

# House Unit Bars Loans Phaseout

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President Johnson's proposal to phase out the popular program of direct Federal loans to college students was unanimously rejected yesterday by a House Education subcommittee.

The Administration's proposal was "eliminated completely," Chairman Edith Green (D-Ore.) said after her subcommittee on higher education met in closed session. Five Democrats and four Republicans urged that the Federal loan program be funded at its full authorization of \$190 million.

The President had urged the substitution of the new system of Federally insured private loans for the direct Federal loans now made to students under the National Defense Education Act. The subcommittee and most college officials favored continuation of both programs.

Mrs. Green's committee also reported out a bill to extend the college construction program for five years. It recommended that more than \$2.3 billion be spent to build college classrooms and laboratories during the next three years, leaving unspecified the amounts for the fourth and fifth years.

The Administration had recommended only \$453 million for the first year. The committee went on to approve

\$700 million for the second year, \$900 million for the third and \$270 million for graduate school facilities.

It went along with the Administration's proposal for a one-year, \$30 million extension of a program aimed at bolstering hard-pressed Negro colleges in the South.

Another House Education subcommittee yesterday reported out a bill providing \$140 million to finance a three-year program to improve international education programs in colleges and universities. A third subcommittee raised from \$57 million to \$88 million the Administration's recommendation for library construction.