

thousands actually that we are going to take out each year and send abroad to various places and give them additional stipends to what they would be earning here. I have a question I would like to ask Mr. Doherty.

Does the AFL-CIO or maybe in your knowledge any other organized labor association have any program of loans for this particular thing? I have been reading where the labor unions make substantial loans of money to lend and money to investment purposes. Have they invested in any of these group practice clinics? Do they have any provisions for such loans?

Mr. DOHERTY. I will let Mr. Shoemaker answer.

Mr. SHOEMAKER. I think we have to realize that health, welfare, and pension plan money is very conservative money and that, generally speaking, investment of these funds is through a fiduciary trustee such as an insurance company, bank, or trust company, so you come around to the same thing. Ninety percent of these plans are actually administered by employers. So, generally speaking, we actually don't have any control over the use of these funds for this purpose.

Mr. VOORHIS. I would like to say this. I would like to point out that in the case of investments out of welfare and pension funds, labor unions or churches or other groups like this, that these are very strictly controlled and that the guarantee involved in this legislation would present them with quite a different picture and opportunity and I would guess that there would be many instances where, with a guarantee such as this bill provides, it would be possible for the first time for some such funds to extend financing for these purposes, legally and properly, whereas they couldn't do it before.

Then, I would also like to comment briefly on your original question, if I might just by pointing this out, that our major concern, Mr. Congressman, is the one that you pointed to, at least mine, is with the plan itself, which is a nonprofit agency and therefore cannot offer the hope and expectation of substantial earnings as a means of backing up its request for a loan.

I would agree with you that there are cases where groups of doctors who are in business to make money, and who do, have got a different situation than a nonprofit plan and where the need is probably less. But I would second very earnestly what Mr. Brindle had to say and point out that if a group of doctors, even though they are not in one of the plans we represent, are willing to go into a community that has great need, I think they should be encouraged.

Finally, I would like to point out that in the case of a number of our plans, the doctors personally have been asked to sign notes against their personal credit in order to help get some of the most essential financing for some of these plans and that we don't think they ought to have to do that and under this bill they wouldn't any longer have to do that. They have to pledge their personal credit which in some of the plans they have actually done.

Mr. HARVEY. I do not know how it would fit into this plan. I do not know anything wrong with doctors pledging their personal credit any more than I do with other businessmen such as lawyers or other businessmen. This is one of my concerns in this bill, that you are taking the FHA, which has been a revered organization in American