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An example may help explain my proposal. Suppose a parent with one child buys \$1,000 of educational savings bonds when the child is eight years old. When the child becomes college age -- say at age 18 -- the bonds would be worth \$1,970. The tax exempt portion, \$970, will go a long way in meeting the child's education expenses.

Mr. President, let's assume that instead of a large purchase of the bonds, the parents buy 200 of bonds per year for ten years. When the child is ready to enter college, these bonds will be worth \$2,958.

It is important to remember that the yeild on the investment is even greater than the figures indicate because the interest is tax exempt. If the parent has to pay taxes on the interest earned, the amount of money available at the end of the ten year period will be considerably less.

There are, of course, many ways in which my proposal could be changed. The Congress may want to expand the benefit by increasing the yield or by increasing the amount of bonds which would be held.

Mr. President, the costs of higher education and its rapid increase over the past few years can be carefully calculated. What cannot be calculated, however, is how seriously these costs erode the expectations of those who would like their children to have the opportunity to receive a college education. Despite changing attitudes about the value of a higher education, I believe that the decision whether or not to attend college should not have to be made on economic grounds. I believe that enactment of this legislation is a step in the right direction.

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