mild inconveniences at the Capitol, knowing that Congress is not spending the money and won't be passing on another white elephant to their children and grandchildren. While plans for private funding of the visitors center are under consideration, I have little doubt that eventually taxpayers will be holding the bag for whatever is not financed privately, along with annual expenditures for staff and maintenance. It's time to pull the plug on this project so it does not become a monument to the failure of our government to get spending under control.

As you may know, the Grace Commission proposed privatizing government services to shrink the federal payroll and increase efficiency in government-related projects. The maintenance and construction budget of the Architect consume valuable dollars because of payroll expenses and equipment costs and upkeep. By privatizing much of this work, the taxpayers could still receive comparable work at a more affordable cost.

In addition to privatization on the Hill, CAGW supports contracting out General Accounting Office services to private companies and reducing their budget by 33 percent, which we project will save taxpayers more than $600 million in the next five years. In 1980, GAO's budget was $204 million. By 1985, it increased 47 percent to $299 million, and by 1989, it grew to $346 million. Between 1990 and 1991, GAO's budget grew by 14 percent, and in 1994, it was $435 million. By reducing GAO's expenditures by one-third, to $333 million annually, it would still allow GAO to do what it is charged with -- investigating government waste and inefficiency, and auditing federal agencies. Since more than 80 percent of GAO's work is a result of congressional requests, there's a simple way to meet this budget cut: stop asking GAO to issue reports, many of which simply re-hash old subjects upon which Congress has simply not acted.

Congressman Chris Cox, Republican Policy Committee Chairman and House Grace Caucus Co-chairman, has led the way in calling for cuts in GAO. He's right -- it's time to cut back on an agency that has turned from a way to get rid of government waste into a source of government waste.

We also ask that you investigate completely privatizing the Government Printing Office. With more than a $100 million budget and more than 5,000 employees, the GPO is known as the world's largest print shop, despite almost 75% of its work being done by private companies. By totally privatizing the GPO, the cost of maintenance and payroll would be eliminated and would drastically reduce how much Congress spends on printing.

CAGW agrees that GAO, GPO, CBO and CRS permanent authorizations should be repealed and eight-year, or lesser, authorizations should be enacted. The Senate working group also recommended that these instrumentalities institute cost accounting systems to inform committees of the cost of each service, examine the feasibility of establishing a voucher system for committee's use of their services, and obtain reimbursement for the use of their detailees. Senator Mack, we congratulate you and Senator Domenici on recognizing that there is no free lunch.

Mr. Chairman, this body and the agencies under its jurisdiction should set the example for the rest of the government. Before approving the expenditure of one tax dollar on programs under your jurisdiction, members of this subcommittee should ask themselves two questions: (1) is this project or agency worth the further weakening of our representative government? , and (2) is this a project or agency that I want my children and grandchildren to be responsible for paying? When considering rescissions for this fiscal year, those same questions should be asked.

Taxpayers are suffering from the costs of inefficient government. The national debt still grows by more than $388,000 each minute. We are calling on you to answer the call for reform and spending cuts that taxpayers made on Election Day.

Congress usually has good intentions when appropriating money, but the power to do good is also the power to do mischief with our tax dollars. Care must be taken when looking at individual projects and agencies; the more open and honest you are, the more likely a project or agency is to withstand the light of day.

By adopting the changes recommended by CAGW, this subcommittee can signal a new beginning that other subcommittees can follow.

People want their power back. By cleaning up the appropriations process, you can make a difference. Discretionary spending is one-third of the federal budget; it's real money. It's time to stop taking our tax dollars and start making tough choices.

Taxpayers are no longer amused by inadequate and irresponsible management of our government, because their future is in jeopardy. The budget crisis cannot be ignored, and that's why their amusement has been replaced with outrage. Members of this subcommittee must be equally as outraged. You hold the "zero power" to cut the waste.

Restoring fiscal sanity to our nation is the most important job for the 104th Congress. The country is awash in a sea of red ink, and every day slips perilously closer to bankruptcy. The national debt is expected to rise to nearly $6 trillion by the end of the century. This is not the legacy that we should leave to our children and grandchildren. Spending has not been cut to the bone. Money is being wasted daily and the clock is ticking. We're sitting on a fiscal time bomb that needs to be defused.

You have an opportunity to continue the mission that Peter Grace and Ronald Reagan started 13 years ago when President Reagan signed Executive Order 12369 in 1982 formally establishing the President's Private Sector Survey on Cost Control, and to deliver on the call for change made on November 8th.

This concludes my testimony. I'll be glad to answer any questions you may have.

Mr. PACKARD. Thank you very, very much.

It may be necessary for us to go a little beyond 12:00 to get all of our questions in to take full advantage of this panel. I will turn now to Senator Mack for questions.

Senator MACK. Thank you, Mr. Chairman. And let me express my appreciation to all of the panelists for your thoughts and your input, even those in which we might have some disagreement. Very thoughtful presentations and I appreciate that.

Norm, I was struck by a couple of your comments. The one, the seamless web, and I am going to draw some conclusions from that and you tell me whether I am heading in the right direction on it. My interpretation, my reaction to it is that you are absolutely right. There is an interconnection to kind of everything we do in the Congress.

We are trying on the Senate side to reduce the number of committees and to reduce the number of subcommittees and limit the number of committees that Members are going to sit on. All of that has a tendency to start limiting or reducing the size of the organization, and as you bring down the size of the organization, one could draw the conclusion that you will be making less demands on the various support agencies. Is that in essence what you were——

Mr. ORNSTEIN. That is part of it. And I hope that that is what happens. But I also think you will limit your demand if you find ways to directly limit your demand, as well.

The other thing that you have to take into account, though, is—as you cut say substantive staff back, as you consolidate and prune as you should—one way in which you can more efficiently get the same information that you need without adding enormously to expense is to pool resources. And that in effect is what support agencies are supposed to do.

Now, that doesn't mean that you can't cut them back or even consolidate them some as well, but what I am suggesting is that if you move as you have towards a 15 percent cutback in committee staffs, and you cut other staff as you eliminate committees, make sure that you are sensitive, when you look to see who is going to where you are suffering losses that you may want to compensate for by not making comparable cuts in some of the support agencies.

So I think as you cut back in the House and the Senate, it is going to make it easier to accommodate the kinds of cutbacks you are talking about in the support agencies, but just look at them carefully and recognize that where you are cutting committee staff, you may in fact not want to make the same kinds of cuts in other places that could compensate for the information you lose.

Senator MACK. I, too, have similar reaction, as Mr. Ornstein did to your comments, Mr. Hill, with respect to the example. I mean my reaction was kind of, well, that is exactly what we want to have happen, in the sense of if somebody actually goes through the thought process of saying you know what, the cost of that report is more than I want to pay, and I think I am going to wait; that is a signal to me that that report really wasn't all that important. It creates a hurdle or a threshold that one has to think through and say, does this really make sense to spend these resources to get that information. And I really do think that—I don't know exactly what the threshold or what the hurdle should be, but there has to be something that individual Members think, is that—do I want to take those resources out of my personal office account and spend them for that purpose?

I think that is what the whole pricing mechanism is supposed to do throughout society, and I think it is reasonable to do that from an information standpoint as well, but I know you disagree, so we will give you another shot at it?

Mr. HILL. Mr. Chairman, in many ways I don't disagree. Let me try to parse this out just a little more carefully.

If we look at CRS, they do a wide variety of things for the Congress, for the committees and for the Members, and by the way, in terms of CRS, a great deal of the demand is member-office driven as opposed to committee-driven.

So to the extent that decisions had been made to protect numbers of Members' staffs, you may well not see a sort of proportionate reduction in demand on that side. But a lot of the member-office requests are fairly easy to answer.

You go to an encyclopedia or dictionary or Bartlett's Quotations and get the kind of fine allusions that Congressman Thornton opened his statement with this morning, you know, of what some ancient Greek philosopher might have said on responsibility, CRS specializes.

Mr. THORNTON. I just want to say that I did not use CRS for that purpose.

Mr. HILL. I thought you might have gotten a better one had you gone to CRS. Things like the issue briefs, a little five or 10-page summary on hot topics. You probably don't want to set up a system that requires a Member to request an issue brief on Palestinian-Israeli relations. That is something that CRS has to be able to initiate, they know the demand will be there, the cost of doing that is not very great.

Now, where the problem is, strikes me, is with the large reports when they are done by OTA or occasionally by CRS, or occasionally by GAO. And let me suggest to you that in the case of OTA, you have a fairly rigorous mechanism for vetting proposals. OTA projects do not get started on a whim. It is very difficult to get the board and the board staff and the director's staff to agree to spend their resources on a particular study, knowing that their committing, two, three, four, $500,000 out of their own budgets, whatever the size of the budget.

With respect to CRS, let me just say with regard to major projects, there is a certain genius in the organization that exists over there in which people, like when I was on the staff, get requests to do a big study. The first thing you do at CRS is say, you know, we have already got something on that. I remember someone who called and said one day, a member staff, not a senior committee staff, and said, my boss is interested in solar energy. This was about 1980, 1982, maybe. No, it had to be 1984, 1985. My boss is interested in solar energy. Could you send us over what you have on solar energy?

My answer was, if you will rent the dump truck, we will send it over. Now, let's talk about what you really need to know.

Well, it turns out that there is a guy in the district who is trying to get a little photovoltaic, high-tech start-up firm going, and what he really wants to know is whether the Energy Department has a little pot of money that might help the guy in the district. So it is a process of negotiation and back and forth. And most of the demands get whittled down.

In fact, CRS can get by with a remarkably low-rent response to most requests, because the staff know, they have seen it before. This is the ninth time this week that I have had a request on something or other. And it seems to me if you try to establish market-like mechanisms that meter that flow, you will end up interfering with what is actually a rather intelligent and capable system.

Now, I am not going to speak to GAO, because I think you have a different problem there. I have, frankly, a great deal more sympathy with the other witnesses on that question, and I just don't want to talk about that.

Mr. ORNSTEIN. Let me just disagree. When I was on the staff, people used to call CRS all the time, partly out of fundamental laziness, because it was easy to just call up CRS and say send me over this rather than look it up yourself. There was no reason not to, from your own perspective. And an awful lot of the work that CRS does is gopher kind of work that ends up spending a lot of time and money for I think no particularly good reason, and often information that either wasn't necessary to get or that the staff could have gotten themselves.

Now, I do think there is a better way, too, and that is let's wire this place and let's, as other witnesses have suggested, put all of the CRS materials on-line for everybody. There is no reason not to have those issue briefs and other papers out there, and frankly, let the staff go on-line and find a book or an article. We used to get articles Xeroxed or sent over or asked for books or asked for quotes, just because why not? Or letters would come in from constituents and you just pass them on to CRS. If you have no reason to think twice, you are going to go ahead and do things, and it is a waste of taxpayer resources.

There are better ways of doing it. It may cost more money to computerize this place in a way that information is more easily achievable. Let's spend it for a good, long-term purpose where it is going to save money over the long term.

Mr. SCHATZ. Could I just say something? I worked for Hamilton Fish for six years and I remember requests coming from high school students who would go over and ask CRS to write papers for these kids, because that is what everybody did and it didn't cost us anything, and certainly you have to start drawing lines. That is an easy one, but there are clearly levels above that where the information is available. I missed CRS when I left the Hill, but we lived without it. We found other sources out there to get the same information.

Mr. MASON. If I could, I would like to point out also that until just a couple of years ago, CRS employees were required to log their time. And all the professional employees when they did request reports or whatever, and for some reason in just the last few years, CRS did away with that.

That would seem to me to be a marvelous basis on which to start, just like lawyers log their time, of going back and coming up with some kind of counting mechanism. It seemed to work, it may have been that way when Mr. Hill was there, and you can use that tool to start looking at, okay, how do we set up a system for charging or whatever.

Mr. PACKARD. These comments are really good, because they do parallel what I think our intent is, and that is—as we transfer into the electronic information age and equip our agencies with the ability to provide that information and our offices with the ability to receive that information—there needs to be a transformation as to the rules and regulations that would follow that process.

That is another area I think we are going to have to look at, how to make those rule transitions as we make the transition into the electronic information age.

Senator MACK. Just a last comment.

I appreciate the comments that you all made with respect to doing things carefully, that we have got kind of a marker out there of 25 percent with GAO, we want to make sure that we do it correctly, not just to meet some target. So I appreciate the points that you all made relative to that.

Mr. PACKARD. Thank you. Mr. Fazio.

Mr. FAZIO. Thank you, Mr. Chairman. I appreciate you saying that, Connie.

I think that indicates that we are taking a glide path and not going off a precipice and I think that is important. Well, I think everybody here understands GAO's problems, the bureaucracy, clearly, and one needs to remain vibrant, and it is difficult. And yet I think Norm Ornstein's comments about the dedication of public servants are also appropriate there.

I do think that Chuck Bowsher is moving in the direction of trying to tighten the operation and make changes in the way he manages his downsizing, through the early-out process, particularly to manage the departure of the people who need to go and to open up opportunities for advancement and for new hires in the areas that the GAO needs to go and to be relevant to what we are doing and downsizing is just now a question of how many, over what period of time.

You are preaching to the choir when you talk demand side here, because this is the committee that is always paying the bills and understood that we couldn't have unfettered access to these agencies, but each one is a little different in the way they function. I think the biggest problem is in CRS, no question.

And there is an awful lot of replication of work, you know, send him the one we sent out the other day. In fact, there are a lot of standard materials that are just sent to solve many of the questions that come. But I do think some offices abuse the privilege and others barely use the facility.

And you could go over and quickly determine that. We have always shied away from attempting to manage Members. Ultimately, it comes down to someone communicating, maybe it is the head of the office, with those who are abusers who are overutilizing the agency. But we have to be careful about how we deal with this in all of these agencies, because the rights of the minority are important here.

For example, if we make committee chairmen scarce, as too often has been the case perhaps with GAO, we often undervalue newer Members, people who don't have access at any given point. I admit, Mr. Chairman, I haven't worried about the rights of the minority quite as much. But I think I do remember this in prior hearings where I raised this issue. You can't have all of the work at GAO being at the behest of six committee chairmen, because you really do stifle the intent and creativity of process. And I think new Members at some point need to have some equal access to information, regardless of their status or tenure.

I wanted to show what I talked about in the first panel with Joe Wright. This is the research notification system, which is a requirement that this committee imposed on these four agencies. It says it was established to avoid duplication of effort among Congresses for support agencies, and it goes on to discuss in some depth the way in which they meet and try to deal with these issues. We list all of the reports that are completed or underway in a given period of time, and it is designed to eliminate overlap and duplication.

It facilitates the right level of analysis for the level of seriousness, importance of the question. So if it comes to OTA as has been said, it won't be responded to unless the board determines it will be, unless of course some Members of Congress write it into legislation, which is often the problem, and we have to tell them not to fund it, because it is OTA's board's decision, not some committee of Congress operating in a vacuum.

CBO, I have heard generally little criticism of here because, as it was said under Mr. Wright's testimony, we haven't increased the number of people there. All we are paying for are COLAs and PCs and rent. I mean it is a very, very small agency, and it really isn't analogous to OMB because OMB, while it is heavy on personnel, has far more room to make administrative savings than we have available at CBO.

So I really do appreciate the testimony; I think it has been very useful. We do need to wire this place. It costs money, something that Congress has been loathe to give this committee historically. Hopefully, we will have more ability to do that. In fact, much of the cost of these agencies in recent years has been computerization, electronic aid, updating the old ADP systems.

I would simply, however, urge people, because this periodically is an issue that comes to this committee if not every year, every two years, to look at what is being done and try to make sure that it is being—whatever the research requests is being done in the proper way at the right level and not twice. I do think there is probably more efficiency here than some people might assume.

It was said a minute ago by Mr. Taylor that I had asked a question on taxes of all of these agencies. Well, you could ask, but you are only going to get an answer from the Joint Committee on Taxation that means anything. You may get a brief CRS replication of something they have done, but you are not going to get any kind of worthwhile analysis at all until you are put in the right place to get it, and even then you have to get in line behind people who may have priority. And that pecking order in and of itself is a problem for those of us who know the need of being fair about who gets access to information, because that is power in the legislature.

I know those are not questions, but comments. I do think this panel has made some good points that we need to ponder. I would be interested in any reaction you might have to anything I have said.

Mr. SCHATZ. Just very briefly, Mr. Fazio, you have made a good argument for keeping a number of things and I think anything can be justified——

Mr. FAZIO. Getting into GPO and the Architect this afternoon.

Mr. SCHATZ. Right. But your general discussion of those support agencies, and I think the committee may want to think about what is truly essential and truly affordable. Mr. Mack and Mr. Packard have both made the point that in asking other agencies and departments of the executive branch to get rid of something that they might think is useful and essential, that I think it is important for this subcommittee not to do something crazy, but to do something that makes sense and that can be an example for the other departments and agencies.

And I think the taxpayers are looking for that, too, and I think that is why the first day when you made changes in committee staff and you made changes in the structure of the House, everybody, and the majority of Democrats support those, except for the three-fifths rule on tax. I think you are in a little bit of the same situation here where there is still room to do other things.

Mr. FAZIO. The OTA suggestion you make specifically in your testimony, you eliminate OTA, I find that hard to justify in light of the tremendous sums that we would spend on a superconducting superconductor——

Mr. MASON. The OTA informs me, by the way, they were never asked about the SSC. Please check me and correct me if I'm wrong, because it is an important point, because it may be something that was wrong with the design of the system, but there you had that hugely expensive project and the agency was supposed to be looking at it and for one reason or another, they never did.

Mr. FAZIO. For whatever reason, the board didn't make the decision to ask them to and that may have been a mistake in and of itself. I was only using that as an illustration. The tremendous sums of money that we spend on things that are basically decisions about whether to move on something that is instrumental technology, far, far exceed what it would cost to operate an agency which you have commented on is essentially dependent on outside sources and is not an internal bureaucratic agency, one that you think is a model, at least the gentleman from the Heritage Foundation does.

So I question the priority. I know you want to set a good example. I know we want to, you know, move some agencies out in order to show that the executive branch is not alone in this environment, but there isn't any other agency like it in the executive branch. Sure, there are people at DOE who would tell you the SSC is the greatest thing since sliced bread. What we need is somebody who will tell us the opposite, or at least present alternatives to us for us to make some judgments.

Mr. SCHATZ. Well, we did that and unfortunately it was eliminated. But I understand your point. There is clearly a need for that kind of information.

Mr. ORNSTEIN. One of the things about—we had some discussion of it earlier, but clearly OTA, to its credit, began to follow the model of keeping a smaller staff and when projects came in, setting up panels, using prestigious people, but doing it in a way which at least some of the staff could translate information in a fashion that was usable to Congress. It may very well be that they could do the same thing in a much smaller way, that they may not—I mean you would have to look at that and I couldn't tell you.

They may not need the same central staff that they have even to do that, and that clearly is a model that CRS and other agencies need to look at more carefully as well, that as you look toward the staff in a lot of areas, having people on staff where you may not need information for a couple of years, and then when suddenly a subject comes up may not be the most efficient way of doing things and you may not have to eliminate agencies to find good ways to economize and not lose those functions.

Mr. FAZIO. Absolutely.

Mr. MASON. But on the OTA, Congress deals with health care and you don't have a health care agency in Congress, you don't have a welfare agency, and I don't think anybody is going to argue—I guess I question whether there is a sort of a cult of technology, and I question whether that is a realistic reason to have a specialized congressional agency to deal with that in a way that you don't deal with any other topic. People argue that it is different. I don't see that it is that different and I don't think you need a social services agency, freestanding agency in Congress to do welfare reform. You need a lot of information on it, but not a staff agency that is there all the time.

Mr. FAZIO. I think it is commentary on what Congressmen and women have experience with, frankly, and I think many feel over their heads in more difficult issues of technology and have a good deal more human and personal experience with social systems. That is probably the only rationale for why we haven't set up something like this for the kind of issues we were dealing with in the last couple of years on health and welfare.

Mr. PACKARD. We have been liberal on our time, but I think we need to go ahead and move on to Mr. Miller.

Mr. MILLER. I have one question for each of you to comment on.

You mentioned about earlier renting, an Arnold Schwarzenegger movie. Well, he testified on Tuesday, by the way, asking for federal funding for an inner-city program.

Mr. ORNSTEIN. Thank God he didn't charge you for it.

Mr. MILLER. And yesterday Vice President Gore met with the Republican Conference, to discuss about the issue of reinventing government and there is so much we do agree on and that is exciting, as Speaker Gingrich said at that time. But something you brought up, Norm, concerning the fact, that we have to discipline ourselves. How do we go about disciplining ourselves? I think the ideas for CRS and GAO were interesting, but at a level of legislation. We have been talking about block grants. If we go the block grant route on welfare and medicaid and such, when we write legislation a thousand pages long, we are again creating more work for ourselves.

Can you give me some more examples of how, in the legislative area, which may or not be in the jurisdiction of this committee, that we can help create the discipline to help reduce the drive demands that are causing a lot of the roles in Congress to increase so much. I am sure that is part of the joint committee last year.

Mr. ORNSTEIN. Certainly that is the case. And clearly, beginning the process of consolidating, not just committees and subcommittees, but far more significant to me, the number of slots on committees and the number of assignments that Members have is a huge step in the right direction to me. I also applaud the concept of cutting back on proxy voting.

Now, I have been skeptical from the beginning that you could eliminate proxy voting, and I think you are going to discover that it is not workable. Part of the reason it isn't workable is simply arithmetically the majority party is going to get spread thinner than the minority party and run into all kinds of crunch points. But if you force people basically to show up at committees, you are going to cut back, you have changed the demand system and you cut back on the number of hearings. You force people to think through what hearings they are going to have.

What has happened in the past is, I think, with the open system of proxy voting, there is a huge incentive for every member to stockpile as many committee assignments as he or she can. And basically it is on the letterhead, it looks great. You don't have to do anything. And you can cede your vote, except when you want to, some people are going to come to you and ask for it and you can bargain for something. And so why not? So you expand what happens. Committee hearing, let a chairman show up, hold a hearing, a hearing is proliferate. If you make a cost of holding a hearing a little bit greater, you are going to have discipline in terms of the kinds of hearings that are held.

So there are all kinds of ways I think in which you can focus the attention of Members in an appropriate direction by building some necessary discipline into their time, and that is something that you have to focus on wherever you, whenever you can.

Now, you don't want to go too far and stifle creativity as we have been talking about earlier, but we went too far in the other direction in the past. And I think you have taken your first cut in the House; I hope you will come back and take a second cut.

There is an awful lot more that was in the Joint Committee's recommendations and Mr. Dreier and his colleagues can give you a chapter and verse that we never managed to get to. And the Senate now is going to start to do some of those things, as well. There is a lot that you can do that will make Members and staff think twice about doing things or asking for things because they are easy to do.

Let me make just one other point.

Fifteen years ago in the Senate, we tried to build in a computerized system of scheduling so that basically you could minimize the conflicts that individual Members would have when you scheduled a hearing, you would look to see what else had been scheduled at that time where Members would have overlap and try to avoid that overlap. It never happened. It was built into the legislation, the Senate resolution, and for years thereafter in the Congressional Record, every day when they would list the schedule of Senate committees, they would say that 1977 resolution mandated a computerization of the Senate committee schedule, and it is still in progress. Fifteen years later, nothing. You ought to work on that as well. You can use technology to try and just simply find ways to minimize the overlap and conflict that you have yourself.

Mr. PACKARD. Thank you, Mr. Miller.

Mr. Thornton.

Mr. THORNTON. Thank you.

I will be very brief. I am a tree farmer in Arkansas. I think it is a good idea to remember, that if you want to improve your timber and you do some pruning, you prune the branches. You may even thin the stand, but you don't go around cutting the tops off of trees. That doesn't improve the stand at all.

Having access to the best available information is essential if we are going to arrive at correct decisions on matters of public policy. We need agencies that can supply that when our own Members' staffs are not able to do so. I personally, just in passing, Ron, have groped with a 40 percent cut in my own staff allowance.

I am one of three returning Members to the Appropriations Committee who lost two associate staff positions, and I made the decision in absorbing that 40 percent cut that I wouldn't cut it out of the top by losing my most talented and best educated staff. Rather, I decided that I would trim functions in other areas of the office.

I would like to suggest that we have begun reducing some of these agencies. OTA is a bargain, because it gets support from other areas. The GAO has made significant cuts.

Norm, you mentioned on page 9 of your testimony that we have heard about these explosive growths in staff, and I would like to focus very briefly upon the statement you made that staff growth leveled off in the 1970s. Staff sizes, personal and committee, are lower in the most recent systematic count than they were a decade ago. Is that correct?

Mr. ORNSTEIN. Yes. If you look at personal staffs and committee staffs, the growth occurred in the—from the mid-1970s right up to about the end of the 1970s, early 1980s, and then it did level off and begin to decline.

Mr. THORNTON. So these huge increases from 1960 until now are not just rolling out of control, are they?

Mr. ORNSTEIN. No. Even before you had the Republican takeover of the Senate, you began to see significant cutbacks in staffs there, and you followed course at pretty much the same time.

So that has not been a source of major growth. Now, it doesn't mean the cutbacks that have been made now are bad. In fact, you could argue that even though the leveled off, the staffs have gotten too big around here and were contributing to the workload rather than ameliorating it, and it doesn't mean there still isn't some room for cutbacks. But the conventional wisdom that congressional staffs of this sort have continued to go up dramatically over the course of the last few years is simply wrong.

Mr. THORNTON. Simply wrong. And this committee last year, under Mr. Fazio's leadership, made a good beginning at reducing the size of the legislative branch.

Mr. ORNSTEIN. And we had—you had a series of hearings last year that focused very much on these problems. This is a bipartisan subject and should be, and I think has been in the past. And there is no reason why it should not be something where you all join together and do it in that fashion. The process did begin before, and it can continue to accelerate now very easily.

Mr. THORNTON. One thing that I have been concerned about is lumping the GAO in with other independent agencies, because constitutionally, the GAO is really a remarkable invention. Mr. Mason, you suggest that we ought to revisit the 15-year term for the Comptroller General and the special circumstances of that. The problem is a constitutional problem. Only the President can make appointments of a significant level, and the only way that it was possible to have a presidential appointment which would be more responsive to the Congress was to afford a single 15-year term to which one could not succeed himself or herself, and thereby, would become accountable to the Congress which provided the funding and had the sole power, I believe, of removal of the director. I think it is useful thinking about it again, but with our present United States Constitution limiting the legislative branch, I think this is a pretty good device. What do you think?

Mr. MASON. Well, first of all, this was a decision of course that was made initially 50 years ago, and you really get a chance once every 15 years to revisit it, so I think you ought to do that.

Mr. THORNTON. Yes. Think about it.

Mr. MASON. But secondly, I am not sure of the rationale that was there 50 years ago exists today. For instance, the CBO and OTA directors are appointed directly by Congress. And I talked to General Bowsher about it and he said, one of the useful functions was having this executive level appointment and being able to go in and deal with cabinet officers on a peer basis.

But I don't think Director Reischauer has a big problem in going into cabinet agencies and getting the information he needs simply because he is not a presidential appointee. So I am just not sure of the rationale that did exist is still there. And particularly when you talk about major management changes in the agency, you may want to start at the top.

Mr. ORNSTEIN. Let me address that just very briefly, Mr. Thornton.

I think I disagree, for this reason. The one thing the GAO provides, which I think is very useful and unique, is that independent audit function. And you know, having chief financial officers or having inspectors general, they are still people who are a part of their agencies and subject to the tremendous internal pressure that comes there, and I think what we have seen with the inspectors general has been very uneven. That is one of the reasons why, for example, Republicans in both Houses now are moving to independent audits of Congress.

It is the same thrust, that you want to have somebody who is independent on the outside looking at things. We can't have an independent audit of executive agencies, very likely the Supreme

Court would rule, if you didn't have a comptroller general who had that tie or link to the executive branch. So that I think is a rationale for having a presidential appointment. If we look at the troubles we have had with appointment of CBO directors in the past, it may be better to do it that way.

Mr. THORNTON. Maybe not a good example. Well, I want to thank you very much for coming to the Hill.

The final point I would like to get back to, Dr. Chris Hill, is the one I started with, which is the need to be very careful about where we cut. During the time in which I was not a member up here, having retired with the consent of a majority of the people of my State, I became president of two universities in sequence, not at the same time. And we had in our State a balanced budget amendment which resulted in a devastating cut because of a turndown in revenue that caused us to scrape for a significant amount of money to keep the operating budget of the university going forward.

I proposed and we moved to combine two colleges of science and arts into one college of arts and sciences. We froze expenditures on supplies, eliminated allowances to the administrative agency heads, eliminated automobiles as perks, had to lay off 65 clerical and support employees, and gave the faculty a raise on the basis that the central purpose of the university was to provide the best quality faculty that we could provide.

I am deeply concerned when we try to save money by limiting the capacity of the OTA or the General Accounting Office to provide the best available information to Members of the Congress when they have to make their decisions.

Do you want to expand on that?

Mr. HILL. Well, Mr. Chairman, I have great sympathy for your faculty.

Mr. THORNTON. I gave them a raise.

Mr. HILL. I got a raise in December and my office is in the back corner of a steel temporary building that is 35 years old and rusting around the roof. So I appreciate that problem. Just one remark about OTA since we focused on that a bit.

Last year, two years ago, the then OTA director took an appointment downtown and went and served the President as his science advisor, took with him several senior Members of the OTA staff, and one of the results was that they have a fellow down there now who is not as well-known, probably not even as well-liked, but can cut a lot sharper than Jack Gibbons ever could and he has reduced the number of senior staff I think something like 40 percent, he has removed the administrative director and has all of the support functions reporting to research directors, so he has in fact, done as you said. He pruned the tree.

The tree was not cut off at the base, but there is an awful lot of underbrush and overgrowth and suckers on the side of that tree that aren't there any more. CRS hasn't had quite that dramatic a change in its operation in terms of structure, but they have also, if you like, reengineered themselves and cut off lots of pieces they didn't think they needed.

It seems to me one of the things you want to do, if you stop short of eliminating these agencies. If you eliminate them of course that is one thing, but you need to make cuts and I appreciate that and the agencies appreciate that. It strikes me that one of the things you really want to do is give the agency managers the maximum flexibility to cut the agency's operations and change them in a way that they know better than I suspect you do, and I suspect than your staffs do, with respect to how they can best continue to do the best job they can do of service with the limited, more limited budgets that I think all of them are likely to end up having.

Mr. PACKARD. With those comments, we will move on to Mr. Hoyer.

Mr. HOYER. Everybody will be pleased that I won't ask any questions, and I appreciate the Chairman allowing me to sit in on this hearing.

Mr. PACKARD. I know we have been here quite a while. Let me ask just two quick, and hopefully short questions. One of the most valuable resources of the CRS, Mr. Hill, is the senior specialists. Very few, if any, are assigned as division chiefs or senior managers. Is that a good policy?

Mr. HILL. Mr. Chairman, the Office of Senior Specialists was set up 40 or 50 years ago at a time when a typical senior staffer was a librarian with a bachelor's degree. It is clear that the organization has a much more highly trained and sophisticated staff than it did at that time.

Quite frankly, the distinction that exists between the senior specialists position and everybody else there I don't believe is as sharp as it was some years ago. And it suggests to me that what one ought to be doing is using the senior specialists, and they are doing this I believe now, more like senior members of the management team and not so much by—by the way, we were always misnamed, it should have been senior generalists, because one of the roles of the senior specialists was to be broadly familiar with a wide range of issues and to help the committees integrate across diverse subjects.

Mr. PACKARD. Thank you. Mr. Ornstein, the Copyright Office at the Library of Congress doesn't belong in the legislative branch; does it?

Mr. ORNSTEIN. I have a hard time rationalizing why the legislative branch should be carrying out that function, the same as the printing function. It seems to me that one of the things that has happened over the years is that Congress has gotten rapped for the size of its budget, which includes all kinds of things that are not essential functions of Congress, and that where you can move functions that are not a part of Congress out of that budget and out of that function into areas where they more appropriately belong, go ahead and do so.

Mr. HILL. Mr. Chairman, if I might on that specific question, I agree with Norm Ornstein on this. It doesn't make any sense to have the Copyright Office as part of the Library of Congress, part of the legislative branch, except it is a heck of a good way to get a whole lot of free books. And you have to remember that is why you did it originally.

Mr. PACKARD. Could that not be retained—could it not be still expected of the Library of Congress?

Mr. HILL. You would have to fight with the Secretary of Commerce over who was going to get the copy, but you need to think about what your book purchase budget is going to become if you eliminate that little perk.

Mr. PACKARD. It is a very important asset to the Library of Congress to be able to get those copies, no question about it.

Again, if you would be available to respond to questions in writing, we would appreciate it. Thank you very, very much. We will adjourn until 2:00.

[Recess.]

[Questions from Chairman Packard and panelists' responses follow:]

OFFICE OF TECHNOLOGY ASSESSMENT

Question. Before there was an OTA, the Congress still had to deal with technology issues. If we didn't have the expertise in the Committees, the executive agencies were asked to supply the necessary analysis. Is that an alternative we should bring back? Another alternative is to rely on the National Science Foundation for objective analysis—or the National Academy of Sciences. What do you recommend as a resource that Congress can use for technology assessment?

MR. HILL'S RESPONSE

Neither NSF, other federal agencies, nor the National Academy of Sciences can effectively replace the role and functions of OTA. As I testified, I recommend that Congress retain the unique capabilities, responsiveness, access, and ties to the legislative branch that are embodied in OTA.

Congress does need help in dealing with technology issues

Congress has, of course, dealt with technology issues since the founding of the Republic. However, OTA was established in great measure to help Congress cope with its role in guiding the explosive growth in federal funding for R&D and regulation of technologies in the two decades after World War II.

The history of congressional oversight of issues involving science and technology in the 1950s and 1960s indicates increasing congressional frustration in carrying out its responsibilities for policymaking and oversight in areas in which science and technology played important roles. OTA was a key element in the congressional response to this challenge.

At the dawn of World War II, federal R&D funding was less than $70 million annually—by the middle 1960s it had grown to nearly $15 billion, a nearly 200-fold increase in this key indicator of the federal interest in science and technology. The mid- and late-1960s saw the entry of the federal government in a major new way into the regulation of the nature of industrial and consumer product and process technologies to achieve environmental, health and safety goals. The growth in regulation was driven by a series of high-profile cases in which what had been perceived and accepted as beneficial technologies were discovered to be anything but—thalidomide, DDT, the gasoline powered automobile, and so on.

Since OTA was founded in 1974, of course, technology has become ever more important to the congressional policy making process. For example, nine of the thirteen Appropriations subcommittees have jurisdiction over federal R&D spending. Every authorizing committee deals with issues involving technology, from Armed Services (implementing a technology-based war-fighting strategy), to Ways and Means (R&D incentives), to Commerce (drug regulation, environmental controls), to Banking (computer trading and financial derivatives), to Judiciary (privacy in the electronic age, computer crime, non-lethal weapons).

The Executive Branch already supplies technical analyses, and OTA helps ensure they are up to snuff

Congress regularly asks the executive branch for help and advice on technology-related matters. In fact, OTA is an important mechanism through which the executive branch agencies are effectively and efficiently queried and their responses verified. In addition, agencies appear formally before a variety of congressional committees on a regular basis, and they report to Congress on all manner of scientific and technical matters through statutory reporting requirements. Thus, the question is not whether the executive agencies should be asked to supply analyses—for they are, but whether they can in fact respond in a manner that is useful to Congress, and whether Congress, without the assistance of its own cadre of expert advisers, is in a position to assess the agencies' responses.

In considering this matter, it is important to know that few executive branch agencies today have the authority, the budget, or the staff to carry out complex technology analyses themselves. For the most part, they contract such studies out to consultants and think tanks, and they would likely do that in response to congressional requests to supply analyses now provided by OTA.

NSF can't replace OTA

In early 1970s, the National Science Foundation supported a program of "technology assessments" that were carried out under grants to universities or contracts to non-profit organizations. They were done under the RANN (Research Applied to National Needs) Program, which was eliminated nearly two decades ago. In the OTA statute, NSF is directed to assist OTA with its work, but this is largely an anachronistic provision reflecting the former state of affairs. NSF has also had a variety of programs and internal studies groups in the science and technology policy area, again since the early 1970s. However, most of this capability has long since been eliminated at NSF.

It is important to realize that NSF can not expect to carry out studies with important policy implications on issues that touch on the authorities and "turf" of other executive branch agencies, such as DOE, EPA, or DOD. Bureaucratic imperatives would never permit this approach to be followed for long. And, any fulfillment of this role by OSTP or CTI would be certain to reflect not an unbiased perspective, but, as one would expect, the policies and views of the incumbent president and his advisers. (The original NSF organic act gave the National Science Board of NSF the authority to comment on the R&D programs of other federal agencies, but it has systematically avoided doing so since its founding in 1950.)

The National Academies can't replace OTA

Congress also routinely asks the National Academy of Sciences and its sister organizations, the National Academy of Engineering and the Institute of Medicine, to do studies for it. These are usually carried out by committees of the National Research Council, the operating arm of the Academies, with financial support from executive branch agencies having cognizance over the policy or technology of concern. Typically, Academy studies cost several hundred thousand dollars and take one to two years to complete, which is in line with OTA's practices.

Academy panels work quite differently from the OTA. As a rule, Academy panels do not do any new research, analysis, or modeling of the questions put to them. Instead, they provide a thoroughly reviewed report that reflects the informed judgments of the scientific and technical communities, as personified in the members of each study committee. The preparation of each study and the drafting of its report are done largely by Academy staff, occasionally augmented by consultants and outside experts.

Both the Academies and OTA seek to achieve balance in their reports by making use of panels of experts who have diverse views on matters at issue—at OTA to advise and review the study and at the Academy to do the study. They use expertise in quite different ways, however. To simplify, if issues are thought of as arising from two polar positions at the opposite ends of a see-saw, OTA seeks balance in its advisory committees by appointing expert persons whose own views are usually far from the middle. The Academies, on the other hand, seek balance by appointing study panel members whose views do not differ much from a position near the center of the see-saw. The Academy approach helps to ensure that a reasonable consensus view can be achieved, whereas the OTA approach helps to ensure that widely divergent perspectives are accommodated in the study product. For Congress, the approach used by OTA, which seeks to make use of rather than de-emphasize differences of view among experts, is more likely to reflect the range of opinions on key issues held by the American people, not just the opinions of the more homogeneous scientific and technical elite.

It is important to recognize that the Academies are quite jealous of their intellectual independence, not only regarding their study findings and conclusions, but also regarding the scope of their work, the methods they use, and even the questions they choose to answer in response to a request. These are invaluable traits of the Academies but they make it essentially impossible for a client such as a congressional committee to ensure that the questions that get answered are the ones that the client actually needs to be answered.

MR. ORNSTEIN'S RESPONSE

I am hesitant to abolish OTA entirely. I would not be willing to trust information from executive agencies, and to contract out completely to the NSF or the National Academy of Sciences without an office to arrange the structure of the studies might not work. Why not streamline OTA, perhaps making it the non-committee equivalent of the Joint Tax Committee under the direction of the House Science Committee and the Senate Science and Tech subcommittee on Commerce, with a small staff whose job is to put together the outside expertise on a case-by-case basis?

MR. SCHATZ'S RESPONSE

Reliance on Executive Branch agencies for technology assessment expertise (or on private contract sources through GAO) would in our view offer greater flexibility to Congress than the present system.

Because technology assessment is by definition in flux at the cutting edge of our society, the value of investment in human resources "in-house" may be limited by the depreciation of expertise and knowledge.

Second, as a "free good" (a point we will return to later in addressing GAO and CBO), the OTA will "fill up" staff time and inevitably invite demand for services, whether those services are necessary or valuable to Congress.

The fact, as you point out, that Congress once managed without the OTA is a good reason to consider its abolition. Second, at a time when we are running $200 billion deficits, is OTA an absolute necessity, without which dire harm will befall the Republic?

We think the answer to that question is "no."

CONGRESSIONAL BUDGET OFFICE

Questions. We have had a Congressional Budget Office since the enactment of the Budget Act in 1974. Are there downsizing opportunities at that agency?

CBO does important work for the Congress in budget scorekeeping analysis, and in the fiscal and tax areas. But a large portion of their resources goes into program analysis. Does that make sense? Should program analysis be done at GAO or CRS, or is it important for CBO to do some of this?

The budget and fiscal sections at CBO are comparable to activities carried out at OMB for the President and the executive branch. Does OMB have a program analysis mission? Does it work to their advantage or disadvantage?

MR. HILL'S RESPONSE

I have no special knowledge regarding the three questions on CBO. I would observe that the program analysis projects that CBO has done in the past decade on science, technology and space programs could have been done, for the most part, in OTA or CRS. However, I suspect that the in-house expertise these studies have provided to CBO has been valuable in their analyses and projections of the administrations' budget requests for those programs.

MR. ORNSTEIN'S RESPONSE

I share the consensus that I perceived developed at the hearing; CBO is a very positive part of the legislative branch, and probably not a good target for serious downsizing. Indeed, the experience last year with the health care debate, when there were real delays getting the economic analysis dome on the various health policy alternatives, suggests that in some areas, CBO is understaffed.

The fact that CBO functions overlap with OMB is to be expected; the creative tension that results is positive. On the other hand, the overlap between GAO, CRS and CBO on program analysis probably should be addressed, and some better division of labor employed.

MR. SCHATZ'S RESPONSE

As the nation learned last year when Dr. Reischauer testified on the President's health care proposals, CBO's role in providing independent analysis is not inconsequential. We would suggest that from the moment CBO Director identified the "phony numbers" in the Clinton health care plan and stated that the plan would not accomplish its stated purposes, the death watch on the proposal began. The positive (in our view) consequences of the demise of the Clinton health care plan reinforce the value to Congress of CBO's independent voice.

Appropriate to that observation, we recommend that you exercise caution in any downsizing of CBO. This would not preclude efforts to depoliticize it, make it more responsive, re-evaluate its mission, or a host of other possible changes.

Whether there are downsizing opportunities at CBO will depend on the level of service desired (or tolerated) by Congress. Like OTA, CRS and GAO, CBO can become overloaded by demand for its services because they are a "free good". How much waste occurs because there is no cost to the requester?

At the same time, there may be legitimate reasons that CBO may need to be augmented, such as during the period Congress was considering health care reform, or during the budget-appropriations cycle. For these reasons of uncertainty, we recommend that no change be made prior to FY96 to allow ample time for a close look.

We would recommend that, together with Chairmen Kasich and Domenici, you carry out a bottom-up review of CBO following the FY96 budget cycle, so that CBO's mission can be clarified, resource needs identified, and recommendations for organizational changes can be made.

During such a review, which should include input from authorizing and appropriations committee chairmen, we would recommend the following assumptions be rigorously challenged:

Assumption #1: CBO has a legitimate role in program analysis, independent of GAO and CRS. We believe this assumption may be questionable, but are not sure. Clearly there seems to be some overlap, and unless there is a good reason for the overlap, we would hope it would be eliminated (but not necessarily by downsizing CBO as compared to CRS or GAO). Without question, Congress must have an objective source of program analysis that is beyond the political and partisan reach of Members. However, the assumption that all or part of that function should reside in CBO, GAO or CRS is worth debating. Additionally worth noting, the OMB model does not seem to work well. Indeed, the most frequent critics of OMB, including veterans of service in the agency, most often complain that no director has ever consistently "put the M in OMB". For whatever reason, OB fails consistently to provide both adequate score keeping and adequate analysis. Perhaps the functions are so unrelated that the same office cannot perform both functions, though this does not seem valid. Our main point is that there should be a clear distinction of purpose between CBO, GAO and CRS and duplication should be limited among all three.

Assumption #2: CBO, as well as the Joint Committee on Taxation, should both be in the business of tax item score keeping. Although jurisdictional (turf) disputes may well necessitate duplication, our view is that as long as Congress funds the Joint Committee on Taxation, there is no reason to duplicate tax score keeping functions in CBO.

CONGRESSIONAL RESEARCH SERVICE

Question. The CRS allocates resources to assisting emerging eastern European democracies (Poland, Romania, Bulgaria, and others) in establishing their parliaments and legislative procedures. It's true their salaries are reimbursed by AID, but these resources are not then available to assist our own Congress. Is this a good use of CRS resources—or should we take a look at this as a potential "downsize" option?

MR. HILL'S RESPONSE

Using CRS staff to help establish and strengthen the fundamental institutions of representative democracy in eastern Europe and elsewhere must surely be one of the World's great bargains. It would be unwise for Congress to seek to save a few hundred hours, or even a few person years of reimbursed CRS staff time while cutting this valuable contribution to making the world safe for democracy.

Working with foreign legislatures can help CRS analysts obtain first-hand knowledge of the events, issues, and personalities shaping political and policy developments in the countries they work with. This kind of knowledge can be of immeasurable value to Congress as it attempts to better understand the shifting political currents in those nations. Working with legislative bodies should be of particular value, as compared with working with top executive branch officials in those countries, because it is more likely to make CRS analysts aware of the views of the minority and dissident parties whose impact may be felt in future developments. And, the official travel opportunities this practice provides are simply not going to be made available to CRS staff under current budget limitations.

MR. ORNSTEIN'S RESPONSE

I am partial to America playing an assertive role to enhance and protect the development of democratic institutions in other countries; I see it as a small but very good long-term investment. I would be very hesitant to eliminate the very positive function CRS plays in enhancing legislatures in Eastern and Central Europe; I frankly would like to see the program extended to other countries.

MR. SCHATZ'S RESPONSE

Whether the funds come from AID or your subcommittee's appropriated accounts, this program should be terminated. Notwithstanding our desire to see democratic capitalism flourish in Eastern Europe (indeed, throughout the world), sufficient time has intervened since the collapse of the Soviet Block that further assistance at American taxpayer expense is unjustified.

The lesson of democratic capitalism is that the value of a good should be determined by those who pay its price. The "good" in this case is consultative resources of CRS; if this has value to Eastern European countries, that value will only properly be measured by the willingness of Eastern European countries pay for them.

As with so many "feel-good" federal programs, we think you will find that much or all of the so-called "value" disappears once the recipients are asked to pay the tab.

As Lamar Alexander says, "Cut their pay and send them home." The reduction in these staff positions within CRS should yield you (or AID, as the case may be) a beneficial savings in costs.

COPYRIGHT OFFICE

Questions. We have a Copyright Office at the Library of Congress. They register copyrights and generally oversee the administration of intellectual property rights. Over half of their program is paid for by receipts received in the registration process. Is this an appropriate program for the Library of Congress—does the Copyright program belong in the Legislative Branch?

There is a Patent and Trademark Office at the Commerce Department. What are the pros and cons of merging these programs?

One of the great benefits of having the Copyright program at the Library of Congress is the use of the deposited copyright material as one of the principal sources of new additions to the collections. Each copyright application is accompanied by a copy of the book or manuscript being registered. Last year, the Library received 685 thousand items from the copyright process. That was over 20% of the 3.3 million items that were added to the collections—and represents a great savings in acquisition costs. It's also a very good way to ensure we are getting the newly published U.S. works onto the Library of Congress shelves.

We don't want to lose that source of new publications—if we merge these programs in the Executive Branch, is there a danger we will significantly damage the collections of the Library of Congress?

MR. ORNSTEIN'S RESPONSE

I see no overall justification for having copyrights handled as part of the legislation branch. The one serious rational is the deposited copyright material as a key source of new additions to the Library of Congress. It seems to me there is an easy solution: relocate the Copyright Office in the Executive Branch; have the required copies forwarded to the Library of Congress as the repository.

MR. SCHATZ'S RESPONSE

Combining the Copyright Office and Patent and Trademark Office makes some sense, although the functions of the two offices are different. Nonetheless, we see no reason to believe the two offices could not be merged, perhaps accomplishing savings through elimination of duplications in management, support services, and so on.

Separately, we would urge you (should consolidation be pursued) to retain the financial advantage for the Library of Congress that accrues from the receipt of copyright material, by simply designating the Library as the repository of those deposited materials. Regardless of who processes the copyright, the books have to end up somewhere, where else but the Library of Congress.

One final note: "If it ain't broke, don't fix it." Merger of the Copyright Office and Patent and Trademark Office would make sense only if savings can be gained, or because the Library of Congress does not do a good job. The value of additions to the collections is beside the point, so long as they wind up in the Library of Congress. If there are no identifiable savings owing to a merger, and if the Library of Congress does a good job, then we see no reason to change the present arrangement.

We certainly would urge you to avoid moving the Copyright Office solely to lower the Legislative Branch appropriation when the appropriation for Commerce would have to be increased an equal amount.

GENERAL ACCOUNTING OFFICE

Questions. About 33 percent of all GAO employees are in the regions, but the regions only have nine percent of the senior positions at the SES level. That leaves a much higher percentage in the Washington headquarters. What is our judgment about those ratios? Is Washington too top heavy?

GAO is consolidating and closing many of their regional offices. On the one hand regional offices represent a sort of duplicative overhead. But, on the other hand, staffing costs in regional offices are lower and they are frequently physically closer to the subject matter of the individual audits. Their conclusions, therefore, may be less vulnerable to "inside-Beltway" influences.

What do you think of the GAO regional office structure—should it be retained? Or, would it be better if GAO were centrally located in Washington—which seems to be the current management philosophy?

Would it be better if we cut GAO employment significantly, and insist they obtain the necessary program expertise on a temporary, contract basis when needed? Is it possible for them to contract out to consultants, think tanks, or universities when they staff projects? Then they could focus on project management and quality control.

Does it make sense to have GAO workforce with a wide variety of audit and program subject matter expertise, or would we be better off having audit and program analysis management expertise—and acquire the specific expertise needed for specific audits on an ad hoc basis?

They have an Economics Division. We have some of the best economists in the government at CRS and CBO. We also have them at the Joint Economic Committee, and the Joint Tax Committee. Do we need a separate Economics Division at GAO?

A major product of the Economics Department are the so-called "transition reports." Do you have any knowledge of those reports? Are they useful? Can they be eliminated?

MR. HILL'S RESPONSE

I have no special knowledge of or insights into these queries. I would only observe that the scenario in query 6 regarding subject matter expertise should be stood on its head. If GAO is to continue to do program analysis work, it should upgrade, not weaken, the subject matter expertise of some of the staff assigned to science and technology projects. In my experience, GAO analysts who came to see me at CRS for collegial advice on conducting program analyses were sometimes untrained and unprepared to understand the topics of their inquires. While I recognize that the auditing tradition values distance from the substance of a client's business, this tradition is counterproductive for program and policy analysis work.

MR. ORNSTEIN'S RESPONSE

I do not feel entirely competent to address the question of regional offices in GAO. My bias would be to keep more staff in the regions, because so many federal employees are outside Washington, and because it builds diversity of viewpoint within GAO. But I am sure there are reasons for streamlining, and closing some regional offices. I would need to hear the justification from GAO's top management to answer this question better.

There may be areas of GAO's employment that could be cut beyond their current plan to downsize, but as I suggested at the hearing, I would be careful before large cuts that eliminate many solid people who are strong public servants. Clearly, one place to look for cuts at GAO is in the areas where their expertise overlaps considerably with the expertise at CRS and GAO; the Economics Division seems to be one of those.

MR. SCHATZ' RESPONSE

The National Performance Review and other of the administration's self-styled streamlining efforts have been justly criticized because they focus on cutting personnel without changing the mission of the agencies. We agree with this criticism and would suggest that the same criticism might apply to the GAO restructuring you describe.

Hierarchical structure is a secondary question. The first issue is what useful functions GAO should perform to give Congress and the taxpayer the most bang for the buck. Your point about duplicating economic analysis between GAO and other agencies is appropriate. It should be eliminated.

Eliminating part of the GAO's regional structure may produce savings, but we would not expect it to significantly change the culture of GAO from an "outside the beltway" to an "inside the beltway" mentality. Organizational culture evolves from the top down, in our view, and is affected by the tenure of employees and political pressures as well as by physical location. To the extent that the field troops acquire a fundamentally different cultural world view from their physical locations "outside the beltway", which in turn produces tension with superiors in Washington, that organizational tension will always be resolved in favor of the superiors. If you want to make sure GAO does not become a captive of Washington, D.C. forces, then place term limits on all levels of employees, eliminate any political pressures on the organization (including pressures to undertake specific investigations), and then move the GAO at least 500 miles from the capital.

If the expertise needed by GAO, and the workload of the agency, vary extensively over time, then it makes sense to consider contracting out for the services needed. Contracting out may eliminate some of the possibility of "Beltway Bias", reduce costs, and provide more extensive expertise.

Providing management analysis of programs is certainly an essential role for GAO, and while this function of government is duplicated through agency IG and other functions, Congress needs to retain an independent source of expertise through GAO. More important, however, is the expertise that permits GAO to question the worthiness of programs (as opposed to how well a bad program may be managed), whether the program is achieving its objectives, etc. To us, this should be the core of GAO's mission.

For this reason, we believe GAO should not be reduced to a management analysis organization, but should instead focus most of its resources on program analysis. With a suitable adversary mentality toward federal programs, GAO would more likely produce the most valuable kind of information for Congress, namely, the answer to the question, "should taxpayer dollars be spent on the program being audited?" If the answer is yes, and dollars can be saved by contracting our specific audits, CAGW would favor that as well.

CAGW has found transition reports useful as summaries of outstanding GAO recommendations, and has cited them in newsletters, testimony, and letters to Congress. For a new administration, they are a reminder of how little gets done on management reforms between administrations, since CAGW has found many of the same recommendations were made in both 1988 and 1992. With a stronger effort to implement GAO recommendations, the 1996 version will hopefully be smaller.

THURSDAY, FEBRUARY 2, 1995.

WITNESSES

DANFORD SAWYER, PUBLISHER, TV EXECUTIVE; FORMER PUBLIC PRINTER

TIM SPREHE, INFORMATION INDUSTRY CONSULTANT

JOHN J. BOYLE, FORMER PUBLIC PRINTER

Mr. PACKARD. Ladies and gentlemen, I think it is time to begin. This is going to be a very busy afternoon. We have several witnesses, two panels. We would like to complete by 4:00 o'clock, but it may not be easy to do that.

Also, this afternoon, where we had no votes this morning, we are likely to have several votes this afternoon. We are on the 10 minute rule, really five minutes for each side on amendments to the bill that is being considered on the Floor, and that could mean that we would have a vote almost every 10 minutes. I don't expect that, but it could happen. So we could have to leave for a series of votes.

Logistically, I would appreciate it if once the Chair determines that we go vote, it is only up the stairs, if we could cast our vote and come right down and even during a vote we could proceed on with our hearings, just giving us enough time, maybe a couple of minutes to run up and vote and come back. That will hopefully take a potentially disjointed afternoon and make it a little bit more—bring a little more continuity to it.

We are particularly grateful for the witnesses that are before us and with us this afternoon. Our effort with these panels is to address perhaps some of the more—I won't say controversial, because they are not controversial in their performance, but certainly agencies that are being more closely scrutinized in terms of downsizing or restructuring or perhaps eliminated.

And so the witnesses that will be testifying today will be addressing some of those areas, particularly the Government Printing Office, the Office of the Architect, and perhaps one or two other places. So with that, I am going to ask for them to again, as we did this morning, not read their written testimony.

We would much prefer about five minutes of overview or additional comments over and above what you have written. We will read your testimony.

That will give us more time for questions and answers. We would also like to hear from all three of the witnesses on this panel before we go to questions and answers, if we may. We will take them in the order that they are listed at least on my agenda, so we will hear from Mr. Danford Sawyer, Jr., who is a publisher and television executive and a former Public Printer. He has great experience and will be very valuable to us; and then we will hear from Tim Sprehe, who is an information industry consultant and then from Mr. John Boyle, a former Public Printer, as well. So in that order, we will now ask for Mr. Sawyer to please proceed.

Mr. SAWYER. Mr. Chairman, members of the committee, it is a great pleasure to be here. As the testimony indicates, I was the 18th Public Printer of the United States from 1981 until 1984. I am currently the owner of a television station in Sarasota, Florida;

also a publishing company. I have spent my entire life in the media business.

I am proud of the service of the United States Government Printing Office and also proud of the agency and the people that have worked there serving the government for well over 100 years, a long and rich tradition. I am of the opinion that the United States Government Printing Office can be dramatically downsized, and perhaps broken up with its appendages going to various executive branch agencies and to other legislative branch agencies, or perhaps even more realistically, privatized. There is precedent for that.

In the U.K., Her Majesty's Stationery Office, the counterpart to the United States Government Printing Office, was privatized in the 1980s and very successfully. The company is currently—or better put, HMSO was taken over by Ben Johnson, an appendage of the Donnelly Company here in the United States, and a very unique arrangement between her Majesty's government and the involved unions. I will stop at that point and come back to questions later.

[The information follows:]

REMARKS OF THE HONORABLE DANFORD L. SAWYER, JR, FORMER PUBLIC PRINTER OF THE UNITED STATES, JOINT U.S. SENATE AND HOUSE OF REPRESENTATIVES, SUBCOMMITTEE HEARINGS ON LEGISLATIVE APPROPRIATIONS.

MR CHAIRMAN AND MEMBERS OF THE SENATE AND HOUSE SUBCOMMITTEES ON LEGISLATIVE APPROPRIATIONS, IT IS INDEED AN HONOR TO BE INVITED TO APPEAR HERE TODAY, AND TO PLAY A ROLE IN THESE HISTORIC HEARINGS. I SERVED AS THE CHIEF EXECUTIVE OFFICER, (THE PUBLIC PRINTER OF THE UNITED STATES OF AMERICA), OF THE UNITED STATES GOVERNMENT PRINTING OFFICE FROM AUGUST 1981 UNTIL JANUARY 1984. I HOPE THAT MY INSIGHTS AND RECOMMENDATIONS WILL PROVE USEFUL AND VALUABLE TO THESE SUBCOMMITTEE HEARINGS.

AS I'M SURE YOU KNOW, THE UNITED STATES GOVERNMENT PRINTING OFFICE WAS BROUGHT INTO BEING, AS A RESULT OF SCANDAL IN THE PROCUREMENT OF GOVERNMENTAL PRINTING IN THE MID 1800S, AND THE AGENCY HAS SERVED A LONG AND USEFUL PURPOSE. NEW TECHNOLOGY, HOWEVER, HAS MADE MANY OF THE GOVERNMENT PRINTING OFFICE'S TIME HONORED FUNCTIONS IRRELEVANT. I SUBMIT THAT IT IS NO LONGER A COST EFFECTIVE OR EFFICIENT ORGANIZATION. THE AGENCY IS, HOWEVER, STAFFED BY WELL INTENTIONED, SKILLFUL, AND PATRIOTIC AMERICANS. THEIR FUTURES NEED TO BE CONSIDERED AS A PART OF ANY SOLUTION TO THE PROBLEM.

ALL SAID AND DONE, THE UNITED STATES GOVERNMENT PRINTING OFFICE HAS OUT LIVED ITS USEFULNESS AND NEEDS TO BE DISMANTLED, WITH ITS STILL USEFUL PARTS BEING ABSORBED BY OTHER AGENCIES OR PRIVATIZED. THERE ARE TWO CLEAR PATHS. THE FIRST, WOULD INVOLVE TRANSFERRING THE SUPERINTENDENT OF DOCUMENTS DIVISION OF THE UNITED STATES GOVERNMENT PRINTING OFFICE AND GPO'S TWO LIBRARY PROGRAMS, THE DEPOSITORY LIBRARY PROGRAM AND THE INTERNATIONAL LIBRARY EXCHANGE PROGRAM, TO THE LIBRARY OF CONGRESS. WHAT WOULD REMAIN THEN, OF THE UNITED STATES PRINTING OFFICE, WOULD BE PRINTING PROCUREMENT, AND THE ACTUAL IN-HOUSE PRINTING OF CERTAIN GOVERNMENT DOCUMENTS. PRINTING PROCUREMENT IS ONE FUNCTION THAT THE UNITED STATES GOVERNMENT PRINTING OFFICE HAS PERFORMED WELL OVER A LONG PERIOD OF TIME, AND FOR WHICH THERE IS STILL A NEED. IN FACT, A GROWING ONE. SINCE THE GENERAL SERVICES ADMINISTRATION PROCURES MOST EVERYTHING ELSE FOR THE GOVERNMENT, PRINTING PROCUREMENT COULD EASILY AND EXPEDITIOUSLY BE TRANSFERRED TO GSA. THE REMAINING IN-HOUSE PRINTING OPERATIONS COULD CONCURRENTLY BE DOWN SCALED TO SERVE THE QUICK TURN AROUND NEEDS OF THE UNITED STATES CONGRESS.

THE OTHER SOLUTION IS TO SELL THE SUPERINTENDENT OF DOCUMENTS DIVISION TO A PRIVATE SECTOR PUBLISHER AND TO CONTRACT OUT ALL OF THE PROCUREMENT AND IN-HOUSE PRINTING FUNCTIONS, ALSO TO A PRIVATE SECTOR CONTRACTOR OR CONTRACTORS. PERHAPS, ON A TEN YEAR CONTRACT BASIS. IN EITHER CASE, THE TWO LIBRARY PROGRAMS, IMPLEMENTED BY THE UNITED STATES GOVERNMENT PRINTING OFFICE, BELONG AT THE LIBRARY OF CONGRESS.

NOTHING AS MASSIVE AS THE TWO SOLUTIONS I PROPOSE CAN BE ACCOMPLISHED OVERNIGHT; BUT, I THINK, DURING THE NEXT TWO YEARS, WHICHEVER SOLUTION THE GOVERNMENT CHOOSES COULD BE IMPLEMENTED WITH MINIMUM DISLOCATION. I PREFER THE PRIVATIZATION APPROACH AND I BELIEVE THE GOVERNMENT COULD SELL THE EXISTING OPERATIONS FOR SUBSTANTIAL SUMS OF MONEY. A PORTION OF THOSE FUNDS COULD THEN BE UTILIZED TO CREATE A SOFT LANDING FOR ANY AND ALL EMPLOYEES AT THE GOVERNMENT PRINTING OFFICE, WHO WOULD BE DISLOCATED. A FORMULA, PERHAPS INVOLVING THE PAYMENT OF X AMOUNT OF DOLLARS FOR EACH YEAR OF SERVICE, COUPLED TO RETRAINING AND OUT PLACEMENT SERVICES SHOULD SUFFICE TO MAKE THE TRANSITION HUMANE FOR ALL INVOLVED.

FURTHER, THE JOINT COMMITTEE ON PRINTING, WHICH HAS OVERSEEN THE OPERATIONS OF THE UNITED STATES GOVERNMENT PRINTING OFFICE, AND ISSUED WAIVERS TO EXECUTIVE BRANCH AGENCIES AUTHORIZING THEIR OWN IN-HOUSE PRINTING OPERATIONS, SHOULD BE ABOLISHED. FINALLY, TITLE 44 OF THE US CODE, NEEDS TO BE AMENDED TO ALLOW THE EXECUTIVE BRANCH AGENCIES, INDEPENDENT AGENCIES AND OTHER LEGISLATIVE BRANCH AGENCIES TO PROCURE THEIR OWN PRINTING AND CHART THEIR OWN COURSE ON THE NEW INFORMATION SUPER HIGHWAY, AS IT BEST SUITS THEIR AND THEIR CONSTITUENTS NEEDS.

THANK YOU FOR THE OPPORTUNITY TO APPEAR HERE TODAY. I WILL BE HAPPY TO ANSWER WHATEVER QUESTIONS MEMBERS OF THE SUBCOMMITTEES MAY CHOOSE TO ASK.

Mr. PACKARD. That was very short and succinct, Mr. Sawyer, but we appreciate that and we will get back to you with questions.

Mr. Sprehe.

Mr. SPREHE. Thank you, Mr. Chairman. It is a pleasure to be here today. My name is Timothy Sprehe and I am President of Sprehe Information Management Associates, an information resources management consulting firm.

I am also a retired Federal employee. I retired in 1991 from the Office of Management and Budget, and while there, I worked mostly on Federal information policy issues and that brought me in touch with the Government Printing Office quite a bit.

I am one of those who believes that the Government Printing Office has served its time and function and that, particularly in this day and age, it is time to close down the agency. A few years ago, GPO came out with a volume called GPO 2001, vision for a new millennium where it was going to turn itself into an electronic information utility.

Well, three years later none of it has happened, and that document has been forgotten and in the meantime, with the electronic information highway upon us, executive branch agencies have moved much farther down the road towards distributing government information and media forms than GPO has and probably ever will.

So in my mind the big question is not whether GPO should exist, I think it should not, but what to do with it. And my answer is that the Congress should pass legislation to abolish the agency. The biggest question is what to do with the 4300 men and women who work there, and I would say give them early retirement and buyouts, and beyond that, I think that Congress should pass a law to guarantee them each a job in the executive branch of government and strike a deal with the executive branch that if they want Federal printing reform, the price of that is that they have got to absorb GPO's personnel.

The size of executive agencies is such that for them to absorb a few thousand would not be a major discomfort. I would give the functions of the Superintendent of Documents to the Library of Congress and tell them to turn the Federal Depository Library Program into a national electronic network. GPO has a lot of real estate and facilities that could be sold to finance the closing of the agency, and I think that it could be done in an orderly fashion which would not discombobulate too many folks and would lead to new ways of distributing government information to the public, and I urge the committee to move in that direction.

Thank you.

[The information follows:]

TESTIMONY OF J. TIMOTHY SPREHE,
PRESIDENT, SPREHE INFORMATION MANAGEMENT ASSOCIATES, INC.
BEFORE THE JOINT HOUSE-SENATE LEGISLATIVE SUBCOMMITTEE
HEARING ON "DOWNSIZING LEGISLATIVE BRANCH
SUPPORT AGENCIES"
FEBRUARY 2, 1995

Mr. Chairman, my name is J. Timothy Sprehe and I am president of Sprehe Information Management Associates, a consulting firm specializing in federal information resources management. In addition to my consulting activities, I write an opinion column for the newspaper *Federal Computer Week.* I retired from federal service with the Office of Management and Budget in 1991. During my years as a federal employee I concentrated on federal information policy issues, especially access to and dissemination of government information. That brought me into frequent contact with one legislative branch support agency, the Government Printing Office. Today I would like to offer you my views on downsizing of GPO.

I. ABOLISH GPO

In 1991, GPO issued *GPO/2001: Vision for a New Millennium.* GPO had engaged in a highly laudable strategic planning effort, projecting a future in which the agency would transform itself into a general purpose information dissemination utility for the federal government. The new GPO would take in information in electronic form from authoring agencies and produce publications in a wide variety of print, electronic and optical media for distribution to the public. The agency saw itself becoming a kind of information utility to the government, specializing in the creation, replication, and dissemination of government information in whatever format best suits the customer and the user. Seamlessly united to the authoring agency via electronics, GPO would produce and deliver tapes, diskettes, CD-ROMs, satellite transmissions, or printed documents. To realize this future, GPO announced its intent to migrate away from traditional printing and embrace contemporary information technology. I was among those who praised GPO's new vision, saying that, if there was to be a GPO in 2001, this was surely what it must look like.

It hasn't happened. No sooner was *GPO/2001* printed than it was abandoned. No one at GPO now speaks of GPO/2001; it is a document forgotten if not repudiated. The only progress made on electronic dissemination at GPO has come about because Congress passed a law requiring that certain tasks be accomplished. Otherwise, it's business as usual at GPO, the same old print-oriented environment, a struggling sales program, a depository library program being slowly starved of funds.

Meanwhile, we are now well into the electronic age when government information is available through online databases, through Internet distribution, through computer diskettes and compact disks or CD-ROMs. In these new developments, the agencies that produce the information are already dramatically way out in front of GPO and sure to stay there. The establishment of the Government Information Locator Service among executive branch agencies has spurred agencies to set up an Internet presence and to begin to make their publications available electronically to the general public.

The new electronic age calls for new institutional arrangements. I believe the time has come for the Congress to recognize realities, to close down the Government Printing Office, and to set a new course for the distribution of government information to the public.

In 1990, the General Accounting Office concluded that, while GPO's monopoly-like role in providing government printing services was originally created to assure efficiency, "with the passage of time that role has been transformed; it now perpetuates inefficiency because centralized control permits GPO to be insulated from market forces." According to GAO, GPO is an inefficient institution. GPO is said to be hemorraghing red ink at the rate of $1 million a month. Its 1995 appropriation will cost the taxpayers $122 million.

Even were GPO a model of efficiency, the government simply does not need its own printing agency, especially not in the electronic era and the age of desktop publishing. Indeed, in its present form GPO presents a basic constitutional problem for the Congress. GPO is a legislative branch agency that controls a management function of the executive branch, namely, the procurement and manufacture of printed products. Were the courts asked, they would doubtless find that this arrangement violates the separation of powers and is unconstitutional.

Federal printing is a management function connected to the production and distribution of government information. Printing and distribution should be left to the agencies that create and produce the information, so long as they do so within policy guidelines laid down by Congress. I believe the Congress should take the bold but eminently reasonable step of divesting itself of its printing function by closing GPO. It should do so in an orderly manner that ensures the economic security of GPO's workforce, ensures that federal printing is handled just like the manufacture and procurement of other goods and services the government requires, and ensures that some necessary functions of GPO are carried on elsewhere. In doing so, the Congress should articulate its own new vision for distributing government information in the electronic age.

II. DISPOSE OF GPO'S FUNCTIONS AND PERSONNEL

The fundamental problem with GPO is simply that it exists and that today it employs 4,300 dedicated men and women who depend for their economic livelihood on GPO's continued existence. The real question about GPO is not whether the agency should continue to exist -- it should not -- but how to dispose of the various functions now carried out by the agency. My recommendations are that the Congress should pass the necessary legislation to accomplish the following:

- Transfer executive branch printing authority to the General Services Administration and regularize executive branch printing as a routine government procurement like any other commercially available commodity or service. Buying printing is no more magical or complicated than buying computers or telecommunications; it requires skilled personnel but not a whole federal agency.

- Establish in GSA an Office of Publications and Printing Standards to administer uniform guidelines and practices throughout the executive branch.
- Establish a small Office of Congressional Printing Management, integrated with House and Senate Information Systems, that would administer the procurement of congressional printing from the private sector. Alternatively, if Congress believes it absolutely must manufacture its own printed products in-house, establish a small Congressional Printing Office.
- Transfer the functions of the Superintendent of Documents to the Library of Congress with the stipulations that:
  - the government documents sales program should be abolished, and the executive agencies that produce government documents should be permitted to sell their documents directly to the public. Document sales could be integrated into the Government Information Locator Service recently founded in the executive branch.
  - LOC should radically restructure the federal depository library program to bring it into conformity with tne realities of the information superhighway. Perhaps a nationwide electronic network will prove to be the best delivery system for getting government documents to the public through depository libraries..
  - LOC should carry out the functions of cataloging and indexing, bylaw distribution, and international exchange.
- As to the disposition of GPO personnel, first authorize early retirement and buyouts, and freeze new hires at GPO in order to reduce the workforce by attrition. In 1991 GPO estimated that the median age of its workforce was 58 years, and that, with normal attrition and no replacements, the workforce would diminish from 4,900 to 1,800 -- almost a two-thirds reduction -- by the end of the decade. This is a very old workforce. Encouraging early retirement would substantially diminish the number of GPO employees.

- Second, guarantee a federal job to all remaining GPO personnel. Relocate them by requiring executive branch agencies to give hiring preference to these personnel and to absorb surplus GPO personnel in proportion to the amount of printing the agencies procured in the previous fiscal year. This is a small price to pay in the short run for the long run savings of closing the agency. Besides, if executive branch agencies are to have authority to procure their own printing, they will need to acquire some of the printing procurement expertise now residing in GPO. The executive branch operates over 1,000 printing facilities. Although executive agencies are themselves attempting to downsize, the overall size of the executive branch is such that the absorption of several thousand GPO employees, spread over many agencies, should not present a major problem.
- Articulate a statutory policy on the dissemination of government information to the public and direct the Office of Management and Budget to implement that policy within the executive branch. Among other things, the policy should ensure that:
    - Government information products should be sold at prices no higher than the cost of their dissemination. Agencies should not view sale of government information as a profit making enterprise but solely as cost recovery.
    - No government document may be published unless it is simultaneously sent to the depository library program. The current arrangement depends on documents flowing through GPO as the point of capture. This system is known to be highly defective and many government documents never reach the depository library system. If the agencies sell their own documents, the Congress would have to take the necessary steps to ensure that the agencies supply copies of those documents to the depository libraries.

CONCLUSION

Closing a federal agency is never a simple matter and is not cheap in the short run. In the case of GPO, Congress has several sources of revenue that could be used to pay for the demise of GPO. Specifically, I recommend the following:

- Sell off GPO's plant and facilities. GPO is located in prime Washington, DC, office space. In 1991, GPO's Washington operations occupied 1.5 million square feet at its central office complex and another 700,000 square feet of rented space in the metropolitan area. In its own strategic plan, *GPO/2001: Vision for a New Millenium,* GPO suggested that some of its buildings be sold in order to generate capital for a new consolidated headquarters. I suggest that all of GPO's facilities be sold and the proceeds used to defray the costs of closing down the agency.
- The GPO sales program realizes about $90 million each year in revenue from sale of U.S. government documents. At present, that $90 million stays in GPO to defray its institutional expenses. The executive agencies that produce the vast majority of government documents bear the cost of printing but never see the revenues returning from sales. If GPO were abolished, that $90 million would still be generated from document sales. The question naturally arises: what should be done with that money?

  An obvious answer is that, for some period of years, the revenues from sales of government documents could be devoted to defray the costs of closing GPO. Beyond that initial period, Congress could decide to apply revenues from document sales to reduce the federal deficit. Some of the money could be used to support the depository library program. Some could be returned to the executive agencies producing the information products to be used for improving public access to government information, especially for increasing the number and quality of electronic information products distributed over the information superhighway.

As with every scheme, problems remain to be worked out. One problem is that, if executive agencies were to sell their own documents, they might require statutory authorization for revolving funds.

For generations the imposition of GPO as sole manufacturing and purchasing agent for executive branch printing has artificially interrupted the life cycle of government information products from creation to publication. The existence of GPO has meant that the government has inserted between information producers and public users an agency that possesses no knowledge of how the information came into being, what are its nature and scope, its power and limits, and how best to understand and use government information. The net effect of this arrangement is that GPO has become a barrier, rather than a facilitator, in the task of informing the nation.

It is time to end this arrangement and to devise news ways of better distributing government information. The Congress now has a unique opportunity to downsize legislative branch support agencies by providing for the orderly closing of GPO and the establishment of a new era in government information dissemination. I urge you to seize this opportunity-.

Mr. PACKARD. Thank you very much. Mr. Boyle.

Mr. BOYLE. Thank you. Mr. Chairman, members of the committee, I was—I retired as Public Printer in February, 15 years ago, February of 1980. Prior to that, I was Deputy Public Printer for five years under Tom McCormick who was the Republican-appointed Printer. Prior to that, I worked in the GPO for some 25 years, coming in as a proofreader, spending nearly 30 years in the GPO, and nearly 45 years, nearly 50 years in the private and public printing sector. I totally disagree with my—with the previous speaker on closing down the GPO, because the first question I would ask is why—how are you going to save money closing down the GPO, particularly as it pertains to legislative printing, because you can close the GPO down tomorrow and you are still going to have the same amount of printing required by the Congress to get the register and the record and the hearings and reports done, and that is where the cost is.

The cost is not in the GPO, the cost is in your printing and binding. And whether the GPO does it or whether it is done in the private sector, it is still going to cost x number of dollars. Now, the argument some people use is that you can put it out in private industry and get it done for less. And I will agree that sometimes you can get a particular product done for less and sometimes you cannot get it done at all, and that particularly pertains to legislative printing.

Some of the worst copy and the hardest work to do in the entire printing industry is work that originates in the Congress. The Congressional Record doesn't happen by magic. Somebody has to hit keys. It is not the Congressional Reporter of Debates hitting keys that accumulates the data in the Congressional Record and goes by magic into the computer and comes out and goes all over the world available to people. People have to get the data together. People have to get the data in this hearing together after it comes out of the reporter. So that you just don't talk about eliminating printing because there are other things involved besides the printing. There is the preparation of the data, getting the data ready to print.

And I am one of the early proponents of getting all of the congressional information and departmental information into a gigantic database that is searchable and available to everybody in the United States, but I am the last one in the world to say that you are going to do away with the printed copy, because I don't think you ever will.

So that is where I stand.

[The information follows:]

STATEMENT OF JOHN J. BOYLE

FORMER U.S. PUBLIC PRINTER

BEFORE

JOINT HOUSE-SENATE SUBCOMMITTEE ON

THE LEGISLATIVE BRANCH APPROPRIATIONS

February 2, 1995

Supplemental Biographical Information on
John J. Boyle, former U.S. Public Printer

Mr. Chairman, as you know I retired from the position of Public Printer on February 29, 1980. Since that time, I have continued to retain an interest in the printing industry and the technological changes taking place therein.

During my retirement, I have been associated with the management of a small specialty printing company on their board of directors for 3 years. Early on, I did perform some advisory work in helping two printing companies begin the conversion from traditional typesetting methods to the use of computers.

I retain active membership in the Graphic Arts Technical Foundation through their Society of Fellows, and the National Association of Printers and Lithographers as a member of their Soderstrom Society. I am a lifetime honorary member of the Washington Printing and Graphics Communications Association, formerly the Printing Industry of Metropolitan Washington, and I am an active lifetime member of the Washington Litho Club.

I subscribe to several printing trade journals and I am a student of the latest computer technology.

I have kept interested in the progress of GPO in the changeover to the newer technology by contact with friends within, staff of the Joint Committee on Printing, printers doing work with GPO, and equipment vendors developing equipment.

Why this interest? After nearly 60 years in the printing business as a craftsman, a manager, in private industry and in Government, in open shops and in union shops, it is something I cannot forget and don't want to forget.

In particular, I feel fortunate that I was in at the beginning of the new technologies in 1964 before most people in the printing industry knew what a computer was and hardly anybody in the computer industry knew what type was.

I believe that GPO enthusiastically approached changing over from the largest hot metal typesetting operation in the industry to what I believe to be a computer-assisted composition department equal to any.

When I was sworn in as Public Printer, I had nearly 8,000 employees. Today I understand the total is 4,250. All these people left without layoffs or turmoil in their lives through an orderly program of attrition and retraining.

In addition, during my tenure GPO contracted approximately 65 percent of its printing workload to the private sector. Currently, GPO contracts nearly 80 percent of its workload to the private sector, startling statistics few Members are aware of.

As you can see, I feel that the Government Printing Office is a credit to the Government, to the Legislative Branch to which it belongs, and to the printing industry.

GPO has maintained a level of efficiency with a flat appropriation and 50 percent fewer employees over the last several years that few private companies could match. In the face of fiscal cutbacks and scrutiny as to its very existence, GPO developed its Electronic Access System on time and on budget. That is a model for other electronic databases.

What you might hear about saving millions of dollars by closing GPO does not make any sense. The Congressional printing must be done somewhere; and, it is presently being done well, on time, and at a reasonable cost.

Mr. PACKARD. Thank you very much.

Well, that certainly balances out the panel and it gives us good opportunity for discussion. We want to welcome Senator Jim Jeffords to the hearing. We do appreciate your briefness and your short testimonies. Again, I would certainly encourage every Member, if they haven't already done so, to read their testimony, the written testimony. It is very well done and very good and gives a great deal more detail as to the rationale that you have heard from the witnesses.

With that, I would like to turn then to Senator Mack.

Senator MACK. Mr. Chairman, since I just came in, why don't you go ahead?

Mr. PACKARD. All right. Let me go then to Vic Fazio. I will still reserve my time for last.

Mr. FAZIO. Thank you, Mr. Chairman.

I appreciate it. We did really have some contrasting views here and I am sure we can develop even more contrast as we go along. I guess the thing that impresses me most about what has happened at GPO since I have been paying attention to the tremendous reduction in both personnel and appropriations, we have I think reduced the number of people there in the last 25 years, probably by 50 percent almost.

Mr. BOYLE. Fifty percent?

Mr. FAZIO. Yes. I think it is something in that neighborhood and I think we have also seen a line of almost that percentage in appropriations, and yet we have not only continued to produce a product that meets our needs, but we certainly have seen a tremendous change in the formats used in the modernization of plant and equipment. So there is obviously some willingness to change and downsizing has been the norm for a long time.

But I have always believed—and I may be wrong, and I am anxious to hear comments from all of the panel—that one of the problems we have had at the Federal level is a proliferation of in-house printing operations in executive agencies, all of which have their own overhead involved, all of which require a certain amount of administration and personnel. We have always conceived of GPO as a clearinghouse.

In order to get the private sector involved in bidding on printing, it was a central point through which those private printers, some 13,000 printers across the country, members of the Printing Industries Association of America seemed to believe are participating in a contractual relationship which meets their needs, and I would hope the taxpayers' needs. I would be interested in the reaction of the panel, do you believe there is a problem of proliferation of printing in the executive branch—and I am not saying that certainly there aren't some agencies that have to have the ability to do their own work in a timely way or secure way, but do you believe that is a problem? And what is the malfunction, if there is one, of our contracting relationship with the private sector, which does the vast majority of printing that is done for the Federal Government? I would be interested in the reaction of all of the panel.

Mr. BOYLE. If I may start.

Mr. FAZIO. Might as well go in reverse order.

Mr. BOYLE. All right. I was one of the original members of the Federal Electronic Printing Committee of the Joint Committee on Printing, and that was back in 1964. One of the problems then was that oversight—there was a lack of oversight, it had gotten out of hand where the individual government agencies on a survey were installing, without permission, printing equipment in-house and throughout the entire country and were doing work that could, we decided, well be put out at a cost saving to the private sector. And the GPO at the time enlarged the number of procurement offices they had.

When I was Public Printer, we had 19 procurement offices scattered throughout the United States where we brought the printing in the field for those agencies, including the military and the executive agencies, that originated in that area that we could place with printers in that area. And in the central office area we developed, and it grew, one of the best I think and largest procurement programs that was able to service the agencies, remove work from the GPO that we felt could be purchased outside more economically from the private sector and we developed a roster of literally hundreds, in fact it was up in the thousands, of eligible printers that could meet the criteria of bidding on a government job, delivering the quality that we wanted in the government to the agencies that we required, and deliver it on time.

And we got this big list, it is in existence today, and I don't think there is any big list in existence anywhere in the Federal agency, even in the military that is good as this, and it is maintained now and overseen by a staff of 450 people, buying printing from the private sector. The agencies, without oversight, have a tendency to grow because they like to set up their own little dynasty. Why send it to the GPO or why buy it outside if I can get approval to put my own little printing plant in?

The other thing that has changed and is going to continue to change in this time, since the time I referred to back in the 1960s, is there has been a huge change in technology where a typist sitting at a desk on a terminal can input data to a computer and with some of the computer format programs can come up with a typeset page, with illustrations and everything just as good—well, printers will argue, but just as good as a skilled printer with 25 or 30 years experience can do. And that can go out to a, if they only want 500 or 300 or 200 copies, can go out to modern, low-cost, fast-run, quick turnaround reproduction equipment that they can have right in-house, and their argument is that it is not a press—it is a piece of reproduction equipment they don't need approval on to get from Congress, that they can buy.

And so, yes, there has been a proliferation of printing done inhouse that agencies don't call printing, they call it high-quality duplicating. And the Joint Committee on Printing tried to get ahold of it over the years. They did a good job, but I don't think they will ever get ahold of it as long as technology keeps changing, and they can do it fast and at low cost. And I don't know whether what they are doing is wrong.

Mr. FAZIO. Let me yield to Senator Mack for a second.

Senator MACK. Implied or actually stated in your response was that, in essence, all of this printing is taking place in the various agencies because they are building turf as opposed to they can get it quicker?

Mr. BOYLE. Some.

Senator MACK. They can get it cheaper? I mean, again, try to make an assessment for me as to——

Mr. BOYLE. Well, most of it is because they can get it quicker in-house. Anybody with an in-house printing plant has it mostly to get it quicker.

And secondarily, a lot of them aren't interested in the price. They want it tomorrow morning. Just like the Congress. The Congress wants the Congressional Record tomorrow morning. The Congress wants their reports, and rightfully so, I won't argue, tomorrow morning. The leadership in the House and the Senate want that report delivered over on the Floor at 8:00 o'clock in the morning. If it isn't there, there isn't any action going to take place on that bill that day.

Senator MACK. Your point, though, that the interest is really one of time and speed as opposed to——

Mr. BOYLE. I think time and speed is the interest more than cost; yes, sir.

Mr. FAZIO. I mentioned security. I have heard that argument.

Mr. BOYLE. Well, security always comes in. Security will come in. Security will come in in military, rightfully so, I am not going to argue against security.

Mr. FAZIO. But there has probably been more turf development in the military than in most other areas of the government.

Mr. BOYLE. Oh, yes. We fought the military for 40 years on developing in-house potential. But we took—a lot of the work, a lot of the military has cooperated. Some branches more than others, but a lot of the military work is out on contract; and I mean hundreds of thousands of dollars in military work. A particular branch of the military didn't cooperate as much as other branches of the military. Not going to name it.

Mr. FAZIO. Well, let's hear from the other two witnesses.

Mr. SPREHE. I was around the Office of Management and Budget in the early 1980s when OMB and GPO did an in-house study of printing facilities and I think they identified 1,050 printing facilities in executive agencies. They were going to close a lot of them. I think they eventually about five years later had managed to close 50. Of those 1,050, about 450 were in the Department of Defense.

I think that the enormous changes in information technology have come to mean that the printing needs to be thought of as part of the information systems operations of agencies, and it needs to really be integrated with information systems. It is a mistake, as far as I am concerned, to single out printing, and I think it is a mistake we make because of the historical accident that we have in the Government Printing Office. But when agencies are generating information, they are now looking at whether they want to put it out on-line over the Internet, whether they want to put it out on computer diskette or CD–ROM or whether they want to print it. And those kinds of decisions ought to be made in conjunction with the whole planning of the information management exercise.

And as far as I am concerned, the printing function ought to really be procured along with the whole information systems function.

And as we make improvements in the procurement of computers and telecommunications, I think that we should pay attention to how we can improve the procurement of printing so as not to have these empires built in the agencies.

Mr. SAWYER. Joe Wright and I were the authors of the study that you just referenced, and it is very discouraging to me, having left before it was finished, to hear you report that only 50 of those plants were closed, because quite frankly, they all should have been. One of the things that has gone wrong is that the Joint Committee on Printing is using the waiver process, authorized hundreds of printing plants as the exception to the rule as embodied in Title IV of the U.S. code, but has done so without a sunsetting provision. So the technology changes, the needs change, but the inhouse printing operation goes on forever, the employees are employed forever, the cost to produce the product skyrockets without end.

I think the problem is broader and deeper. I think it is a philosophical problem. The Congress and the government are basically involved in functions that best belong in the private sector. You have got the macro control of the executive branch or the budgetary process. You control the purse strings. If they begin to go astray in any field, you can rein them in. Why attempt to micromanage it? Subcontract the whole process, printing the whole—let them chart their own course on the information superhighway, but justify it to you when they appear in front of you at Appropriations Committee hearings, period.

Mr. FAZIO. I don't know how much time I may have left, Mr. Chairman. Probably none.

Mr. PACKARD. Can we come back to you on another round?

Mr. FAZIO. Sure.

Mr. PACKARD. Let's go to Jim Jeffords who has joined us, also Senator Bob Bennett.

Senator JEFFORDS. I have no questions.

Mr. PACKARD. All right. Mr. Hoyer?

Mr. HOYER. I am not on the committee, Mr. Chairman, so I will yield to Mr. Miller.

Mr. FAZIO. An interested observer.

Mr. MILLER. You didn't comment about reading an article that was in the Post this fall which said the Government Printing Office is losing money and has been running on red ink. According to this article, they are projecting bigger losses this year. Could you comment about this loss—why they are losing the money and what concerns it raises with us?

Mr. SAWYER. All right. You want to go in reverse order in that one? I read the article. In fact, I have about 10 copies of it on my Fax machine. The day it ran in the Post, the copies started to come in from various and sundry friends. I got at least 10 by 5:00 o'clock. I wrote the current Public Printer a letter the following day, and I think I can paraphrase it.

It said, Mike, I just read the article in the Washington Post and if you changed the date and you substituted my name for your name, nothing has changed, nothing has changed. The same problems we were dealing with 15 years ago were detailed in the article, but no resolution.

What is happening is that executive branch agencies are going around Title IV for a variety of reasons. The volume being processed by the agency is going down. There isn't the will to reform, or at least there hasn't been the will to reform. I think this is an area that cries out for congressional action. I think you have got to do something. You have either got to break this thing up and send its appendages off to where they belong, or you need to privatize it, period. It can't go on. This has been going on now for two decades. And the situation is going to get worse and worse and worse.

Mr. SPREHE. I looked at this a little bit from the standpoint of the executive agencies since I was an employee in the executive branch. I think that GPO—that what will change is GPO will continue to lose more money faster. Because the information technology is such now that the desktop publishing machinery that is available, I mean we all know that we can go out and get a laser printer for our PC for $500 or $600 now, and that is not going to change except that the prices are going to get cheaper and the technology is going to get more powerful and it becomes a completely discretionary peanuts expense for an agency to buy printing equipment, relative to its overall budget.

So more and more printing will escape GPO. It will also escape GPO because, frankly, the agencies think it is a stupid law and they flout it whenever they can. And if they can figure out a way to go out and procure their own printing, they will do it.

So the agencies won't bring the printing to GPO because they don't think it should go there, number one, and number two, because they have a piece of machinery sitting on their desk and they can do it themselves. The system is broken, and I think that the fix calls for a rapid solution.

Mr. BOYLE. The article in the Post was not entirely true. In the first place, the Government Printing Office receives its money by billing the government agencies for the work it does, and when it does the work, it gets the money back in to replenish a revolving fund, it bills the Congressional Printing, and binding is done by—it is billed to an appropriation committee and the appropriation committee tells us what they are going to spend in that fiscal year for printing and binding.

Now, there is no way possible to lose money. You do the work and you bill your customer for it; if he pays you, you make even. Okay? Now, I am not talking about the documents operation because we are talking about the printing and binding operation. Leave the documents operation out of it. The Government Printing Office bills for the work that it does at the cost that it takes to do it. So how does it lose money? You have to talk about apples and oranges—I mean you have to talk about apples and apples.

Mr. MILLER. Many of us on our side of the aisle have also questioned the Washington Post's reliability on occasion as well. Do I have time for another question?

Mr. PACKARD. Of course.

Mr. MILLER. There are several suggestions out there. Vice President Gore recommends eliminating the Government Printing Office monopoly. There is a bill by Representative Klug from Wisconsin to dramatically downsize the GPO. And Representative Dunn is proposing total elimination, to pay for a reduction in the fuel tax, so they have a double motive involved there.

Do you have a comment about those three proposals out there: the elimination of the monopoly, the total elimination as Representative Dunn has proposed, and Representative Klug's bill?

Mr. SAWYER. Do you want to go in the same order?

Mr. BOYLE. You want me to start? Okay.

I would like to comment. I am not totally familiar with all of the introduced bill. I have heard about it, okay? And again, when you talk about downsizing the GPO, people don't realize what is done and what is required to print a publication. I am looking at that appropriation hearing right there. Or thinking of the Congressional Record. It takes a certain number of people to take the keystrokes that have been gathered by the Official Reporters, the Official Reporter, the Reporter of Debates of this committee, and by the Official Reporters in the House and the Senate that take down the Congressional Record, and that data has to be accumulated somewhere, and reread and corrected and gotten in some kind of an order to put hopefully some day into a computer database, and it doesn't get in there by immaculate conception, okay?

It gets in there because trained people with 25 or 30 years of service go over it, key it in many cases. It is so dirty with errors that it has to be rekeyed again, and I am not talking because this reporter made the error, I am talking because we all get a chance to take a second look at what we said and add additional data, introduce additional data and add to our extensions of remarks and everything else. For instance, the Congressional Record extension of remarks gets everything from clippings out of newspapers to recipes for apple pie.

Mr. MILLER. What about eliminating the monopoly aspect?

Mr. BOYLE. Well, eliminating monopoly, the monopoly is that everything has to come into GPO and be done, all executive agency work.

Mr. MILLER. So you don't agree with that?

Mr. BOYLE. Well, first of all I don't agree that it is a monopoly because right now it is a dollar limit that the agencies can go out without coming to the GPO and go out and get their own work and it changes over the years. When I was Public Printer I think it was $2,500. But it has gone up. And that is something we have no control over. That is the Joint Committee on Printing; okay?

Mr. MILLER. Can I get a quick response, if I might.

Mr. BOYLE. I am using up everybody else's time. Am I in favor of it? First of all, I don't think it is a monopoly. I think it is a service to the agencies that we have one procurement agency to produce and procure $526 million worth of work from the private sector——

Mr. MILLER. You are challenging the Vice President and The Washington Post in one hearing.

Mr. BOYLE. I don't agree with what the Vice President has done, and a lot—I can't help it; I am a citizen. I don't agree with some of the downsizing that the Vice President is recommending, and that would be one thing. I don't think that the GPO can be downsized by just breaking away and—first of all, it doesn't have an——

Mr. MILLER. If the other two have brief comments.

Mr. SPREHE. I am in favor of doing away with monopolies, because I think monopolies are inefficient. That is part of the reason we have antitrust laws, because of their negative economic effects; and the General Accounting Office in its 1990 study of GPO said that the monopoly-like arrangement has insulated GPO from market forces that led to massive inefficiencies. I mean when a sister agency in the legislative branch says that, I think we have to pay attention.

GPO may not monopolize all of the printing, they monopolize all of the procurement printing. I think it is just not the way to produce government information and distribute it to the public to have the agency created and take it all along the way and then suddenly stop and hand it off to another agency that doesn't know anything about the information and can't answer the questions of users in the public. I think the agencies ought to have that—have control over the production and distribution of their own information.

Mr. PACKARD. Do you have any comments?

Mr. SAWYER. Yes. If you went to the executive branch agencies today and polled them, they would close to unanimously tell you that the Government Printing Office should be abolished in one form, shape or another. If you went to the private sector contractors and asked the same question, it would be a lopsided 90/10 vote. I think you would probably get the same thing from the taxpayers. One small example of what the problem really here is.

During the time that I was Public Printer and prior to that time, there were some very grandiose plans about building new facilities at GPO, very modern, one-story printing plant out in the suburbs some place. I came to the conclusion that that was not necessarily a good plan. Somebody took that plan and stuck it down in a desk drawer somewhere and waited for me to leave and then resurfaced it. And if you don't act decisively and do something that rectifies the problem in its entirety, your predecessors will be sitting in here 10 to 20 years from now asking exactly the same questions about exactly the same problem.

Mr. PACKARD. Thank you very much.

Mr. MILLER. Thank you.

Mr. PACKARD. Senator Mack.

Senator MACK. Thank you. A couple of different I guess approaches here. Mr. Sawyer, you indicated that transferring the printing procurement function to GSA just makes sense. Why don't you just expand on that a little bit?

As I understand it, there are two major functions we are talking about here. There is the function of the congressional requirements, what we need to get these types of things done, and then there is the executive branch requirements, and so why don't you tell us why you think GSA is the way to do that. I might say in light of the fact that I understand that 80 percent——

Mr. FAZIO. Eighty percent of the printing is contracted out to the lowest performing.

Mr. SAWYER. You have different functions. The printing breaks down in the two parts. What is done in-plant, about 20 percent, and what is procured, about 80 percent. GSA procures everything else for the United States, why not just give them that as well? You could take the procurement options on the procurement side of the equation and transfer that to GSA, or get a private sector contractor to handle that function on a long-term 10-year contract. There is one or two ways to go.

Senator MACK. What is the savings—what are the efficiencies that come from——

Mr. SAWYER. Oh, the efficiencies are absolutely enormous. You have 50,000 private sector printers out there, maybe more than that now, 50,000, 55,000 private sector printers, many of whom, probably 20 percent, 9,000, 10,000, are competing for the government's work. And they have got a Thursday open for the next three months. In the printing business you got to run the stuff at 110 percent of capacity to make a buck today, it is an extraordinarily competitive business.

So the government is looking to put the job on press, they have a press open on Thursday, they bid on an incremental basis to get that job. They will come in at an extraordinarily low level to grab the job.

In other words, the cost of paper, the cost of the employees' time, the government does extraordinarily well in procuring printing. It is a function that has been performed and performed well for a long, long, long time. That raises another question. If you can get it printed so cheaply in the private sector, why do anything in-plant?

Senator MACK. But where are we going to save if we shift the 80 percent procurement being done by GPO to GSA?

Mr. SAWYER. There isn't—I doubt that there is going to be a savings there. If you shift—if you shift all of it to the private sector, I think you are going to see a substantial saving, the 20 percent that is still done in-house.

Senator MACK. So your focus really is why are we still doing 20 percent at the GPO? That is really what you are saying.

Mr. SAWYER. Well, that is one. Yes, that is one of the focuses.

Senator MACK. Go to the next one. If we shift this to GSA, what am I going to say to my colleagues as to why we are doing that? What if we accomplished—other than the fact that we might want to say that it makes no sense for the Congress, for the legislative branch to be involved in executive functions, I mean these are—this is executive agencies printing requirements that are somehow or another under the control of the legislative branch, what else are we accomplishing by making that shift?

Mr. SAWYER. Not really anything. You are getting out of the business of micromanaging, but still not giving up the control, because you still have the control through the appropriations process.

Senator MACK. Now, let me get back to—I want to kind of shift gears, somebody else might want to pick up on those points. But when we were chatting a moment ago, Mr. Boyle, you talked about speed and time, I think was your response to my question, and Mr. Sprehe, you talked about the importance of, in essence, kind of total information system, which included the option or the ability to print, which I kind of see as tying those two things together, that one of the things that you would—that everything has to accomplish in this day of instant communication is being able to get their document out when they need it, whether it is like this or whether it is a single page.

I guess my concern—my question really is, what is the time—what kind of time and investment is it going to take to get our information systems to the point that they can in fact do the printing that is going to be required under the situation? What I am envisioning is I guess an executive agency that has this capability in-house that can in essence say this is a document that we need to get out and we will just develop it in our own in-house information system and be done with it. Is that something we are capable of doing now? If not, what do we need to do in order to make it happen?

Mr. SPREHE. Well, I think the agencies are doing a lot of that now with their desk-top publishing. We are all aware of the fact that one of the pressures that the electronic age brings us is that we want instantaneous information. We want it now, in print or on a screen, or in sound, just action quickly as we can get it, and that pressure is going to continue, and it certainly won't change. So I am not entirely sure what your question is.

Senator MACK. Well, I guess are you suggesting, in response to an earlier question you were talking about in essence an integrated system.

Mr. SHREHE. Yes.

Senator MACK. Where our printing requirements, or the printing requirements of a particular agency would really be available as a result of pushing a button that says, okay, let's print out X numbers of documents. My question really is, are we capable of doing all of that now in the various agencies of the Federal Government?

Mr. SPREHE. Not the big press stuff, no. I think you still have to go to big presses for big press runs.

Senator MACK. Give a novice like me an idea of what is big press stuff and what is not big press stuff.

Mr. SPREHE. I will have to turn to my printer friends for that.

Mr. BOYLE. Well, let me make a comment.

A lot of what is happening is that agencies, people out in the private sector businesses are using the computers and using copying machines to get multiple copies and produce multiple copies of work that could be much more economically produced on a 40 or 50-inch press. Why are they doing it? Because they can do it in-house and they can get it, but they don't worry that this particular copy cost 4 cents, but 1,500 of them cost 1,500 times 4 cents and it costs money to put it together. It is cheaper—the higher your quantity runs, the less your per copy cost. So to put a copy on a web press and print 50,000 copies, the per copy cost goes way down. But to print one copy is way up.

Senator MACK. It seems to me that there is a fundamental question here, and again I don't have enough knowledge at this point to make any decision on it, but it seems to me one of the questions we ought to be asking ourselves is how has—let me see if I can phrase this right—how have the requirements changed?

In other words, in the past it could be that all that we printed were in fact big press requirements. It may be that today, that the greater requirement are a lot of different bits of information and fewer numbers of them. In other words, I am trying to get a sense of what do we demand of our system today compared to what we did 10 or 15 years ago? Let me—let me give Mr. Sawyer a chance.

Mr. SAWYER. Each agency, each department obviously has an information officer or department, and they are trying to communicate, Agriculture with farmers, Defense with the service itself, et cetera. The requirements of the agency determine the form of communication in the broadest, general sense.

And as we are moving into this new age, we are moving more toward dependence upon the electronic information movement of information and away from the printed word. One of the reasons I think you are seeing the number of dollars processed through GPO remain stagnant or go down in constant terms is not only are the executive branch agencies doing more on their own in disregard for what the current law says, they are also using other means of transmission of information. That is going to continue.

Interestingly, this is the year—you know, in the private sector you look at things like where is advertising revenue being spent. This is the year when more advertising revenue is spent on television for the first time in history than has been spent on newspaper. Newspaper circulations are dropping, more and more people are depending upon television, cable, electronic transmission of information, as their primary source for news, that kind of thing. So there is a trend that just permeates our society from one end to the other to depend more on the tube than on the printed word. So that the volume being processed by GPO is probably going to continue to decelerate over time.

Isn't it better to let the guy, agency X that is in charge of that function, determine how best to transmit the information than to have sort of an arbitrary grid formula that you have to follow? In other words, the old independence and freedom argument. Let the people in charge in the agencies and departments make their own decisions, hold them accountable through the appropriations process, but let them chart their own destiny.

Senator MACK. I would just ask you one more question if I could, Dan. A moment ago you said if you asked the executive branch agencies' spokesmen, and let's say the private printers, would they close down GPO, the answer is yes. In just a couple of phrases, why would they answer yes? I mean why do they want this? There are some obvious things that I might think of.

Mr. SAWYER. The executive branch should view this as an impediment to progress, and the private sector contractors view that work as work that should be in the private sector, that can be produced cheaper in the private sector. They resent the fact that they see taxpayers—they are taxpayers, too, they resent the fact that the taxpayer dollars are going to an inefficient and uneconomical manner that the government's work is being produced in-plant. They know in their heart of hearts they could do it better and cheaper.

Mr. BOYLE. Mr. Chairman, could I make a comment?

Mr. PACKARD. Of course.

Mr. BOYLE. I don't agree that all of the executive agencies would vote if they had to vote to close down the GPO. I would agree that they would ask not to have to get the printing done at the GPO for the reasons that we talked about before, that they want to do it themselves or do it in-house or procure it themselves.

Secondly, Mr. Sawyer made a comment that of all of the printers, and there are about 50,000 in the United States, that about 20,000 are on the GPO bid list, and they are all interested in doing work for the GPO and they would all be able to do it cheaper. If I was to take that hearing right there, that appropriation hearing and write a specification and go out on bids in the entire United States, do you know how many bids I would get of interested printers that wanted to do that book in the required scheduled time? About six. That is how many people would be interested in doing that printing. And there would be three higher than the GPO price, and there would be one about the same, and there might be one lower, because he needed the work in his plant.

Mr. PACKARD. Well, my only response to that would be of course is that six is enough. One can do it cheaper than the government, then the work would be done. But let's go to Mr. Thornton and then we will come to Senator Bennett.

Mr. THORNTON. Thank you very much. I will be very brief. Pursuing that same line about the preference of the people who are in the printing business, I was impressed that Mr. Ben Cooper, who is the Senior Vice President of the Printing Industries of America, a trade group of 13,753 printers, is quoted in the Washington Post article of December 27th, 1993. Quote: "There is not a better contracting system in the Federal Government, and why they would want to change it I don't know," said Ben Cooper. That is a pretty large and substantial group of printers who seem to think that this is not a bad procurement policy for the 80 percent of the work that is being contracted out.

But I would like to pursue what we might do with the 20 percent—and that is what we are really talking about—of work that is being done in-house. First of all, is GPO the largest in-house governmental printing activity within five miles?

Mr. BOYLE. Oh, within five miles? Yes, sir.

Mr. THORNTON. The Pentagon is within five miles or is it not? Ten miles?

Mr. BOYLE. Well, that is close enough. It is the largest.

Mr. THORNTON. Isn't the Pentagon private printing defense printing services a larger in-house operation than the GPO?

Mr. BOYLE. Not when I was Public Printer, sir.

Mr. THORNTON. Well, this newspaper account now says that the defense printing service operates its own presses and does more in-house printing than GPO. They produced $213 million worth of printing compared to GPO's in-house printing of $203 million.

Mr. BOYLE. See, that is proliferation.

Mr. THORNTON. I think maybe, Mr. Chairman, we ought to call that to the attention of one of our sister committees. If in-house printing is so bad, maybe we ought to have a look at whether some savings——

Mr. FAZIO. If you would yield, this committee has asked the GAO, I hate to mention them, to do the kind of analysis that will enlighten the Defense Subcommittee as to the amount of money that is sometimes spent, we think unnecessarily.

Mr. BOYLE. I was not aware that has happened within the past 15 years. They have grown. So that is an answer to proliferation or printing in the executive agencies.

Mr. THORNTON. Well, proliferation of printing is indeed a big problem. If we were to decide that we just ought to close this down and go out and hire somebody to do a daily Congressional Record, a daily Federal Register, to have it on everybody's desk at 8:00 o'clock in the morning, how many people on the eastern seaboard are capable of doing that today?

Mr. BOYLE. Well, right today, I don't think anybody could do tomorrow's Congressional Record, because number one, somebody has got to get the data together and keyboard it and that is done in the GPO, working with the Reporters of Debates.

Mr. THORNTON. That is a pretty big operation.

Mr. BOYLE. Secondly, after it is deboarded, the press work has to be done and it is run on presses in the GPO, and it is bound in the GPO and it is mailed within the GPO, and a lot of that equipment is specialized equipment. Now, if you were to say to somebody, get yourself ready to do the Congressional Record, you have got—you name the price, I will give it to you, he would go out and he would have to staff for it and he would put in equipment to do it and he would be able to do it, any printing job.

Mr. PACKARD. Will the gentleman yield on that point, because I think it is a very interesting point.

I think that the question perhaps would be more appropriate, rather than asking how many printers could put the journal on our desk at 8:00 o'clock in the morning is, is it essential that we have a hard copy of the yesterday's journal on our desks at 8:00 o'clock?

Would it be more realistic in today's technology advancement to have that journal on our screen available to our staff to pull up at a 8:00 o'clock in the morning?

Mr. THORNTON. Indeed.

Mr. PACKARD. But maybe at 5:00 o'clock that afternoon have a hard copy in each office, if they want it, and instead of 20 copies in each office, maybe one or two copies, and maybe not have any copies on the Floor underneath each desk.

Mr. FAZIO. If the Chairman will yield, that is information that is available today through GPO.

Mr. SAWYER. I would like to comment.

Mr. BOYLE. I would, too.

Mr. THORNTON. I am enjoying this, Mr. Chairman.

Thank you very much for that amendment. Let's get some further response.

Mr. SAWYER. I think you are absolutely correct. I think those keystrokes could and should be captured here in the Capitol, and that is it. They don't need to do the recapturing across the street.

Mr. PACKARD. Or into 1400 depository libraries.

Mr. SAWYER. It could all be captured here in the Capitol and you could have a private sector contractor out in the Shenandoah or over on the Eastern Shore, or what have you, rolling off whatever number of printed copies that are still required by both the government and by the private sector, do it on a long-term contract. If you put that out for bid, you would have an awful lot of printers who would love the opportunity to get in and do that. You don't need these intermediate functions.

You can have the keystrokes captured here, you can do exactly what you have just said, it can go on-line to systems across the country, including the depository library system. You don't need the middleman. You can eliminate the middleman at this stage of the game.

Mr. THORNTON. Pursuant to that, is there some advantage in having the same company or the same entity that is doing the printing version keying it into the Internet so that it is immediately electronically available?

Mr. SAWYER. You could do it either way, you could do it by government employees or private sector.

Mr. THORNTON. Isn't that what GPO has been doing for the past couple of years?

Mr. BOYLE. Keying it in.

Mr. THORNTON. Yes. And it is available now.

Mr. BOYLE. Oh, yes, sir. It is available now. Yes, sir.

Mr. THORNTON. So you get both immediately, and if it could save some money to wait to get the printed copy——

Mr. PACKARD. If you would yield again, my understanding is, and again, I am like Senator Mack, I am still learning.

Mr. THORNTON. I am, too.

Mr. PACKARD. But my understanding is that we run presses all night long to get it out by 8:00 o'clock in the morning. That costs more than running a daytime shift. I see no, at least in today's technology, no real need to provide it in every office and on the Floor of the House and wherever else we provide it by 8:00 o'clock in the morning in a hard copy if we make it available on soft copy.

Senator MACK. Could I just ask the question, how many people read the Congressional Record before noon?

Mr. THORNTON. I do on occasion.

Mr. PACKARD. Well, ask it a different way. How many, if they had it available on their screen.

Senator MACK. I was just going to say, you have it available on your screens.

Mr. FAZIO. Maybe after the elimination and revision and extension of remarks, we all better read it.

Mr. THORNTON. Well, Mr. Chairman, I think you have really expanded and hit a key point. We should be looking at ways here of doing this job to meet our present needs more efficiently at lower cost, if that can be done. We should not miss the point that presently there is no one on the eastern seaboard that could take this job on and do it without buying the equipment and the plant that is presently in the GPO office.

Mr. BOYLE. Can I add something to it? There is a bigger problem than that, and that is let's say that today is Thursday and tonight's record is, let's say tonight's record is 320 pages, okay? That is great. I staff for 320 pages. And Friday the Senate and the House both go out and there isn't any record. I have got enough people there to print the record, and on Monday I have got a big record and I have a record of as high as 480 pages and it takes a lot more equipment to do 480 pages than it did to do 16 which was the record the day that the Congress opened, or I have seen it that low.

So you have a tremendous fluctuation in the size of the record from the—and the quantity stays the same.

Mr. THORNTON. Mr. Chairman, I have exceeded my time. I want to thank you for being generous, and I do want to thank you for the stimulating discussion.

Mr. SPREHE. If I could comment, I think the direction towards which your questions are tending, Mr. Chairman, is to cause us to look at the larger issue here, which is not just how is this information delivered back to the Congress, but how is it delivered to the American public? I mean that is one of the fundamental things we are after here.

Mr. PACKARD. And who should deliver it to the American public.

Mr. SPREHE. Yes. And are the current arrangements the most efficient and effective way of serving democracy by getting the government information out to them.

Mr. PACKARD. If I may interject here, I think it is becoming more and more obvious to us here that electronic information is going to become more and more prevalent and certainly much more desirable as we move forward. And by virtue of that, there should automatically be a reduction of need for hard copy, at least in the numbers that we are used to doing in the past.

And then it becomes a question in my judgment as to how we provide that electronic information to the public as well as to government agencies, and Congress itself. And that becomes a debate as to whether the Library of Congress is a more suitable agency, whether HIS is, or whether GPO is, or what agency so that we can eliminate the duplication as we have allowed it to grow over the last several decades in the hard copy printing. We don't want that to develop in the long term in the soft copy information. And I think that is the burden of this committee: how to best make that transition and not replicate the duplication that we are now experiencing in hard copy.

Senator Bennett.

Senator BENNETT. I have enjoyed this and learned a great deal from it. If I were the decisionmaker in a corporation facing this question, I would be tempted to say, don't provide the record at 9:00 o'clock in the morning, without telling anybody you were not going to. Just don't do it, and then see how many phone calls you got.

Mr. PACKARD. Maybe it is like the ice bucket. Nobody would complain if they didn't show up the next morning.

Senator BENNETT. Don't do it and see how many phone calls you got and from whom and you would learn very quickly how many copies you needed to print. And you would learn very quickly where they needed to be delivered. I remember when I was an AA here years before, I read the record every morning; the first thing I did, along with the morning newspaper. Today, when I give a statement on the Floor, my staff looks at the videotape. They are far more interested in getting the videotape on the television than they are reading the record and getting my words in the newspaper, because more of my constituents watch the television than read the newspaper.

Now, as to the other question that you are raising, I just give you that piece of gratuitous advice. That is what I would do if I were my company. I would quietly tell you with nobody listening, next week all week don't deliver it until noon and see what happens. Let that night crew go off, print during the day, see what happens, see who calls, see who complains. You are going to learn an awful lot more than you are going to learn in all of these hearings put together.

Now, the other question I raise, I think we asked the wrong question. We ask the question, how many printers are capable right now of doing the record, and the answer is none, because they don't have the equipment, they would have to do this and so on and so forth.

Mr. BOYLE. To do it tomorrow——

Senator BENNETT. Yes, I accept that as a given. My question is, if you put this up for bids, there would be a transition period of six months, eight months, whatever it is, how many printers would bid on it?

Mr. SAWYER. Scores.

Senator BENNETT. And the next question is why don't we let them and take a look at the number.

Mr. BOYLE. Well, you could. You could run an exploratory.

Mr. PACKARD. You are 80 percent now.

Senator BENNETT. I understand. Why don't we just try it, and if the numbers come in and, by George, yeah, you have scores of bids, but they are all $1 billion higher than GPO, the market has just told you something that you really want to know. If they are all $1 billion lower than GPO—I mean that is too big a number. But if they are all 20 percent below GPO and you have a dozen people bidding, the market has just told you, Mr. Chairman, what it is you wanted—is that too simple?

Senator MACK. Probably.

Mr. BOYLE. Let me make a comment, if I may. Mr. Chairman, could I comment on that?

Mr. PACKARD. Of course.

Mr. BOYLE. An exploratory bid is—can be totally misleading, because everybody that knows that they weren't going to be held to what they bid, the figures that you would get, information you would get would be worthless, okay?

Mr. PACKARD. That may need to be a separate issue that the government may need to address. But the bid process is still a valid process.

Mr. BOYLE. But the real difficult problem of getting somebody to do the Congressional Record is what does he do with his people when you guys go and take a month vacation and he doesn't have any work? Okay? And he staffs for it, and he puts in equipment for it. What does he do when you don't give him any record on Friday and Monday?

Senator BENNETT. I presume that he is competent enough to run a printing operation big enough to allow him to bid, he is also competent enough to figure out the answer to that question.

Mr. BOYLE. Well, the answer to that question is simple. He has to have other work, the same as the GPO has to have other work.

Senator BENNETT. I understand that, and as I say, if I were running the printing operation and I looked at that and decided it was an insoluble problem, I wouldn't bid. I have been in the business of bidding.

Mr. BOYLE. True. That is why you won't get any bids.

Senator BENNETT. Well, if that is the case and you don't get any bids, that is information that we have got here and we can adjourn the hearing.

Mr. FAZIO. Senator, could you yield just for a second?

Can you imagine what the printers who would be spending most of January doing this year other work, all of a sudden we have 100 days to do two year's work and those printers are hanging out to dry. So I think, you know, the kind of vagaries of the legislative process have really driven the need to go through the Government Printing Office.

But I might say that the concern about having overhead, that Dan was talking about earlier in the private sector, I wish we had the same attitude in those Federal agency shops. They don't worry about Thursday. Thursday is just a down day.

I think the point we need to get together here is that there are people in the Federal Government who are not trying to be as efficient as GPO, or we know the private sector. If we could concentrate on that inefficiency that is escaping GPO, we would have I think accomplished a great deal for the taxpayers.

Mr. HOYER. Senator, if I might, Mr. Chairman, make an observation as somebody who doesn't know as much about GPO as I am going to know in the next few weeks.

Senator BENNETT. You know more about it than I do.

Mr. HOYER. Well, I may, but I know a little bit about contracting out, and Mr. Boyle, let me tell you what I think would happen. I don't know whether it is six, and I don't whether one would be below or two would be below GPO at the outset, but I am absolutely convinced that as soon as GPO went out of business and that contract expired three years, five years into it, that the bid would be substantially higher than you otherwise would have been able to do it for GPO, because we would then in effect have a sole source, because this sole source would have built—there aren't very many demands, particularly if you took defense and you consolidated it, there aren't that many demands obviously for this level of printing, and this kind of work flow.

So I think that, yes, the bidding process, Mr. Chairman, would work in the short-term; yes, you may get valid bids in the short-term. I think Mr. Boyle is right, some bidder would come in and low-ball the bid who had enough capitalization to carry it for a little bit of time until the volume got up; that obviously would be a very lucrative contract if run efficiently, as Mr. Sawyer points out, but thereafter my observation has been once you get out, that costs escalate faster on contracted-out work, not all the time, but in many instances, than it would have at a level continuing the work being done——

Mr. FAZIO. We have seen that at the Department of Energy with their contracts.

Senator BENNETT. I can understand that——

Senator MACK. If I could ask a question.

I mean if the theory is that you bid it and somebody for whatever reason decides that they want that job, five years from now that particular organization has figured it has got a lock on the market and drives up its price, why wouldn't we do the whole thing all over again?

Why would we say, well, we want five or six or 20 more people to bid, and why—wait a minute. Let me finish my point. Why wouldn't one of those five or six or 20 people have the same sense of motivation that the person who took it away in the first place? I mean that is the whole concept behind bidding things out over a period of time.

Mr. BOYLE. True. If I could make a comment there. The guy that has it already has got a lock on it because he has already got the equipment in and we can come in low again, and the other guys have to staff for it and have to put in equipment.

Senator BENNETT. If he comes in low again, that is what you want.

Mr. PACKARD. If the Chair can reclaim the time, we would like to complete this panel by—in another five minutes. We want the final 45 minutes for the final panel. Are you through?

Senator BENNETT. Just a quick comment. I have let contracts for a lot of printing, not GPO printing, and I find that you run into this argument that the guy says we are your sole source, we have all of this expertise and so on, and by the way, we have had a price increase and we are going to pass this on to you, and very quickly the phenomenon that Senator Mack talks about, because we are not talking about an energy contract where there is something so arcane that once it is created cannot be created by anybody else without huge expense.

You are talking about basically a commodity. And yes, there is fancy equipment that has to be purchased. Frankly, if you do it every five years, the equipment gets obsoleted in five years anyway. That is the way this world is. And just based on my business experience, I would have faith in the process that would say, you let the first contract over a long enough period of time so the person can amortize his equipment over the life of the contract, and then you let it again and let somebody else come after you, and if the first guy wants to say okay, I am going to print it on the old equipment and it is fully advertised and lowball everybody, that is what you want, because you are getting the impact of the market.

That has been my experience, those are my instincts.

Mr. PACKARD. Mr. Wicker, did you have some questions?

Mr. WICKER. No, sir. Thank you.

Mr. PACKARD. Let me just wrap this up with a couple of questions of my own, if I may then, and we will move on to the next panel.

Number one, I do agree with Senator Bennett and that is, I think we have to have confidence in the competitive process. It has worked in America better than anywhere else in the world; I think it works with government, I think it works in the private sector. We must have confidence that the competitive bid process is probably the best way to get value for the work, and I think the private sector would rise to that as they do day in and day out. We are already doing 80 percent of it that way, and the same argument would be—why would they put out 80 percent if in fact it would be better not to put it out to private bid.

I think my question of the panel would be, if we are putting out 80 percent, what is the rationale of keeping the 20 percent? Is there a distinction in some printing versus other printing that would make it more cost-effective to put it out to bid in the private sector versus 20 percent that is not—is there a difference between the 20 percent printing and the 80 percent printing that would be used as a reason to keep 20 percent in-house?

Let's start with you.

Mr. BOYLE. Yes, sir. There is a time factor. Congressional printing has a very tight schedule compared to other work. Very seldom you get an executive agency job that has brought in work at 5:00 o'clock in the afternoon and wanted it at 8:00 o'clock in the morning. That is the only, the only reason, the only reason I know of for the existence of the GPO is to provide timely printing to the Congress.

Mr. SPREHE. I agree with Mr. Boyle. There is timeliness, and I also agree with Senator Bennett, that it is what the academics call an empirical question. We can find out with facts as to whether or not we have to pay to have this done in a government-owned plant or whether we can get contractors to do it just as fast.

Mr. PACKARD. Do you have any further comment on that, Mr. Sawyer?

Mr. SAWYER. I think there may be one other reason why the work has been kept in-plant, and that is that until very recently, the majority of the people on the various committees that oversaw the operations of the Printing Office came from nearby states like Maryland and Virginia. I see a lot of people from Mississippi and Florida and California and States far removed from D.C. on this subcommittee, and I think there is a basic difference there.

Mr. PACKARD. Thank you.

There has been a suggestion that the Depository Library Program be merged with the National Technical Information Service at the Commerce Department. Last year, as part of the recommendation of reinventing the government proposal, we had legislation that would transfer the program to the Library of Congress.

What do you think about that?

Mr. SPREHE. I like giving it to the Library of Congress. It is a library function and I think the Library of Congress would do a good job at it.

I think that we do have the problem of documents both electronic and printed escaping the system and they are certainly doing it in great numbers now, and we would have to—I think if we give to the Library of Congress, you still have to probably pass a law saying that no agency shall publish any kind of a document without sending a copy to the depository library.

Mr. PACKARD. Thank you. There will be other questions that members of the committee, both the Senate and the House may wish to ask.

Would you be willing to respond in writing if we have other questions?

Mr. BOYLE. Yes.

Mr. SPREHE. Yes.

Mr. SAWYER. Certainly.

[Chairman Packard's questions and panelists' responses follow:]

GOVERNMENT PRINTING OFFICE

CONGRESSIONAL PRINTING AND BINDING

Question. We are rapidly going electronic in the Congress. We put much of the input we supply GPO into our own word processors. Why can't we just transfer that data to one of our own high volume, laser document machines (saya the Docutech machine, or similar)—instead of sending it to GPO?

MR. SAWYER'S RESPONSE

You can.

MR. SPREHE'S RESPONSE

In principle, there is no reason why word processor data could not be transferred to high volume, laser document machines. Management problems may arise in handling the very large congressional work load.

The real issue behind this question is whether the printing systems that serve Congress should be integrated with the office and data processing systems that also serve Congress. The splitting off of printing as a special function in a separate agency in an historical accident Congress has visited upon itself. Printing should be conceived as one important component in congressional information systems and managed in an integrated manner as a function of congressional information technology systems. To do otherwise is to ignore the lessons and benefits of contemporary information technology.

MR. BOYLE'S RESPONSE

I have a particular interest in this as I was instrumental in overseeing the establishment within the GPO of the first high-speed computer typesetting organization in the country in the late 1960's. I worked closely with the Official Reporters of Debates, the Official Transcribers, in both the House and the Senate, and with a number of the Committees in both Houses trying to get the data collected at the source and input to the computer to save the cost and time of rekeying.

In the 25 years which have elapsed, there has been some progress made. The majority of the data supplied to GPO for the Congressional Record is almost like it was 50 years ago. This is not the fault of the Official Reporters. The fault lies with the ability to correct, by hand, the day's verbatim transcript, and worse, the insertion of all kinds of extraneous material, very little in electronic form. That which is submitted must usually be rekeyed and proofread at the GPO to put it in an acceptable form for publication.

The data contained in the Congressional Record is assembled from multiple sources in both Houses of Congress. How would Congress replicate this service by providing for direct electronic input from Member's offices to laser document machines on Capitol Hill? There is a need for an intermediary to assemble this database.

The same is true of congressional bills, which circulate from Member offices back to the House and Senate Legal Counsel offices, often with input from multiple sources. Hearings are the product of reporters and committee staffs, who assemble the materials into final form for dissemination, either electronically or via printing. Committee documents, prints, and reports are prepared in similar fashion.

In all of these cases, there is a need for an intermediary who is expert in publications to create databases that will be meaningful to their users. While on-demand printing holds great potential for a number of uses, especially for short-run documents, there is still need for publications experts to bring order out of the chaos of the congressional information process. The alternative would be to install these experts throughout Capitol Hill, at tremendous expense to Congress. You already have them at GPO.

At the same time, there are great potentials for reducing Congress's information costs through the increased use of electronics. the increasing use of direct electronic transmission from the Hill to GPO will help reduce costs, especially if systems can be devised to minimize the need for GPO intervention in electronic submissions prior to printing. GPO can also expand direct electronic transmission back to Congress to facilitate the expansion of on-site print-on-demand services. There are a tremendous range of possibilities to be explored by both GPO and Congress for improving congressional information products and services.

Question. Clearly, the Congress has an enormous printing workload. We have been told that a more rational program would be to have a "Congressional Printing

Agency"—and to let the Executive Branch handle their own printing needs. What is your opinion?

MR. SAWYER'S RESPONSE

Downsizing GPO to a "Congressional Printing Agency", and letting the Executive Branch handle their own printing needs, is a very logical solution to the problem.

MR. SPREHE'S RESPONSE

I strongly urge the Committee to move in the direction of letting the executive branch handle its own printing needs. Congress has no need to manage the printing activities of the executive branch. Many think that current arrangements under Title 44 constitute a violation of the separation of powers doctrine inasmuch as Congress asserts control over a routine executive management function of executive agencies. Congress does not need this headache and executive agencies deserve to handle their own printing management.

I recommend that Congress create an Office of Congressional Printing Management that would manage congressional printing requirements and purchase printing in the open marketplace. I see no need for Congress to own its printing manufacturing plants. However, this is a practical judgment worthy of study; are the cost and convenience factors of owning printing manufacturing plants preferable to contracting it all out? If the Congress believes it must have its own congressional printing agency, a principal consideration should be not simply whether it is cheaper for the congress but rather how such an arrangement affects the provision of Congressional information to the American public.

MR. BOYLE'S RESPONSE

If a Congressional printing Agency were established to handle only congressional printing, its equipment and staffing would not necessarily be a great deal different from what you find in GPO today, but its costs to Congress would most likely be substantially higher.

GPO's printing plant is equipped and staffed primarily to produce congressional printing at peak demand levels. When congressional workload is not at that level, additional work is brought in-house to keep the equipment operating efficiently. The effect of producing this work on equipment that otherwise would stand idle is to reduce the costs that Congress would otherwise have to pay.

If the Congressional Printing Agency plant were to be scaled back significantly to avoid idle equipment and staff costs, Congress would then risk not having the peak production capacity available when it's needed. The result would be a degradation of service to Congress or the need to create an additional administrative level to contract out overflow work.

The costs of printing for other Government work would be likely to increase as well with a Congressional Printing Plant. For example, the Federal Register is printed on the same presses as the Congressional Record. If the Register couldn't use those presses, the Government would be compelled to invest in additional press capacity.

Question. Title 44 requires *all* Federal agencies to go through GPO when they want to contract out their printing jobs—as long as they are over $1,000. Last year, we amended the definition of "printing" under that part of the Code to include "duplicating". Arguably, that encompasses high volume copying jobs—desk top publishing jobs—and information processing that uses similar technology.What is your opinion of that amendment? How will that affect downsizing generally in Federal information management?

MR. SPREHE'S RESPONSE

I think the amendment is a mistake; it extends congressional micromanagement even farther into the business of executive branch agencies. Congress should permit agencies to handle their own copying, including desk top publishing jobs. I do not see any necessary relation between duplicating—including desk top publishing—and downsizing in federal information management.

On the other hand, I believe the imposition of GPO into the management of executive agencies' information dissemination programs has resulted in a net loss in efficiently providing government information to the American public. This is what should be Congress' primary concern.

MR. BOYLE'S RESPONSE

As I understand it, the intent of that amendment was to ensure that the Government does not make unnecessary investments in in-house duplicating technologies when the GPO can easily provide agencies with duplicating contracts that procure work quickly and inexpensively. The amendment also helps to ensure that publications produced by duplicating technologies are made available for the depository library program because they are brought into GPO's procurement process.

On this basis, I would argue that the amendment will help in the Government's downsizing effort. It takes advantage of duplicating capacity that is available in the private sector instead of requiring agencies to use public dollars to install their own duplicating capabilities.

You may not recall that when offset duplicating was introduced many years ago, a number of objections were raised by Federal agencies that this was not really "printing," in the traditional sense of the word, and that on this basis they should be permitted to invest as much as they wanted in establishing their own duplicating capabilities. As it ultimately worked out, of course, offset duplicating was indeed considered as printing, and was brought under Title 44 controls to ensure economy and cost effectiveness and provide access to publications by the depository library program.

The point is that duplicating technologies today result in an ink-on-paper product, which is the output of printing. To consider them different from printing simply because they utilize a different process to put the ink (or toner) on the paper is to obscure the basic focus of Title 44: to provide a cost-effective way to meet the Government's printing and distribution needs.

Question. Under Title 44, GPO has a virtual monopoly on Federal printing. All executive agencies, regardless of the technology they use, or want to use, must go through GPO. All agencies must send all work to GPO—there are some exceptions for national security and others where the Joint Committee on Printing has granted waivers. That brings an economy of scale to Federal printing—but it also may fly in the face of the strides being made in the technology. Many agencies now compose their publications on their own PC's, and send those directly to their own laser printers for printing multiple copies. That seems like a good use of the technology and helps time management at the agencies. Many of these agencies resent the requirements of Title 44 to send their "printing" work to GPO. What is the most cost effective model for the long run in Federal printing and information technology?

MR. SAWYER'S RESPONSE

Title 44 needs to be amended to allow the Executive Branch Agencies to handle their own informational needs, in communicating with large numbers of people, will have a small "inplant" operation that handles their quick turn around needs, but contract out all other work. Downsize GPO to a "Congressional Printing Agency", and either continue to run that as part of Legislative Branch, or subcontract the entire function to a Private Sector Contractor. Let the Executive Agencies go their own way, but with definite guide rules in place and Congressional control through the Appropriations process.

MR. SPREHE'S RESPONSE

I strongly believe that, for the long run, the most cost effective model is to treat federal printing just like the manufacture or procurement of any other goods and services the government routinely requires. That is, federal agencies should normally purchase printing in the private marketplace unless substantial justification in terms of cost, convenience or intrinsic governmental function (e.g., relation to national security) dictates in-house production. Manufacture and procurement of printing should become a routine part of federal agency management not something that gets singled out for special treatment.

Printing is a practical art that requires substantial technical skill but, as the saying goes, "it ain't rocket science." No sound reason exists for GPO's monopoly on printing procurement. If the General Services Administration can delegate authority for purchasing highly complex, multi-million dollar information systems to executive branch agencies, it can delegate authority for procuring printing.

MR. BOYLE'S RESPONSE

GPO as a monopoly may exist in the law, but that's not the case in practice. As I understand it, only about half of all Government printing goes through GPO. The rest is probably performed in agency printing and duplicating facilities that exist throughout the Government. As a result, the taxpayers pay a great deal more for Government printing than they really need to, and GPO's distribution programs—which were designed to provide convenient, economical public access to Government information—in reality aren't able to fulfill that mission all the way because so much printing bypasses GPO.

The objective of GPO, again, was to put some cost controls on Government printing. Agencies have always resented GPO's role, but over the years Congress has wisely resisted their efforts to expand their own printing empires in the interest of preserving economy. Look at the way Congress prints its information—black ink on newsprint or white uncoated stock, very plain, very simple, very straightforward. Look then at the vast range of agency publications, at the multiplicity of 4-color process work on coated stocks. Without a central authority to ensure economy, the Government would see an explosion of this kind of work, at great expense but no real added benefit to the taxpayers. To produce it, every agency would invest in an enormous amount of duplicative and wasteful technology again with no real benefit.

The most cost-effective model over the long run for Federal printing is to continue with the model we have in GPO, but use technology to improve how that model works. For example, there are vast potentials for increasing electronic submissions to GPO that will ensure expanded agency control over publication preparation, but which can also greatly reduce the cost of printing while preserving the integrity of GPO's distribution programs. Rather than disassemble the GPO system from the outset, Congress needs to take a close look at this system and get expert advice from GPO and the agencies on how technology can be used to improve the system.

Depository Library Program

Question. The Depository Library Program (DLP) at GPO distributes Federal documents to the 1,400 Federal dispositories all over the country. Does this program belong at GPO? If not, where?

MR. SAWYER'S RESPONSE

The Depository Library Program, as administered by GPO, is strictly a distribution program. The Government Printing Office publishes nothing. It probably makes some sense for the distribution function to be wedded to the printing operation. So, the answer to the question really depends upon the fate of the Government Printing Office. If that organization is drastically downsized with almost all, or all printing, being contracted in the private sector, it really doesn't matter where the distribution program goes. It could continue to be administered by a dramatically downsized GPO, or it could be administered by the Library of Congress, or GSA. Finally, the distribution function could be privatized with a long term contract being given on a competitive bid basis.

MR. SPREHE'S RESPONSE

Historically, Congress placed the DLP at GPO because GPO was considered the best place for capturing federal documents inasmuch as all such documents presumably passed through GPO for printing. Today, when many federal documents are issued not only in print but also on magnetic disk, CD–ROM (compact disk—read-only memory), and through on-line information services, Executive Branch agencies frequently do not use GPO for manufacturing their information products. GPO no longer functions effectively as a central capture point, particularly with respect to the newer electronic and optical media. And with the advent of desk top publishing technology, even many printed documents never reach GPO. It has been known for some years that the DLP system has major "leakage" problems for the reasons given above; a significant percentage of federal information products never reach the depositories.

Clearly, if the DLP is to continue—and I strongly support its continuance as a fundamental guarantor that citizens can remain well informed concerning their government—something must change. In recent years the Office of Management and Budget has buttressed Chapter 19 of Title 44 (the DLP section of the law) by requiring, as part of OMB Circular No. A–130, *Management of Federal Information Resources,* that executive branch agencies supply the DLP with copies of their information products.

In my judgment, even this is not enough. The DLP requires a fundamental restructuring to come anywhere close to comporting with today's electronic realities and to achieve adequate coverage of the vast area of federal documents now produced by federal agencies.

I urge that the administration of the DLP be moved to the Library of Congress (LOC) for the reason that the DLP is a library function and belongs properly in a library agency rather than a printing agency. At the same time as Congress shifts responsibility for the DLP to LOC. I urge that the Congress enunciate a mandate to LOC that the DLP be restructured as a national electronic network and that Congress authorize and appropriate sufficient funds for LOC to accomplish this job. Congress should also make statutory the current executive branch provisions for the Government Information Locator Service (GILS) and make GILS into the new capture system for federal documents that belong in the depositories.

MR. BOYLE'S RESPONSE

The depository library program is a distribution program, not a library program. It exists to distribute publications printed or procured by the Government to depository libraries.

The program was placed in GPO to ensure economy. A very low administrative cost is incurred by Superintendent of Documents personnel who review printing requisitions for inclusion in the depository program. Publications selected for distribution to depositories are printed at the rider rate—the additional marginal cost of printing and binding extra copies once the publishing agency has paid the costs of prepress and makeready. The rider rate is extraordinarily inexpensive.

If the depository program were not placed in GPO, it would incur additional administrative costs to ensure that the publications being printed in-house and under contract by GPO and in the field by GPO and executive agencies are reviewed for inclusion in the program. Currently, the program suffers a denigration of service due to agencies which print publications elsewhere than GPO or in-house and then fail to notify the depository library program, in spite of a legal requirement to do so. These publications become "fugitive" from the program, and create gaps in the information access made available to the public via depository libraries.

If the program is unable to make publication selections prior to printing, it will not be able to take advantage of the rider rate, which will result in prohibitive printing costs.

Again, the depository library program is essentially a distribution program that benefits by its close association with the source of the publications it distributes. The present system is efficient and I believe it provides the service required at a cost which could not be duplicated within the Government or the private sector. To place it elsewhere would be likely to damage the comprehensiveness of the program and increase its costs.

Furthermore, moving the DLP anywhere would not lower the congressional appropriation. The cost is in the cost of the publications printed as an extra quantity at the time of the original printing and charged for at the rider rate and it would remain no matter where the program was.

Question. We have heard suggestions that the DLP should be merged with the National Technical Information Service (NTIS) at the Commerce Department. Last year, partly as a consequence of recommendations in the Reinventing Government proposals, we had legislation in the House (H.R. 3400) that transferred the program to the Library of Congress. What do you think of these ideas?

MR. SAWYER'S RESPONSE

Covered by my answer to the first question on The Depository Library Program.

MR. SPREHE'S RESPONSE

I do not favor lodging DLP with NTIS. NTIS historically has not been supportive of DLP. For, example, NTS never bothered to check to see whether federal documents sent to NTIS had also been sent to the DLP. This would have been a simple and relatively cheap way of helping the DLP, but NTIS did not do it. Although NTIS is now under newly dynamic leadership, the track record of NTIS in servicing the public is not a sparkling one. Moreover, NTIS operates under a self-supporting regimen that causes NTIS to charge relatively high prices for federal information products. The DLP is not a self-supporting operation, and it is unclear how DLP could fit into the self-supporting environment of NTIS. Finally, NTIS' charter is scientific and technical information, not the full universe of federal documents, and the DLP is much broader in scope than NTIS.

I favor lodging the DLP in the Library of Congress for the reason given in response to Question No. 1 above.

MR. BOYLE'S RESPONSE

It would make more sense to merge NTIS into the Superintendent of Documents Sales Program. The mission of the depository library program is to provide public access to Government information of all kinds. NTIS' mission is to make the products of Federal research available to businesses and individuals, a much more limited function that should properly fall under the general objectives of the Superintendent of Documents Sales Program.

NTIS has no experience in depository distribution. Agency information holdings turned over to NTIS are frequently not placed in the depository program unless the printing happened to go through GPO. There are vast gaps in depository collections caused by the absence of NTIS documents. Placing the depository library program in an agency with no history of cooperation experience with depository libraries would not be a good idea.

NTIS does not rely on a network of localized information providers (such as depository libraries) to make information available to the public, but instead serves as a centralized resource to make limited distribution documents available to interested parties at a reasonable cost. With the current interest in devolving Government back to a smaller, localized scale, it makes more sense to pursue the depository library program's model of providing public access to Government information and make NTIS self-supporting.

The mistake last year in the proposal to transfer the depository library program to the Library of Congress was in the failure to see the program for what it is—a distribution program, not a library program. The Library of Congress has little experience with this type of operation. Also, the proposal to transfer the depository library program to the Library of Congress would have separated the program from its source of publications, raising the potential for increased administrative and printing costs.

Question. Privatization of the DLP has also been mentioned. But the primary principal underlying DLP is that Federal documents should be distributed "free" to the public—through the 1,400 libraries who are designated Federal depositories. Is there a role for privatization in this program?

MR. SAWYER'S RESPONSE

Covered by my answer to number one.

MR. SPREHE'S RESPONSE

Whoever operates the DLP could certainly contract out some of the activities such as producing microfiche and the fulfillment activities of getting the right documents to the right depositories. GPO does some contracting out now. However, that is not the same as privatization. I oppose privatization of the DLP because DLP fulfills a function that is essentially governmental in nature, namely, informing the public concerning all the activities of government. If DLP were privatized, there would be no way of assuring that a private firm would find universal document coverage profitable.

Moreover, privatization might possibly reduce the costs of the DLP program but cost alone should not be the primary congressional concern. The overarching concern for Congress should be to create the system that best disseminates government information to the American public.

MR. BOYLE'S RESPONSE

I think most people recognize there is a cost involved in distributing publications to depository libraries. The objective has always been to minimize that cost to the greatest extent practicable without jeopardizing the overall intent of the program, which is to serve as an informing function for the public through libraries distributed nationwide. The placement of the depository library program in GPO accomplishes both these objectives.

It is difficult to see how "privatizing" the depository library program could accomplish these objectives any better, or any more inexpensively, than it currently does. GPO reported last year, for example, that it costs an average of $1.00 to print, bind, catalog, and distribute each publication included in the program. This low cost, of course, is caused primarily by the volume of microfiche that flows through the program, all of which is currently produced by private contractors. I am not sure that another private contractor could improve much further on reducing this expensive.

The depository library program requires that the participating libraries provide the public with access to Government publications in their collections without charge. I providing this service, the libraries themselves bear a considerable cost burden for staffing, collection maintenance, utilities, and other institutional costs. Thus, in this respect also the depository library program is already substantially privatized, to the extent it is actually operated by the nongovernmental libraries. The Government's contribution only goes to the cost of printing and distributing the publications. The libraries share of the cost of the program is no doubt substantially greater.

Finally, one needs to remember that "privatization" of the depository library program—if it means divorcing the program from its source of publications—will increase the costs of the program paid by the taxpayers.

Question. We have been thinking of conditioning the appropriations level on providing electronic documents only—or at least putting that on a definite trend line. Do you have any suggestions on our shifting more funds into electronic documents, and reducing funds for paper products?

MR. SAWYER'S RESPONSE

I have no comment other than to underline the fact that there is a definite trend nationally to the electronic storage and transmission of information, with less reliance on printed products. That surely is going to be reflected in the utilization of information on a Governmental level.

MR. SPREHE'S RESPONSE

I strongly support "putting on a definite trend line" the provision of electronic documents; that is, creating a structure that gives a strong incentive for DLP to move toward electronic document transmission. Left to itself, GPO will not move in this direction, in my opinion, because GPO is mired in traditional print technology. In setting up such a structure, Congress would have to ensure that documents will be supplied to DLP in electronic form so as to avoid the cost of recapturing print into electronic form.

Another important issue will be whether the depositories are equipped for a major transition to electronic document transmission, storage, and display. My impression is that depositories are not fully equipped for this. The question then becomes whether the Congress will force depositories to rely on their own resources to become so equipped or whether Congress is prepared to allocate substantial monies for hardware and software in the 1,400 depositories. Again, the primary concern for Congress should be a course of action that maximizes the efficient and effective dissemination of government information to the public.

MR. BOYLE'S RESPONSE

To the extent that electronics provide a more cost effective means for disseminating Government information, and provided the libraries can provide public accessibility to electronic formats, increased funding for electronics should of course be pursued.

However, Congress needs to remember that the depository library program is predicated on serving local information needs. About 1,350 of the 1,400 depositories select publications for their collections based on the information needs of their patrons. It doesn't make much sense to force electronic products and services on libraries that cannot use them or do not want them for their patrons. I would recommend that Congress listen closely to the needs and views of the library community on this issue.

Not every Government publication can be satisfactorily or economically converted to electronic form. The Congressional Record, Hearings, Bills, Reports, the Code of Federal Regulations, U.S. Code, decisions of the regulatory agencies and the courts, and many similar reference type works are ideal subjects and some have already been converted to the screen in addition to paper. Many printed products, especially those of high quality containing halftone illustrations and color can be converted but at a much higher cost than paper. I firmly believe, in spite of those who have been predicting a paperless society for 30 years, that there will always be a need for printed copies and, ideally, both printed and electronic versions.

Mr. PACKARD. With that, we will excuse the panel and thank you very, very much for being here today. It has been very interesting.

Mr. SPREHE. Thank you, Mr. Chairman.

Mr. BOYLE. Thank you.

Mr. SAWYER. Thank you, Mr. Chairman and members.

[CLERK'S NOTE.—Thomas F. McCormick, 16th Public Printer, was unable to attend the hearing. Chairman Packard asked that his prepared statement be put in the Record. The information follows:]

Statement of
Thomas F. McCormick
16th Public Printer of the United States

Submitted for the Joint House and Senate
Hearings on Downsizing Legislative Agencies
February 2, 1995

Mr. Chairman, Committee Members: I am Thomas F. McCormick, 16th Public Printer of the United States. My tenure extended from March 1973 to November 1977. I was appointed by President Nixon and served during the administrations of Presidents Ford and Carter. I have attached a detailed resume; however, I would like to highlight some areas of my experience in order to validate my qualifications to comment beyond just having been Public Printer.

I spent over three years on active duty as a regular commissioned officer in the Untied States Navy during the Korean War. Following that, I went to work for General Electric Company and became President and General Manager of one of its subsidiaries, a 420 employee printing firm, and later was Manager of Strategic Business Planning for G.E.'s Power Generation Business Group which then had about $2.0 Billion in sales. The C.E.O. of that group to whom I reported was Thomas Paine who had been head of NASA when we put the man on the moon. Then came my tour at G.P.O. Following G.P.O. I was President and C.E.O. of a major magazine printer from December 1977 to January 1986 when I accepted a similar position with a major educational book printer serving many of the country's larger publishers. Since 1991 I have worked primarily as a management consultant specializing in Total Quality Management. In 1993 I completed a 120 classroom hour, certification program, for selectees only, in TQM which was sponsored and funded by New York State. Some, but not all, of my clients are or have been printing firms.

I have received numerous Printing Industry awards and served as Director and/or Officer in most of the major industry organizations, including the Printing Industries of America. One honor of which I am particularly proud is an Honorary Doctor of Engineering Degree from Lehigh University which I received in 1976.

I was very pleased and flattered to be asked to comment on the possible downsizing of G.P.O. I believe that the apparent present goal of the Congress to study all federal entities with regard to possible elimination in whole or in part, and to make the necessary remainder the most efficient and effective possible is commendable and long overdue. Once that is accomplished, there should then be major emphasis on Continuous Process Improvement (C.P.I.) with specific progress measurements.

I am very proud of my service at G.P.O. and hold the agency and its employees in very high regard. As an aside, I appointed Mr. Jack Boyle, then a career employee of G.P.O., as Deputy Public Printer, and he became the 17th Public Printer following my resignation. Mr. Mike DiMario, the present Public Printer, was hired as Labor Relations Counsel during my term. I personally interviewed him and endorsed his selection from a large number of very qualified candidates. Both of them have served admirably and I am proud of their performance and my part in providing them the opportunity to excel. I will point out that during my tenure, the percentage of procured printing to total by G.P.O. increased from 56.5% to 63.4% and total G.P.O. employment decreased over 600, about 7%. Through Fiscal Year 1994 the percentage of procured printing has increased to 74.5% and employment has decreased by an additional 3,589 or 45%. All the indicators I have show that service levels are as good, if not better, than before. I doubt if there is any agency performing essentially the same function over that span of years with anything like this productivity record. However, G.P.O. by its mainly manufacturing nature lends itself to program necessity and cost efficiency examination.

I assure you that the opinions contained herein are mine alone. I also remind you that I have been away from G.P.O. for over sixteen years.

In preparing these thoughts I am reminded of the "Zero Based Budgeting" and "Management by Objectives" concepts of the Carter years which I, as Public Printer, had already initiated and had working internally at G.P.O. However, when we tried to get the hard decisions about things we were doing that we knew were not necessary or could be modified to greatly improve the Office's efficiency; we were constantly faced with what I felt was the abdication by Congress to make those necessary decisions. Without them G.P.O's efficiency was impaired by forces outside the Office. I just hope current "downsizing", "reinventing", "lean and mean" and other efforts don't go the way of President Carter's M.B.O. and Zero Based Budgeting as also did the Grace Commission Report and most GAO and other good studies.

The G.P.O. was, and I assume still is, inefficient in some respects and is probably doing many things that are not necessary. I am certain that most of the inefficiencies, particularly with respect to "in house" production, result from requirements of its principal customer, The Congress. Of course, there are the numerous additional problems which result from the decisions or requirement to follow governmental hiring, wage setting, and other personnel regulations.

G.P.O.'s three major functions are: printing procurement, the Superintendent of Documents Operation and in house production. The procurement function, which attempts to control the purchasing of printing for the entire federal government, must be done on a centralized basis. It is and always has been done very professionally and extremely well within G.P.O. In my judgment this system saves the taxpayer millions of dollars compared with allowing all federal entities to purchase their own printing. If the latter were the system, the number of employees engaged in printing procurement would increase substantially. The technical qualifications of the individuals purchasing would decline greatly. I also believe the number of Executive Branch printing plants would increase as a result, thus driving Federal printing costs even higher. Most importantly, however, the creativity of the nation's approximately 40,000 private printers in dealing with so many possibly naive printing procurement officers would get the price levels up so much that it would be embarrassing.

Next we have the Superintendent of Documents Operation, the major facets of which as I recall are the Document Library Program, the Government Bookstores, and the "mail order" operation. The latter two are profit and loss operations. If they are making money and no major book or document sellers are willing to take over and provide a share of their profits which are substantially greater than the present return, let them alone except to make the operations most efficient, i.e. C.P.I. If the bookstores and mail order operations were not at least breaking even, then look first to the pricing. Get the prices up immediately. If they have not already done so, a two or more tier price system should be considered. By that, I mean one which recognizes the need for the individuals to be able toobtain government data on a subsidized or incremental cost basis but charges (major?) profit making entities a higher amount.

As an example of the kind of frustration the Public Printer faces: even though back in the 1970's he by law determined the "cost" to be charged for government documents, I was criticized on the floor of the House by the then Chairman of the Joint Committee on Printing for considering appropriated funds as cost. Fortunately, I was able to win that one.

I am somewhat uncertain about the Document Library Program. In the past I have felt that many of the libraries so designated were looking for the prestige it brought and/or a government handout. Many seemed unwilling to accept a share of the responsibility. I am certain there must be current measures of the benefit of this program such as usage and the observations of the library community. If Congress decides that the availability of the data in some 1400 libraries is necessary, then the question of who and how it should be done must be addressed. It seems to me that a central repository with computer access from the libraries is feasible for future data; with existing volumes subject to controlled disposition or conversion to microfilm or central computer files. I certainly hope that G.P.O. is looking at this now and considering the "farm-out" alternative.

With that suggestion, I would like to present McCormick's 2, 3, 1, 4 law of computerized systems. There are a number of such laws; unfortunately all developed as a result of at least one, and usually more, bad experience. Law number 2, 3, 1, 4 states that in considering whether or not to go ahead with a computerization project proposed by the computer (information) system experts; do so only if you can live with project costs 2 times than estimated; time to complete 3 times the estimate and benefits about 1/4 those the experts promise. I have found that this law has saved my managerial hide a number of times.

Finally, let me discuss G.P.O.'s in house printing production. I am certain that the plant is facilitized with equipment to handle the near peaks of Congressional requirements. I can remember the wrath of Speakers, Leaders and Chairmen when hearing reports, bills, the Register, or just about anything else was or could be late. Many times I was told by some of the most powerful men in the country, or their staff members reportedly speaking for them, "We don't care what it costs, just get it done." I suspect that hasn't changed much. I sure hope it will.

When congressional printing is low, the Public Printer must draw in work which would otherwise be purchased to occupy the G.P.O.'s equipment and employees. This is prudent under the circumstances since otherwise the taxpayer pays for idle time as well as the outside cost of printing. It frequently costs more for the valley-filler work than if it were done outside. Under these cirecumstances, as Congress hopefully lessens its demands on G.P.O. there will be more valleys and a spiral could result.

In my judgment, the Congress must adopt a plan which defines what it needs in terms of the printed word, what it can do with computer technology and the computer's printing capability. It is almost unreasonable to demand about 17,000 copies of a Congressional Record of 360 pages one day and 64 the next and no copies during recess. The Federal Register was more stable as I recall. Nevertheless, I always considered the overnight production of these two pubs nearly miraculous. Not until congressional requirements can be more realistically specified and these specifications adhered to, is it time to focus on G.P.O. Additionally, the specifications of the quantity, format and delivery time for bills, hearings and all other material must be agreed upon by the House and Senate and the members must have the prudence and discipline to live within these parameters. Such a definition of requirements could be the result of a modest, competitively bid study to be overseen by Congress and performed by an independent, objective firm such as one of the major public accounting firms with strong consulting and computer systems capability. Once Congress has established what its needs are now and for the foreseeable future, then the G.P.O. capability should be studied to determine if the printing could be purchased at all or, because of special needs, must be printed in house.

Again in the evaluation of this study, I suggest that McCormick's 2, 3, 1, 4 law be considered.

I strongly feel that to decide arbitrarily to privatize G.P.O.'s in house production without a cautious study will result in making a few larger printers or consortiums either bankrupt or extremely prosperous, both to the detriment of the taxpayer.

I further feel that any request for proposal for the outside production of congressional printing should consider G.P.O.'s equipment and employees. It should also limit annual cost increases by providers to the out-of-pocket cost of documentable specification changes and the lesser of 1/2 to 3/4 of the increase in the CPI or the same fraction of the supplier's factory wage increase plus an agreed upon profit factor.

I commend you for taking a good look at all of these costs. I know there are savings possible. I also know there are many extremely talented employees at the G.P.O. who will carry out with great efficiency any proposal which you put forth that demonstrably saves taxpayer dollars.

Thank you for asking for my opinions and thank you for considering them.

J. F. McCormick

THURSDAY, FEBRUARY 2, 1995.

WITNESSES

RICHARD HAASE, FORMER FEDERAL BUILDING COMMISSIONER
L.W. FREEMAN, DIRECTOR OF REAL ESTATE AND FACILITIES, DEPARTMENT OF DEFENSE, NATIONAL CAPITAL REGION

Mr. PACKARD. Ladies and gentlemen, we have lucked out on votes so far. Let's move to the next and final panel. We have Richard Haase, who is a former Federal Building Commissioner, please take the witness stand; and also, Mr. Freeman, Director of Real Estate and Facilities, Department of Defense, National Capital Region.

Ladies and gentlemen, if we could please have order again. We are very pleased to welcome to the committee Mr. Haase and Mr. Freeman as our final witnesses. There are other items that we will probably be discussing with this panel; the Architect of the Capitol will certainly be an item, the whole buildings area where we have experience with these witnesses, and then perhaps Botanical Gardens and some other areas that we have not discussed with previous panels. So we are looking forward to the testimony.

You perhaps heard my comments to the other witnesses earlier and that is that we would like you to not read your testimony. We will read that or have read it, and so we would like you to summarize or add to it, and we would like you to hold it to five minutes or so. And then we will open up the questions. We will hear from each of you together and then we will have the questions. So let's hear from Mr. Haase, please.

Mr. HAASE. Thank you, Mr. Chairman, members of the committee. It is my understanding that the function of this particular— or the theme of this particular meeting is to examine the functions now being performed by the Architect of the Capitol and examine ways that they may be effectively privatized in a more efficient manner, creating some economies and operational control.

Having said that, I have spent 30 years in all phases of the real estate business in my career, and two of those, 1982 and 1983, I spent as Commissioner of the Public Building Service for GSA and came away with a sound understanding that you don't do things in the private sector the way you do things in government. There are other conditions that you have to recognize in government, the Architect of the Capitol's function, for instance, that are entwined with public policy regulations that the private sector does not have to deal with.

But having examined the categories that are now being performed by the Architect of the Capitol, which are essentially an asset management company, it is of no question in my mind that serious economies can be achieved by—through privatization. These economies will not be achieved overnight. It is a long process. And I encourage the committee to really step outside of the circle of the Architect of the Capitol to examine each and every one of these particular categories.

[The information follows:]

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STATEMENT OF RICHARD O. HAASE, CRE, MAI

Mr. Chairman and Members of the House Appropriations Committee:

It is an honor and privilege to speak to you today regarding efforts to improve the efficiency of the Architect of the Capitols property management's efforts. My 25 tears of experience in all facets of the real estate market along with a two years as Commissioner of the Public Buildings Service for the General Service Administration has afforded me the unique posture of seeing how property management is handled both in the private sector and the Government and make obvious comparisons as to the efficiency of each. This appearance today is not to criticize the efforts of the Architects office in the area of property management, but to offer constructive suggestions as to how certain jobs may be more efficiently handled. With this as the center piece, allow me to make suggestions how property management efforts could be maximized

1. Evaluate all services now being offered by in-house staff for transformation to privatization. (Services such as painting, carpentry, plumbing and cleaning.)

2. Consider the use of term contracts for all of the above.

3. Reorganize existing personnel to act as quality control and contracting staff.

4. Draw up policy to implement the above.

The major critique I have of Government run organizations, and I include GSA in this, is that they tend to operate with what is available and refuse to step out of the envelope to see if projects could be run more efficiently by downsizing and privatizing. Privatizing does not necessarily mean mass layoffs but systematic reduction through attrition. Technology over the past ten years has allowed us to create incredible efficiencies in the areas of property management; unfortunately, the Government has been dreadfully slow to accept the fact that certain jobs can be handled more efficiently from the outside.

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Mr. PACKARD. Thank you very much, Mr. Haase. We will get more into that in the question and answers. We will proceed now with Mr. Freeman.

Mr. FREEMAN. I thought I might just kind of give you a little outline here about what we do with in-house personnel and how we contract out at the Pentagon reservation. It seems to be working very well.

Just as an overview, you know, we provide the office space and full range of building services for all DOD components and military departments and the 140 government-owned buildings and lease facilities, occupying about 14 million square feet of space throughout the National Capital Region.

We provide the property operations, which includes cleaning, preventive maintenance, alterations, operation and repair of building mechanical and electrical systems, administrative support, perimeter protection and law enforcement services within the reservation. This activity includes operating expenses for purchased utilities, operation of Pentagon heating and refrigeration in a classified center, in which we also burn the classified matter from the Senate and the House and the White House and other military departments in the capital region.

Folks, my comments primarily on the real property management program within the Pentagon reservation, the reservation encompasses about 280 acres. That is about the size I think of the Capitol and the grounds that you have at the Capitol here. With three major facilities, the Pentagon building, the Navy annex and the Pentagon heating and refrigeration plant, this comprises about 5 million square feet of occupiable space housing over 30 thousand personnel.

It is a Pentagon operating 24-hours-a-day, seven-days-a-week; over 41 percent of programmed fiscal year 1995 expenditures for custodial, mechanical maintenance repair and security services at the Pentagon reservation will be provided directly by private contractors. The percentage of contracting out services will in all likelihood increase over the next several years as we proceed with an intensive, comparative review of the cost and benefits of contracting large segments of our real property management workload. A wide range of property management services at the Pentagon reservation are contracted out, including landscaping and moving equipment, industrial hygiene, elevators, snow removal, pest control, custodial services, architectural services, asbestos and lead abatement monitoring, graphic services, boiler and chiller rentals, snow removals and so on.

We think contracting out for us is working very, very well. The main thing you have to have is a good contracting officer, a contracting officer representative, and a good core of technical personnel, planners, estimators, inspectors, and supervisors. You know, as an example, now in the Pentagon reservation we have the contract with the National Industry for Severely Handicapped, and they are cleaning about 20 percent of the reservation, and they are doing such an outstanding job that over the next year we plan on expanding that contract with them.

I am ready to answer any questions.

[The information follows:]

STATEMENT OF L.W. FREEMAN

DIRECTOR, REAL ESTATE AND FACILITIES

WASHINGTON HEADQUARTERS SERVICE

OFFICE OF THE SECRETARY OF DEFENSE

BEFORE THE

JOINT HOUSE - SENATE

LEGISLATIVE SUBCOMMITTEE

FEBRUARY 2, 1995

MR. CHAIRMAN, MEMBERS OF THE SUBCOMMITTEE, I AM PLEASED TO APPEAR BEFORE YOU TODAY TO DISCUSS HOW WE OPERATE AND MAINTAIN OUR PROPERTY IN THE NATIONAL CAPITAL REGION BY THE USE OF GOVERNMENT EMPLOYEES AND CONTRACT SERVICES.

OVERVIEW

WE PROVIDE OFFICE SPACE AND A FULL RANGE OF BUILDING SERVICES FOR DoD COMPONENTS, INCLUDING THE MILITARY DEPARTMENTS AND OTHER ACTIVITIES HOUSED WITHIN THE PENTAGON RESERVATION AND AT 140 GOVERNMENT OWNED AND LEASED FACILITIES OCCUPYING ABOUT FOURTEEN MILLION SQUARE FEET OF SPACE (EXCLUDING MILITARY BASES), THROUGHOUT THE NATIONAL CAPITAL REGION (NCR). WE FUND OUR REAL PROPERTY MANAGEMENT PROGRAM THROUGH TWO REVOLVING FUNDS - THE PENTAGON RESERVATION MAINTENANCE REVOLVING FUND (PRMRF) AND OUR BUILDINGS MAINTENANCE FUND (BMF). OUR REAL PROPERTY MANAGEMENT PROGRAM INCLUDES TWO BROAD SERVICE CATEGORIES:

-**REAL PROPERTY OPERATIONS.** INCLUDES CLEANING, PREVENTIVE MAINTENANCE, ALTERATIONS, OPERATION AND REPAIR OF BUILDING MECHANICAL AND ELECTRICAL SYSTEMS, ADMINISTRATIVE SUPPORT, PERIMETER PROTECTION AND LAW

ENFORCEMENT SERVICES WITHIN THE RESERVATION. THIS ACTIVITY ALSO INCLUDES OPERATING EXPENSES FOR PURCHASED UTILITIES AS WELL AS THE OPERATION OF THE PENTAGON'S HEATING AND REFRIGERATION PLANT AND CLASSIFIED WASTE INCINERATOR.

-REPAIR. INCLUDES REPAIR PROJECTS OVER $10,000 AND CYCLIC PAINTING. THESE PROJECTS MAINTAIN THE FACILITIES WITHIN THE RESERVATION AT LEVELS ADEQUATE TO SUPPORT THE ASSIGNED MISSIONS AND TO PREVENT DETERIORATION AND DAMAGE TO RESERVATION BUILDINGS, THEIR SUPPORT SYSTEMS AND OPERATING EQUIPMENT. REPAIR PROJECTS ARE PRIORITIZED AND ACCOMPLISHED WITHIN AVAILABLE REVENUES. PROTECTION OF THE GOVERNMENT'S INVESTMENT, COST EFFECTIVENESS, HEALTH AND SAFETY OF WORKERS ARE AMONG THE MOST IMPORTANT CRITERIA FOR DETERMINING PROJECT PRIORITIES.

THE FOLLOWING FOCUSES EXCLUSIVELY ON OUR REAL PROPERTY MANAGEMENT PROGRAM WITHIN THE PENTAGON RESERVATION. THE RESERVATION ENCOMPASSES ABOUT 280 ACRES, WITH THREE MAJOR FACILITIES - THE PENTAGON BUILDING, THE NAVY ANNEX (FB#2) AND THE PENTAGON HEATING AND REFRIGERATION PLANT - COMPRISING OVER FIVE

MILLION SQUARE FEET OF OCCUPIABLE SPACE AND HOUSING OVER 30,000 PERSONNEL.

FUNDING

RESPONSIBILITY FOR MAINTENANCE, PROTECTION, REPAIR AND RENOVATION OF THE PENTAGON RESERVATION WAS TRANSFERRED TO THE SECRETARY OF DEFENSE UNDER THE PROVISIONS OF THE FY 1991 DEFENSE AUTHORIZATION ACT (10 U S C 2674). THIS ACT ALSO ESTABLISHED THE PENTAGON RESERVATION MAINTENANCE REVOLVING FUND (PRMRF) AS THE FINANCING MECHANISM FOR THE RESERVATION. THE FUND IS DESIGNED TO OPERATE ON A BREAK-EVEN BASIS OVER THE LONG TERM. WE COLLECT RENT FROM DoD COMPONENTS HOUSED ON THE RESERVATION TO PAY FOR STANDARD LEVEL BUILDING SERVICES TO INCLUDE COSTS FOR ALTERATIONS, SECURITY, HEATING, MAINTENANCE AND AIRCONDITIONING. BUILDING SERVICES THAT EXCEED LEVELS COMMONLY OFFERED BY LESSORS IN THE COMMERCIAL SECTOR, ARE RECOVERED ON A REIMBURSABLE JOB-ORDER BASIS FROM THE TENANTS RECEIVING THE PREMIUM SERVICES.

PROGRAM EXPENDITURES AND STAFFING

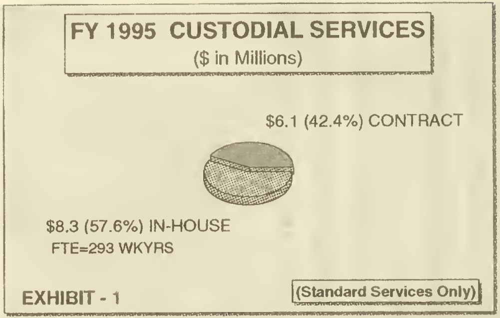
OVER 41 PERCENT OF PROGRAMMED FY 1995 EXPENDITURES FOR CUSTODIAL, MECHANICAL MAINTENANCE, REPAIR, SPACE ALTERATIONS AND SECURITY

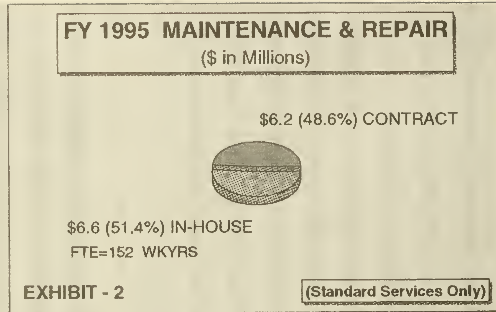
SERVICES AT THE PENTAGON RESERVATION WILL BE FOR SERVICES PROVIDED DIRECTLY BY PRIVATE CONTRACTORS. EXHIBITS 1 THROUGH 5, PROFILE STAFFING ALLOCATIONS AND COSTS BY MAJOR REAL PROPERTY OPERATIONS PROGRAM CATEGORY FOR THE PENTAGON RESERVATION. EXHIBITS 6 THROUGH 8, SHOW ESTIMATED CONTRACT EXPENDITURES FOR EACH OF THE MAJOR FACILITIES ON THE RESERVATION. THE PERCENTAGE OF CONTRACTING-OUT SERVICES WILL, IN ALL LIKELIHOOD, INCREASE OVER THE NEXT SEVERAL YEARS AS WE PROCEED WITH AN INTENSIVE COMPARATIVE REVIEW OF THE COSTS AND BENEFITS OF CONTRACTING LARGER SEGMENTS OF OUR REAL PROPERTY MANAGEMENT WORKLOAD.

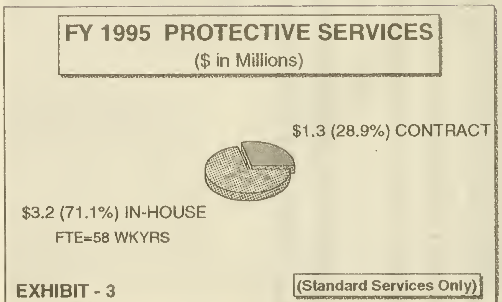
CONTRACTING FOR BUILDING SERVICES AT THE PENTAGON RESERVATION

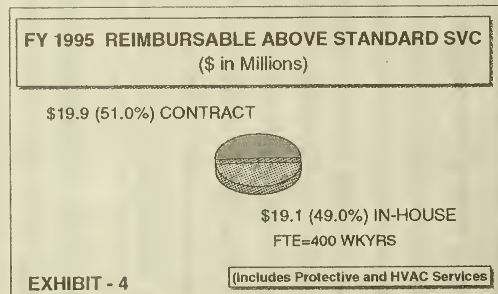
AS ILLUSTRATED ABOVE, A SIGNIFICANT PORTION OF THE OPERATION AND MAINTENANCE OF THE RESERVATION IS PERFORMED BY CONTRACTORS. CONTRACTS ARE GENERALLY AWARDED FOR A ONE-YEAR PERIOD WITH THE GOVERNMENT HAVING THE OPTION TO EXTEND THE CONTRACT ONE YEAR AT A TIME FOR A TOTAL OF UP TO FIVE YEARS. IF OUR REQUIREMENTS CHANGE, WE MAY ELECT NOT TO EXERCISE THE OPTIONS, BUT INSTEAD TO RECOMPETE THE CONTRACT USING A NEW STATEMENT OF WORK.

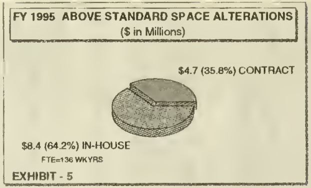
A WIDE RANGE OF REAL PROPERTY MANAGEMENT SERVICES AT THE PENTAGON RESERVATION ARE CONTRACTED INCLUDING:

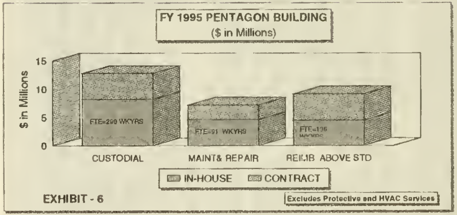

FY 1995 CUSTODIAL SERVICES
($ in Millions)
$6.1 (42.4%) CONTRACT
$8.3 (57.6%) IN-HOUSE
FTE=293 WKYRS
EXHIBIT - 1
(Standard Services Only)

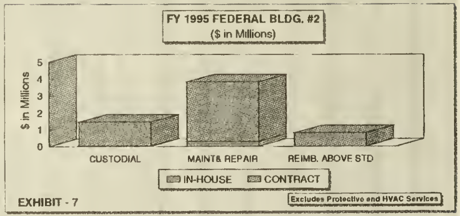

FY 1995 MAINTENANCE & REPAIR
($ in Millions)
$6.2 (48.6%) CONTRACT
$6.6 (51.4%) IN-HOUSE
FTE=152 WKYRS
EXHIBIT - 2
(Standard Services Only)

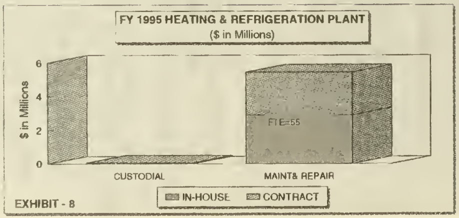

FY 1995 PROTECTIVE SERVICES
($ in Millions)
$1.3 (28.9%) CONTRACT
$3.2 (71.1%) IN-HOUSE
FTE=58 WKYRS
EXHIBIT - 3
(Standard Services Only)


FY 1995 REIMBURSABLE ABOVE STANDARD SVC
($ in Millions)
$19.9 (51.0%) CONTRACT
$19.1 (49.0%) IN-HOUSE
FTE=400 WKYRS
EXHIBIT - 4
(Includes Protective and HVAC Services


FY 1995 ABOVE STANDARD SPACE ALTERATIONS
($ in Millions)
$4.7 (35.8%) CONTRACT
$8.4 (64.2%) IN-HOUSE
FTE=136 WKYRS
EXHIBIT - 5


FY 1995 PENTAGON BUILDING
($ in Millions)
$ in Millions
15
10
5
0
FTE=290 WKYRS
FTE=91 WKYRS
FTE=136
CUSTODIAL
MAINT& REPAIR
REIMB ABOVE STD
IN-HOUSE
CONTRACT
EXHIBIT - 6
Excludes Protective and HVAC Services


FY 1995 FEDERAL BLDG. #2
($ in Millions)
$ in Millions
5
4
3
2
1
0
CUSTODIAL
MAINT& REPAIR
REIMB. ABOVE STD
IN-HOUSE
CONTRACT
EXHIBIT - 7
Excludes Protective and HVAC Services


FY 1995 HEATING & REFRIGERATION PLANT
($ in Millions)
$ in Millions
6
4
2
0
FTE=55
CUSTODIAL
MAINT& REPAIR
IN-HOUSE
CONTRACT
EXHIBIT - 8

-LANDSCAPE MAINTENANCE

-MOVING OF EQUIPMENT, FURNITURE, ETC.

-INDUSTRIAL HYGIENE

-ELEVATOR MAINTENANCE

-SNOW REMOVAL

-PEST CONTROL

-CUSTODIAL SERVICES

-PREVENTIVE MAINTENANCE FOR MECHANICAL AND ELECTRICAL SYSTEMS

-ARCHITECTURAL SERVICES

-ASBESTOS AND LEAD ABATEMENT MONITORING

-GRAPHIC SERVICES

-BOILER AND CHILLER RENTALS

THE TYPE OF CONTRACT WE USE IS SITUATIONAL:

-DEFINITE QUANTITY (DQ). WHEN WE KNOW: WHAT WE WANT; WHEN WE WANT IT AND HOW MUCH WE WANT - FOR EXAMPLE CONTRACTS FOR CLEANING SERVICES. WE PAY A FIXED PRICE WITH PAYMENTS MADE MONTHLY.

- INDEFINITE QUANTITY (IQ). WHEN WE KNOW WHAT WE WANT, BUT WE DO NOT KNOW HOW MUCH OR WHEN WE WILL NEED IT. FOR

EXAMPLE, CONTRACTS FOR SMALL CONSTRUCTION PROJECTS. ANOTHER EXAMPLE IS A MECHANICAL MAINTENANCE CONTRACT THAT IS USED TO SUPPLEMENT IN-HOUSE WORK FORCE ONLY WHEN NEEDED. USUALLY THESE CONTRACTS INCLUDE SEVERAL LINE ITEMS THAT ARE PRICED SEPARATELY. WE ORDER WHAT WE NEED, AS WE NEED IT. A FEW INCLUDE AN HOURLY RATE TO PERFORM A SERVICE AND WE NEGOTIATE THE NUMBER OF HOURS REQUIRED TO PERFORM A SERVICE. A MINIMUM AND MAXIMUM AMOUNT IS SOMETIMES IDENTIFIED FOR INDIVIDUAL ORDERS AND FOR THE ANNUAL CONTRACT AMOUNT IN TOTAL.

- COMBINATION DEFINITE QUANTITY AND INDEFINITE QUANTITY (DQ/IQ): THE DEFINITE QUANTITY PORTION OF THE REQUIREMENT IS THAT PORTION THAT MEETS THE CRITERIA: WE KNOW WHAT WE WANT, WHEN WE WANT IT, AND HOW MUCH WE WANT. THE INDEFINITE QUANTITY PORTION OF THE REQUIREMENT IS THAT PORTION THAT MEETS THE CRITERIA: WHEN WE KNOW WHAT WE WANT, BUT WE DO NOT KNOW HOW MUCH OR WHEN WE WILL NEED IT. AN EXAMPLE IS OUR ELEVATOR AND ESCALATOR CONTRACT UNDER WHICH WE PAY A MONTHLY RATE FOR SERVICE CALLS, OPERATION, PREVENTIVE MAINTENANCE AND REPAIRS UNDER $1000 (OUR DEFINITE QUANTITY PORTION OF THE REQUIREMENT).

UNDER THE INDEFINITE QUANTITY PORTION WE PLACE ORDERS AGAINST THE CONTRACT FOR PERFORMANCE OF REPAIRS GREATER THAN $1000. THE CONTRACT INCLUDES AN HOURLY RATE FOR SUCH REPAIRS AND WE NEGOTIATE THE NUMBER OF HOURS REQUIRED TO PERFORM THE REPAIRS.

WE CONTRACT FOR OPERATION, MAINTENANCE AND REPAIR OF THE ELEVATORS AND ESCALATORS AT THE PENTAGON AND FEDERAL BUILDING #2. WE PAY A FIXED MONTHLY RATE FOR SERVICE CALLS, PREVENTIVE MAINTENANCE AND REPAIRS COSTING LESS THAN $1,000 EACH. WE CAN NEGOTIATE WITH THE CONTRACTOR TO ACCOMPLISH LARGER REPAIRS IF WE CHOOSE. PRICE IS BASED ON THE HOURLY RATE INCLUDED IN THE CONTRACT.

WE HAVE AN INDEFINITE QUANTITY CONTRACT FOR CONSTRUCTION PROJECTS RANGING FROM $500 TO $50,000, WHICH DO NOT REQUIRE A FORMAL ARCHITECTURAL or ENGINEERING DESIGN. IT INCLUDES SEVERAL PRE-PRICED LINE ITEMS THAT CAN BE IDENTIFIED FOR PERFORMANCE BY THE CONTRACTOR, ELIMINATING THE NEED FOR DETAILED SPECIFICATIONS FOR EACH PROJECT. THIS CONTRACT IS USED TO SUPPLEMENT OUR IN-HOUSE WORK FORCE. THE MAXIMUM DOLLAR AMOUNT IS $6 MILLION A YEAR. ON AVERAGE, WE ISSUE 250 ORDERS A YEAR COSTING $4 MILLION. THE AVERAGE ORDER IS $16,000.

IN FEDERAL BUILDING NO.2, WE CONTRACT FOR ALL GUARD SERVICES. GUARD SERVICE CONTRACTS ARE A COMBINATION OF DEFINITE QUANTITY AND INDEFINITE QUANTITY. WE PAY A FIXED MONTHLY RATE. THE CONTRACT TERMS ALLOW US TO ORDER ADDITIONAL GUARD SERVICES AT A PRE-AGREED RATE IF A NEED ARISES. THE CONTRACTS DEFINE THE NUMBER OF SECURITY GUARDS NEEDED AT EACH LOCATION, THE HOURS REQUIRED, THE TYPE OF SECURITY CLEARANCE AND WHETHER THE GUARDS ARE TO BE ARMED OR UNARMED. SOME CONTRACTS REQUIRE AROUND THE CLOCK SERVICE, OTHERS REQUIRE SERVICE ONLY DURING STANDARD WORK HOURS, WHILE OTHERS MAY REQUIRE A COMBINATION.

SERVICES BEST PERFORMED BY CONTRACTORS

NEXT I WILL DESCRIBE EXAMPLES OF SERVICES WE FIND ARE BEST PERFORMED BY CONTRACTORS. I WOULD LIKE TO EMPHASIZE THAT THE DETERMINATION TO ACCOMPLISH BUILDING SERVICES BY CONTRACT OR IN-HOUSE PERSONNEL IS SITUATIONAL - COMPARATIVE COST SHOULD NOT BE THE SOLE DETERMINING FACTOR. HOWEVER, OUR EXPERIENCE HAS BEEN THAT USE OF THE CONTRACT ALTERNATIVE IS INDICATED WHEN (A) A NEED EXISTS FOR SPECIALIZED EXPERTISE THAT IS NOT READILY AVAILABLE THROUGH IN-HOUSE STAFF AND/OR (B) THE NEEDED SERVICES ARE INTERMITTENT. FOR INSTANCE:

LANDSCAPE MAINTENANCE

HISTORICALLY, THE LANDSCAPE MAINTENANCE EFFORT PROVIDED BY THE GOVERNMENT AT THE PENTAGON WAS INADEQUATE. THE APPEARANCE OF THE GROUNDS SUFFERED BECAUSE GOVERNMENT PERSONNEL LACKED IN BOTH PROFESSIONALISM AND EXPERTISE. IN ADDITION, THE NEED FOR PERFORMING ROUTINE LANDSCAPE MAINTENANCE ACTIVITIES ARE WEATHER RELATED. OUR CONTRACT IS INDEFINITE QUANTITY WITH PREPRICED LINE ITEMS. WE PAY THE CONTRACTOR ONLY FOR SERVICES IDENTIFIED BY DOD'S HORTICULTURIST. THUS, THE GOVERNMENT IS NOT INCURRING THE COST OF IDLE LABOR AND EQUIPMENT DUE TO SEASONAL SLOWDOWNS OR INCLEMENT WEATHER. CONTRACTORS HAVE PROVEN TO BE MORE VERSATILE IN ADDRESSING SPECIAL REQUESTS AND EMERGENCY SITUATIONS. THE AVERAGE ANNUAL COST OF $550,000 FOR CONTRACTING FOR THESE SERVICES HAS PROVEN TO BE MORE COST EFFECTIVE THAN USING GOVERNMENT EMPLOYEES. THIS WAS CONFIRMED BY AN A-76 REVIEW PERFORMED SEVERAL YEARS AGO. VITAL TO THE SUCCESS OF THE LANDSCAPE MAINTENANCE CONTRACT AT THE PENTAGON IS AN EXCEPTIONALLY COMPETENT HORTICULTURIST, A DOD EMPLOYEE WHO WORKS CLOSELY WITH THE CONTRACTOR.

ENVIRONMENTAL SERVICES

ASBESTOS ABATEMENT MONITORING; ENVIRONMENTAL SITE TESTING; RADON, LEAD, BACTERIA, MOLD AND PCB TESTING, AND OTHER HEALTH AND SAFETY RELATED TESTING AND SURVEYS REQUIRE THE SERVICES OF SPECIALIZED EMPLOYEES SUCH AS CERTIFIED INDUSTRIAL HYGIENISTS AND INDUSTRIAL HYGIENIST TECHNICIANS. HOWEVER, THE NEED FOR THESE SPECIALISTS IS NOT CONSTANT ENOUGH TO WARRANT STAFFING THE POSITIONS FULL TIME. ADDITIONALLY, MONITORING AND TESTING OF THIS TYPE REQUIRE THE USE OF A LABORATORY FOR ANALYSIS. CONTRACTING FOR THESE SERVICES IS THE ONLY VIABLE SOLUTION TO ENABLE US TO ORDER WHAT WE NEED WHEN WE NEED IT, USING AN INDEFINITE QUANTITY CONTRACT. OUR CONTRACT ALLOWS FOR AWARD OF ORDERS NOT EXCEEDING A MAXIMUM OF $1 MILLION. IT CONTAINS A REQUIREMENT THAT WE PLACE A MINIMUM OF $100,000 WORTH OF ORDERS. WE SPEND CLOSE TO THE $1 MILLION MAXIMUM ANNUALLY.

MOVING SERVICES

LABOR SERVICES FOR MOVES THROUGHOUT THE PENTAGON AND OTHER BUILDINGS HOUSING OSD EMPLOYEES ARE BEST PROVIDED BY CONTRACT BECAUSE THE NUMBER OF MOVERS NEEDED VARIES

FROM DAY TO DAY. THERE ARE DAYS WHEN WE NEED ONLY TWO (2) OR THREE (3) LABORERS; OTHERS WHEN WE NEED 30. THE FLEXIBILITY OF CONTRACTING INSURES THAT ONLY THE NUMBER OF EMPLOYEES NEEDED TO COMPLETE THE TASK ARE EMPLOYED EACH DAY. WE SPEND AN AVERAGE OF $300,000 A YEAR FOR OSD MOVES. THE NAVY AND ARMY PIGGY-BACK OFF THIS CONTRACT FOR USE DURING THEIR MOVES.

DESIGN AND CONSTRUCTION SERVICES

DESIGN SERVICES FOR PROJECTS, OTHER THAN THOSE FOR MAJOR CONSTRUCTION, ARE BEST PERFORMED BY INDEFINITE QUANTITY CONTRACTS RATHER THAN BY GOVERNMENT EMPLOYEES OR BY INDIVIDUAL DEFINITE QUANTITY CONTRACTS. WE CURRENTLY HAVE FOUR SUCH CONTRACTS, THAT WE USE BASED ON THE MAJOR DISCIPLINE REQUIRED.

- ARCHITECTURAL, SPACE PLANNING, INTERIOR DESIGN
- CIVIL AND STRUCTURAL
- MECHANICAL AND ELECTRICAL
- RELOCATION SERVICES INCLUDING MASTER MANAGEMENT PLANNING

THESE CONTRACTS HAVE A MAXIMUM ORDER LIMITATION RANGING FROM $500,000 TO $2 MILLION A YEAR AND A MINIMUM

GUARANTEE OF FIVE PERCENT OF THE MAXIMUM ORDER LIMITATION. HOURLY RATES ARE ESTABLISHED FOR THE DIFFERENT DISCIPLINES. FOR EACH PROJECT WE NEGOTIATE THE TYPE OF DISCIPLINE REQUIRED AND THE NUMBER OF HOURS. WE HAVE THE CAPABILITY OF AWARDING A DELIVERY ORDER IN 3 WEEKS OR, WHEN AN EMERGENCY OCCURS, WITHIN HOURS, WHEREAS INDIVIDUAL CONTRACTS REQUIRE 6 MONTHS. A MAJOR BENEFIT OF CONTRACTING FOR ARCHITECT AND ENGINEER SERVICES USING AN INDEFINITE QUANTITY CONTRACT RATHER THAN STAFFING FOR THE SERVICES IN HOUSE IS THAT WE HAVE IMMEDIATE ACCESS TO THE MANY DISCIPLINES THAT ARE NEEDED FOR EACH PROJECT. WE MAY NEED ANY COMBINATION OF ARCHITECTS; ELECTRICAL, MECHANICAL, CIVIL AND STRUCTURAL ENGINEERS; INSPECTORS; ESTIMATORS; INTERIOR DESIGNERS; AND OTHERS. WE FUNCTION WITH A SMALLER STAFF AND YET HAVE ACCESS TO ALL OF THESE SERVICES WITHOUT A 6-MONTH DELAY. .

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, AT THIS TIME I WOULD BE PLEASED TO ANSWER ANY QUESTIONS YOU MAY HAVE. THANK YOU.

Mr. PACKARD. Well, thank you both for your succinct and very helpful testimony. We will spend the balance of our time with questions and answers.

Senator, let's go ahead again with you first.

Senator MACK. Thank you, Mr. Chairman.

Mr. Haase, if I could, why don't you tell me where you think we ought to focus? I mean this building is kind of overwhelming. I mean it is almost a monument.

I mean this is a building in the sense that people can look at it as being a museum, but at the same time it is a working function—let's see if I can start that over again. I mean this is kind of a—this is a very unique place. As I begin to take a look at the Architect of the Capitol, and there is a tremendous amount of things that are covered under the Architect of the Capitol which nobody would ever would think of from an architectural perspective. So on the one hand, there is kind of this very special place in the hearts of many people when you are thinking about the Architect of the Capitol, the responsibility of maintaining this building. Where would you suggest that we focus?

I mean I know in your comments and in your statement here you say evaluate all services now being offered by in-house staff. I mean what are the main areas we need to be looking at?

Mr. HAASE. Well, the main categories that I just ticked off, and there were five of them, start with the number one, just to get into this, under property management, it identifies custodial work, and it identifies custodial work as I think the FTE, if I am not mistaken, is about 875 and the budget is $35 million-plus.

Now, $35 million-plus, and this is only identified as custodial work, custodial work in the private sector costs between 90 cents and a dollar per square foot. I don't think you have 35 million square feet up here, I think you have 15 million, from the information that I have gotten. So right there, right there, you are looking at between 90 cents and a dollar per square foot for cleaning, for custodial, which you are now paying $35 million.

Senator MACK. Let me get this—tell me those figures again.

Mr. HAASE. To clean, in the private sector, Charles E. Smith, Oliver Carr, contracts out to private janitorial services to clean their buildings. The cleaners come in at night. I think Walt here has cleaners over at the Defense Department or at different agencies, and he probably pays between 90 cents and $1 per square foot to do the janitorial work, the cleaning work. In your budget that was submitted to me here, it identified $35 million for that particular category, which is about $2.35.

Now, granted that in your statement, and you are absolutely correct, this is a bit above a building in Washington to be an office building. You have some monumental areas here, but that is one area that I would definitely get into, because maybe 80 percent of this custodial work could be done by the private contractors. You are carrying 876 full-time employees to do this janitorial work. That is one area.

Construction is another area. Construction is defined by the Architect as designing and management of projects, and I don't know what you construct in that. But having run the Public Buildings Service where we did construction and we did construction all over the country, I can tell you the government should not be in the business of design and construction. It is much more efficiently and economically handled by construction managers, by the outside architects.

What happens is I think, that you really get down to a sophisticated asset management company that has on its staff in its administrative staff very sophisticated, quality control and contractors. And that is what Mr. Freeman has over at the Defense Department now, and most agencies have. In 1982 and 1983 we contracted out almost all of our janitorial work at GSA for the different agency buildings. There is no reason that you can't look at that aspect.

Now, this rush to privatization I am not endorsing. I am saying that you have to look at it because again, getting back, you have this museum-quality atmosphere. But there is certainly a high percentage that can be like this, and that is why you have to get down and look at each particular category.

Transportation is another one: 106 full-time employees, $16 million, resources allocated to escalators, elevators, Senate subway, House and Senate subway and shuttle service. I mean I would certainly look at that. I assume a lot of this money is because you are operating on a 24-hour basis. I am sure you have elevator operators here around the clock, or you don't have them around the clock?

Senator MACK. No.

Mr. HAASE. Well, $16 million and 106 full-time employees is a number that I would certainly look at.

Property management, another category outside of the custodial, or outside of the custodial which concerns maintenance and operations, has about $47 million and has 756 full-time employees. The Architect of the Capitol is carrying approximately 2400 to 2600 full-time employees, 109 of those are in a central administrative staff. You are carrying a budget of $175 million in which two categories represent over half of that. I would look into those two categories before I did anything to see where the savings could be.

Now, some of them are—some of the categories I am not experienced enough to deal with; Botanical Gardens and things like landscaping. Certainly you can privatize those things, but there are certain things you don't want to privatize here. You have a very—you have museum-quality-type office buildings or assets in this asset management business.

But I think that you can still maintain the integrity, the efficiency and the economies of all of this with a percentage that looks after that museum-quality type and takes maybe the other 80 or 90 percent and drives the efficiencies and the economies that the private sector does. That is what I was getting at as far as categories, looking at these particular categories.

Senator MACK. I was just given some information that apparently the Architect of the Capitol has 404 custodial workers, not 800.

Mr. HAASE. Yes, I saw that. But there are two—I tried to crosswalk two particular situations here, and the first one I have shows 876 and then I see it does come down to 404, but I think what has happened is that 404 is intermingled with some other ones, because I don't know why you would show 876 on one, which is a 1994 budget and 404 on another one.

Senator MACK. Well, we will have to look into that then, as well.

Mr. HAASE. Because the FTE comes out the same and the budget numbers come out the same.

Senator MACK. I think one of the things that we are dealing with around here is that we have—the Senate has its folks to clean a certain portion of the Capitol; the House has its folks to clean a certain portion of the Capitol, and I guess the Architect has—I mean there is apparently a line drawn around here somewhere where the custodial folks kind of come up to that line and they certainly don't cross it.

And I think it is that kind of thing we have to start breaking down and asking questions about why we are doing things like that. Last year I had the staff put together a tour so I could go around and see some of the different functions that are going on and to find out, for example, that we have—well, I am not sure how many cabinet-making operations we have got, but there are three, maybe four.

The House, I don't know whether you all know this, but there is somebody over on the House side that makes furniture and somebody on the Senate side that makes furniture. There is someone I believe that works for the Architect of the Capitol that makes furniture. I mean it is very possible that it just so happens that the day that I was wandering around just wasn't a busy day, but I suspect that the capacity that we have around here is way, way, way beyond the need.

And you know, there are those kinds of things that have been going on for many, many, many years now that nobody, frankly, has ever taken a look at. If I could make kind of a last editorial comment and then you can hop back in with yours, is I think one of the things that is happening to us in the Congress is that we have really failed to individually dig into the areas of responsibility that we have.

I am trying to think of which author it was now that wrote a book on excellence about management style—Peters, "In Search of Excellence", Peter Drucker, in search of, one, that was Tom Peters. I don't want to slight any of the authors. But one of the points they made was that you need to—you know, the manager that does the bad job is the manager that is always in the office.

And I think that while I hate to say impossible for Members of the Congress to get down and try to manage a cabinet shop, the reality is that most of us—and I think this is not just suggesting on a Legislative Appropriations Committee, we really don't get our hands into what is going on. We have got to become more personally involved in the responsibilities that we have on the different committees. That is why I go back to the point that I brought up earlier this morning, that one of the key functions I think we need to do is we have got to narrow down the number of committees that we all serve on.

I mean most people want to run back home and say that I am a member of the following committees, and it sends this message of incredible importance. I am not sure that there is anybody who has been elected or reelected on the basis of how many committees they have been on, but for some reason a number of our colleagues believe that that is important. And by doing that, we don't spend the time that is necessary on our individual assignments. So that is an editorial comment. Did you want to comment?

Mr. HAASE. Yes. I just wanted to read something to you, which follows up on your thought here. It says trade crafts: mechanics, carpenters, electricians, plumbers, painters, masons, sheet metal workers, pipe fitters, upholsterers, elevator maintenance, 971.

Now, if you are talking about something, that is the type of examination that you should be making. Every one of these categories that I just mentioned fits into what was done at the Defense Department is term contracts, which are as efficient as holding anybody, keeping them on a payroll.

Senator MACK. I would assume you have some rather unique requirements over at the Pentagon, a few secrets over there.

Mr. FREEMAN. A lot of classified areas there.

Senator MACK. Is there any way you could give us a comparison about the cost of these different functions? Have you had the chance to go over this?

Mr. FREEMAN. I didn't do a cost analysis. I just have some ideas of how we do it in the Pentagon and how contracting really works for us. Just like landscaping.

I only have a horticulturist and an inspector, just two, but we do, you know, over a half-a-million dollars worth a year of landscaping, because at different times of the year you need different types of expertise on the landscape and they call them in and a contractor provides that service. You know very well we did an A–76 years ago to find out——

Senator MACK. You did what?

Mr. FREEMAN. We did an A–76, we did a cost analysis. This was years ago, and it came out cheaper to do it by contractor. When we have our big moves over there coming up here, I only have three movers, but I can be on the telephone and call up and I can have today or tomorrow 50 movers over there moving furniture and equipment and things around. So it is kind of like I have all of these movers out here, if I need movers, I have a contract in place. It doesn't cost me anything. If I need painters, I turn it on, I got painters over there; if I need carpenters, I have carpenters. Elevator maintenance, I think anybody can do elevator maintenance. The expertise out in the public sector is right up to date on those.

Senator MACK. What a concept.

Mr. PACKARD. If the gentleman will yield, before we go to Mr. Miller, your point was interesting, that there are several places where they do furniture making and the crunch for furniture may be just say in the last month when new people are moving into offices and there are huge changes and then that whole operation could really settle down to virtually little or nothing for another year or so or two. This term contracting out accommodates sporadic needs, that would be very interesting to look at a lot more seriously.

A very interesting point. Are you through, sir?

Senator MACK. Yes.

Mr. MILLER. Just to follow up on what you said at the conclusion of our last presentation, Mr. Chairman, and to follow on what

Norm Ornstein is talking about, can we discipline ourselves and downsize the Government Printing Office? You know, do we really need the document at 5:00 o'clock in the morning?

Senator Bennett's idea is saying, well, let's deliver it at 1:00 o'clock and see what happens is not a bad idea. But it is a question of discipline. We get spoiled, we call the carpentry office to get a picture hung, then wonder why they aren't there that same day. Some of the things we are going to have to do, which leadership is going to be involved in is to discipline ourselves.

Obviously, the Defense Department has the ability to have a little better discipline over there than we have here, especially when you have 35 individual commanding generals. But I am so impressed with the fact that the Defense Department does so much of it. I know we are not comparing apples to apples, you certainly can't compare security in the Capitol with that at the Defense Department, but I think it would be a great model for us to learn a lot.

Have you had any dealings directly with the Architect of the Capitol's Office to share any of these ideas?

Mr. FREEMAN. No.

Mr. MILLER. Let me ask a question about Davis-Bacon. You are covered by that, is that right?

Mr. FREEMAN. Yes.

Mr. MILLER. I am from Florida and it is not as big of an issue in my community, since there are not a lot of Federal builders.

Mr. FREEMAN. No, it has never been a problem.

Mr. MILLER. You never had an alternative, you always had to follow Davis-Bacon.

Does the National Service Act require a lot of paperwork?

Mr. FREEMAN. I tell you, I am really not sure.

Mr. MILLER. But the only companies you can contact are those that can satisfy the requirements.

Mr. FREEMAN. The competitive bids really come in very rarely. We go out like I say, a term contract, it is very competitive, they come in with a good bid and——

Mr. PACKARD. That would be part of the specification.

Mr. FREEMAN. It would be part of the specifications that they have to comply.

Mr. MILLER. You said you used a one-year contract?

Mr. FREEMAN. We use normally one-year contracts renewable each year up to five years and, you know, it is good because, you know, every now and then you get a contractor that is not performing and he is out.

Mr. MILLER. Is't that a problem, for large contracts, where people have to gear up with equipment or a cleaning company, cleaning vehicles, large numbers of employees? But you are saying that is not a problem with one-year contracts, renewables?

Mr. FREEMAN. No. The bids come in. It is very competitive.

Mr. MILLER. Do you not renew contracts?

Mr. FREEMAN. Oh, yes, we have let go several contracts for not performing.

Mr. PACKARD. If the gentleman will yield, that would somewhat resolve the concern that was expressed in the previous panel about sole sourcing and how they build up an empire that makes it difficult to change. You have one-year contracts.

Mr. FREEMAN. One-year contracts.

Mr. PACKARD. And they are issued to somebody else at the end of the year or at least they are re-competed.

Mr. FREEMAN. Competitive bid is the way to go. Some of them mentioned about response on demand, like graphic services. You know, if you said I need this here, you know, tomorrow at noon, I could call in three contractors out there and have them bid on it right now, and they would work on it overnight and you would have it tomorrow morning.

I mean it is service on demand. You can write a contract up any way you want to write that contract up, whether it is landscaping, architectural services, if I want to do a redesign, I just have to put a new roof, or started leaking, leaking very bad, we already had a contract here with the architectural firm out there, you had to cost it out, within a matter of a few days I have him in here, on emergency I could do it in a couple of days. Call him in there and get a design up there on that roof and bid it out and get a contract going out there, fast. It is how you write your contract.

Mr. MILLER. How do you know that you couldn't do it cheaper in-house?

Mr. FREEMAN. Well, one thing, I just don't have the people to go up and repair that type of a roof up there, or the expertise. Whereas in the private sector out there, they have got the flexibility to go out anywhere and bring the people in on a moment's notice and provide that type of service, because they have a wide range, you know, of customers. If I kept that expertise on my staff, you know, I would be paying these architectural engineers great big salaries. For half a year they are sitting around doing nothing, and then all of a sudden I get some hot jobs and they are very, very busy.

But to balance it out, you just need hard-core, highly technical people qualified in there that are good inspectors and supervisors and planners and people that can write up a good scope of work that know how contracting works out there and a good contracting officer to go down and inspect these things and hold them to their contract. We are going to be contracting out more and more in defense. It is working very, very well with us.

Mr. MILLER. Do you have any hard numbers to show that you are saving money by doing that?

Mr. FREEMAN. Well, when we start out in, say, cleaning or doing things, at that time we do a cost analysis, is this going to be less to go out into the private sector or is it cheaper in-house? There are a lot things come into play. You know, right now like our cleaners up there, it is a lot of the African-American ladies that are getting up into their 60s, some in their 70s. I don't want to come right out all of a sudden and fire all of them and bring a contractor in.

So as they are retiring, we are bringing in, like I said, the Industry for the Handicapped, and we are bringing in private contractors in here to come in and work as they fade out. You know, that is trying to be a humane employer to do that kind of thing. The same way, talking about alterations and all. I can't keep all the type of expertise for the types of alterations and computer rooms and secure areas and all that, but on the private sector I can go out and I have it in there.

But I keep a few around to do the immediate jobs here and there. You need that hard-core to respond.

Mr. Hasse. May I just give you an example of why it doesn't work for construction, like at GSA or here in construction, when you design your own project. When you design your own project from within the Architect of the Capitol, he is writing certain specifications, and he is putting them out for bid. The bidders all are bidding on those certain specifications. The bids come back, the low bid is taken.

Instead of putting those bids out, and I always used to say at GSA, why are you telling these roofers how to fix a roof? You don't know how to fix a roof, roofers know how to fix a roof. Put a bid out and tell them I have a leaky roof and let me qualify the bids that come back and I bet I get a better price, because if I miss something in those specifications, that bidder is not going to correct it.

He is going to correct it as an overrun and you are going to be paying far more for it in the end. I think the bidding process is to go out and like Walt says, think, I have got a leaky roof. Tell me how to fix it. Qualify some roofers. You are going to get the benefit of their research and development, you are going to get the benefit of their experience. Then you are going to qualify and look at it and say maybe the cheapest way is not the way to go with this, maybe there is more economical advantage to go the more expensive route on this roof. That is the way—I think that is the way you should be analyzing the repair and alteration of all of these other things that are done by design and construction in-house.

Mr. Packard. Thank you. Mr. Thornton?

Mr. Thornton. Mr. Chairman, I returned from a vote to hear Senator Mack make one of the clearest, most precise public policy statements that I have heard in a long time around here. I would like to endorse it and adopt it as my own. I think you signaled to the rest of us what we should be looking for. I have no questions.

Mr. Packard. You better restate that policy statement.

Mr. Thornton. I may have walked in in the middle of it.

Senator Mack. Listen, don't go any further. That was just fine.

Mr. Thornton. The part I heard sounds good.

Mr. Packard. Thank you, Mr. Thornton, very much.

Let me conclude with some questions for the record and ask both witnesses something now.

[The questions and responses follow:]

ARCHITECT OF THE CAPITOL

Question. We have almost 1,000 tradesmen—Electricians, air conditioning mechanics, elevator repairmen, carpenters, and so forth. For the larger jobs, the Architect contracts out that work. But for the day-in and day-out maintenance and repair workload, he uses the in-house force which includes a number of so-called "temporary" employees who are really part of the permanent workforce. Is that an efficient method? (Much of this work is remedial—needs to be done right away. Some requires hard-to-find skills—such as decorative painting and stonework.)

MR. FREEMAN'S RESPONSE

The OSD, WHS, Real Estate & Facilities Directorate (RE&F) employs approximately 300 tradesmen, including electricians, air conditioning mechanics, plumbers, carpenters, and so forth to operate maintain, repair, and provide tenant alterations on the Pentagon Reservation, occupying about 280 acres. Through experience we have found it beneficial to supplement our in-house workforce with a variety of contractors working under a variety of contracts. Currently we contract out about 40% of our work and are planning to increase this amount.

We also typically contract for larger projects. But even for the day-in and day-out maintenance and repair workload, we have found it helpful to supplement our in-house forces with indefinite quantity term contracts for preventive maintenance and general construction, for example. These contracts can include several hundred line items that are priced separately. We order what we need, as we need it. Other types of contracts for other facility management functions are also utilized to meet our operational needs. Our Contract Specialists have found appropriate competition for such work as decorative painting and stone restoration. We would be pleased to share these sources with you.

Question. Can we afford to wait for contractors to be called in? We must keep the Congress in operation.

MR. FREEMAN'S RESPONSE

In some instances, we utilize contractors just to obtain the hard-to-find skills. In other instances, we utilize contractors to augment in-house forces, so as to assure that the in-house forces will be available to do those special projects that are time sensitive or require the special skills that in-house forces possess. It represents a business judgement that can be developed through training and experience.

Over time, with the cooperation of the program personnel and the procurement personnel, we have attempted to develop proper statements of work/specifications that facilitate quick response by our contractors. For example, in our indefinite quantity general construction contract, there is a fee schedule that provides enhanced payment for work done on an accelerated time schedule.

Question. If we go to that method, how will we be certain we can obtain these hard-to-find skills on short notice?

MR. HAASE'S RESPONSE

In reply to all three preceding questions, according to the FTE category concerning tradesmen, there are indeed approximately 1000, including carpenters, electricians, plumbers, etc. I would envision the majority of these categories to be handled by term contracts regarding the respective specializations. In other words, the contract specialist handling electricians would interview and qualify firms doing electrical work. Response time would be written into a certain number of these electrical contracts as a I would visualize having at least 30 contractors on the list and not all would be held to critical response time. Several contracting officers, responsible for this category, would be in the administrative office and be accountable for quality control. This same scenario would follow for plumbers, carpenters elevator personnel, etc. I do not, at this time, see the need for in-house tradesmen, however a small contingent of tradesmen in the various categories may be considered. This contingent would handle ultra emergencies and probably be limited to two tradesmen in each category.

The task of finding qualified tradesman in each category would be the responsibility of the contracting officer. Believe me, these firms exist.

Question. Since the changeover in the Congressional election last November, we have had much relocation going on in this building—and in all House and Senate office buildings. We have many new Members moving in, and many Members and Committees changing offices. Even this room has changed—up until a month ago, it was a staff office. Now it is a hearing room. And it is not finished yet—we need to see if the lighting can be improved, and there are other physical adjustments necessary.

Physical changes and office movements are inevitable in an organization this size—they are also fairly predictable—and we should have a flexible, cost effective building management operation.

As I indicated, some of the relocation work is still being done months later. The Architect chose to do much of this work with in-house forces. Was that an effective strategy?

MR. FREEMAN'S RESPONSE

RE&F also has to be able to respond quickly to the changing needs of it's customers, and also has a portion of it's workload that is quite predictable. We have attempted to build in maximum flexibility by balancing our in-house and contract response capability, and utilizing, individually or in combination, the work approach that best meets our needs. We do occasionally find that there are certain time sensitive projects that are best completed with the flexibility of core employees.

Given the proper procurement vehicle, we have found contractors to be very responsive to our needs. Like Congress, the Department of Defense, given it's mission, is often required to respond quickly to short-fuse deadlines. We have attempted to strike a balance between in-house forces and contract personnel to maximize our ability in terms of skills and responsiveness. We have found that having Government employees available as an alternative has helped us in improving service delivery and prices provided by contractors. You must determine the correct balance for you, given your own unique set of circumstances.

Question. What is an optimal and cost effective size for our care and maintenance workforce?

MR. HASSE'S RESPONSE

In reply to the preceding two questions, your concern about in-house strategy is warranted. In my opinion, this strategy is expensive and space consuming. I believe the question concerning the optimal and cost effective size for the maintenance workforce should be under 20 people with the remainder being contract employees.

MR. FREEMAN'S RESPONSE

There is no magic number. You must determine the right mix between in-house and contract personnel to meet your own unique set of circumstances. This mix will change with time and require periodic adjustment. You could begin by contracting some of the functions that you are currently doing in-house, particularly those that require expertise that you don't currently have in-house, or are not as time sensitive, or have the greatest potential for freeing up in-house personnel associated with jobs that are time-sensitive. With the expertise gained from your experiences, you could gradually increase and/or modify your contracting mix until you find the optimal and most cost effective distribution for your needs. You could procure the services of a consultant to assist you in gathering data and developing a strategy for integrating more contracting into your work mix at a more rapid pace.

To be effective, you must also have the appropriate number of trained Planner/Estimators, Maintenance Work Inspectors, administrative support, and procurement personnel.

BOTANIC GARDEN

Question. We have a botanic garden with a large conservatory building, a smaller administrative building, and a large, very modern nursery near Bolling Air Force Base. This facility propagates much of the plants and flowers that adorn the 290 acres of Capitol grounds. This is a $3 million annual program; 57 FTE's. Is this a cost effective method for maintaining our grounds?

MR. FREEMAN'S RESPONSE

It has been our experience at the Pentagon that contracting for landscape maintenance services for 280 acres was a contributing factor in attaining the present respectability of the grounds. Contract work has also proven to be more cost effective than using Government employees. We have an in-house workforce of only two (a Horticulturist and an Inspector) to supervise the contractor.

Question. Part of the Conservatory had to be razed a few years ago, due to structural weakness. We have appropriated funds to design a major renovation of the Conservatory. The original cost was estimated at $21 million. Last year, before the design is even finished, we were advised the cost is now $28 million. Should we be planning to make such a major expenditure on the Conservatory?

MR. FREEMAN'S RESPONSE

Preserving the structural integrity and historical significance of the Conservatory, given its international prominence, and maintaining it as a functional educational resource for horticulture are important considerations. If you are planning to contract out, I would not spend funds on a major renovation.

Question. What alternatives are there to having a Botanic Garden program in the Legislative Branch?

a. Can it be privatized?

b. Should it be transferred to the National Arboretum?

c. What are the possibilities of buying the necessary flora for the grounds on the open market?

d. What if we privatized the Conservatory, but kept the nursery?

MR. HAASE'S RESPONSE

Ground maintenance is probably one of the most efficient and cost saving measures to be privatized. There are excellent Companies in the area that specialize in this function and contracting more than one would not be a problem. In my opinion, the Botanic Garden Program should definitely be transferred to the National Arboretum. In the analysis of the functions now being handled by the Architects office, it may prove cost effective to keep the nursery under some type of privatized structure. In all honesty, I do not feel I have enough information on this particular matter to make a definitive judgment call at this time. Further study is probably warranted.

MR. FREEMAN'S RESPONSE

Transferring the Botanic Garden program to the National Arboretum is an idea that should receive close consideration.

a. Much of the work at the Botanic Garden could likely be contracted; however, some aspects appear to be "inherently Governmental" and should be performed by your core employees.

b. Transferring the Botanic Garden program to the National Arboretum shows promise, but could involve relinquishing direct control.

c. The Pentagon currently purchases all ornamental plants and flowers by contract. Operating greenhouses, especially in this climatic area, and maintaining an inventory of plants was not cost effective at the Pentagon.

d. The Pentagon has been quite successful in contracting for landscape maintenance services and this might be a viable consideration for you.

Mr. PACKARD. On the Architect of the Capitol, and I would like to zero in on that area more than perhaps any of the other areas, I think the position and office of the Architect of the Capitol is established in law. But I think many of us on the committees, both the House and Senate side, feel that there can be some serious restructuring of the job description and the agency itself with the number of personnel. Ed, how many—about 2300 employees in the Architect of the Capitol? I am sure that when they established the Architect of the Capitol Office, the Congress never dreamed of an agency that would be that large and cumbersome. And frankly, I think many of us feel that it has reached the point where it has got to be restructured.

You mentioned, I think, Mr. Haase, something that we have been talking a little bit about and certainly thinking about, restructuring the Architect's Office to where you have an Architect of the Capitol, of course, but that office would be an overseer, perhaps as someone said, I think used the words, a contracting officer or someone that would coordinate and oversee and manage the operations of the Architect of the Capitol, but they would not actually perform the operations.

We do not have the Department of Transportation build freeways and build airports and do this; they oversee, they set policy, they manage from the Federal level. The Architect probably shouldn't be an office that does everything from the planning, from the architectural design to the construction. We do that now in many instances and thus we employ a lot of—2300-some people.

An Office of the Architect could very well be an office where the Architect would have a few very well selected, very well qualified people to oversee these different areas, and that could be a matter of 20, 30, or 40 or 50 people instead of 2300 people. I may be overestimating to some degree in the magnitude of the downsizing.

If we chose to go in that direction, would you suggest that we phase it in, and how would we phase it in so that, at today's placement cost and minimizing the heartaches to personnel, it would not be so catastrophic that it would be almost heartless to do it?

Mr. HAASE. That is the $64,000 question. I think that I would start with the custodial aspect of it first, and then I would ease into term contracts vis-a-vis these 971 people. Now, keep in mind that a lot of companies, when you phase in custodial, are going to pick up this FTE that is now doing the work.

I mean there are going to be competitive bids out there that don't have the personnel to do it; and they are going to pick up these people, who are going to go right to these companies. They are going to be doing it with another color shirt on for a private company. So you are not going to exactly cut everybody loose. This company is just going to take over.

Mr. PACKARD. So you feel that the plumbers that are under the Architect would move out in the private sector, maybe coming and doing the same jobs here under a private contractor?

Senator MACK. But probably fewer of them.

Mr. HAASE. Yes, exactly.

Mr. PACKARD. Right now I believe the Architect supervises electrical and plumbing and all kinds of maintenance construction and other departments.

Mr. HAASE. Yes. And that is what you would find I think a lot, and I think that is what happened over at the Defense Department a lot with your janitorial, what we used to call the green shirts over at GSA. So that would take care of part of it. Attrition takes care of a lot of it, too.

As I say, it is not a rush to just immediately cut it loose, but I think that you phase into it, and it might take, it might take four years to do it all, but I think in that particular time you would have a very crisp, sophisticated contracting, quality control Architect of the Capitol asset management team.

Mr. PACKARD. Do you have further comments on that, Mr. Freeman?

Mr. FREEMAN. Yes. I agree. I think the easiest to start with is the custodial services. But you know, I would think the attrition rate normally runs somewhere around 5 percent. But I would try to get contracts in place. A lot of them don't cost anything. You know, pest control, snow removal, a lot of these things you call people in. You can have the contract out there. A large term contract when you are getting up to the jobs up in $50,000, $100,000, you have a max.

But if you know you are spending, sometimes our contract is spending upwards of $4 million a year, we can go up to $6 million, and you have all of the charges in place, so at any time that you can bring them in, you know what the job is going to cost you because you have all of these line items spelled out.

You know, 20 feet of wall taken down, so much a square foot, tearing them down putting doors up. So these are already spelled out.

So you really need, I think, to start getting the contracts in place. Like I said, these faucets, you turn them on and turn them off, turn them on and turn them off. And you should have it for, like I said, landscaping, I have two people that supervise all of the people coming in. But I think you are going to need kind of a wide spread there. You are going to need an electrical-type supervisor, another one we have one in alterations, and possibly an architectural engineer on the staff and someone in graphics that is well qualified. You might need, you know, four or five there. But again——

Mr. PACKARD. They are already there. It is just that they are not acting in a supervisory position under the architect, they are in the department managing the employees in the department.

Mr. FREEMAN. But the fact that they know what you want when you want it and they can get the contractor in and get it done right now. So there are a wide range of contracts you could put in place, and like I say it would cost you nothing to write up the scope of work and going out and getting contracts going.

Mr. PACKARD. We have had an interesting experience along that very line when we contracted out the restaurant operations of the House, and I don't know about the Senate. Many of the same people that were on our rolls at the restaurant remained under the private contractor. So it wasn't a total displacement. In fact, it was probably very little displacement. Many people in the House didn't even know that there was a change, because there was not a change in personnel, it was just a change in the way we operated, and from what I am told by our staff, there was a significant savings of money in that changeover where we contracted out the restaurant operations. It is an interesting point.

Mr. FREEMAN. To comment on that, like the custodial that was mentioned here, you know, you could bring in and write up the contract and have a bid out and the contractor comes in and gives you a bid, but one of the things that your current people have, you know, the right of refusal for the job. So you—they have the opportunity then of going with the contractor. Then you have the contract, you have it in place.

Mr. PACKARD. Senator Mack.

Senator MACK. Yes. Just a thought occurred to me. The Architect of the Capitol is appointed for a certain length of time. I think it is——

Mr. PACKARD. It is about to change this year. Later this year we are scheduled for a change.

Senator MACK. Which raises this point. It seems to me the kind of changes that we are talking about really change the, if you will, the job description and/or the background requirements of the person who would come in under this new position. And it seems to me that the four—that before a new appointment would be made, we have got to be thinking about the kind of person that ought to be considered for this job. We have to start writing up the requirements.

Mr. HAASE. Exactly.

Mr. PACKARD. The job description.

Senator MACK. Or what is the word that I am looking for?

Mr. FREEMAN. Position description.

Senator MACK. Yes. And also background capabilities of the individual. If we take the same approach we have taken in the past, we are going to end up with an individual who could be very, very qualified from an architectural perspective, when the job is really as you say an asset manager.

Mr. HAASE. Yes.

Mr. PACKARD. Along that line, there is a significant amount of square footage in our office buildings and in this building that are currently occupied in the bowels of the buildings by these different departments of the Architect's Office. The plumbing department has a series of offices or space down in the bottom of the Rayburn and there is a lot of space at the bottom of some of the other buildings. It would be an interesting exercise to see how much space is being occupied that would be freed up with the contracting and if in fact that could resolve some of the space problems that we have with some of our annex buildings and other areas and where we are renting or leasing other space throughout the city for government operations.

It has ramifications that extend beyond just the changing or the restructuring of the Architect of the Capitol. There are space issues that could be reevaluated and a lot of other things that may ultimately save a lot more money than what we are just talking about in terms of restructuring the Architect's office.

Mr. HAASE. Yes, sir. Leasing, just to point out a figure, leasing almost 1.3 million square feet, outside leasing, outside the Capitol.

Senator MACK. That are related to the legislative functions?

Mr. HAASE. Legislative functions. You are spending almost $8 million.

Mr. PACKARD. Well, that is another aspect that would be easy to overlook in this kind of a hearing, that there are space issues that could be——

Mr. FREEMAN. To elaborate on that, one thing about it, not on the office space that the people might be in down here, but when you are trying to take care of your own custodial, alterations, repairs, everything else, it requires a lot of equipment and parts and supplies and everything else. Whereas if you have a private contractor out there, it is on demand. He brings it in, does a job and it is gone. So you free up a lot of storage space that you have around the buildings.

Senator MACK. Okay.

Mr. PACKARD. Anything else from anybody?

Mr. MILLER. Thank you.

Mr. PACKARD. Well, I want to thank both Mr. Haase and Mr. Freeman for the expert testimony that you have given. It has been a very good hearing today. We have stayed on schedule, and I want to thank you all for participating in the hearing. I very much appreciate that, and I will now adjourn the hearings and thank everyone who has participated.

WITNESSES

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DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES

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