provident enough to put money aside, maybe the family was living up to their income levels.

I don't know what they were doing with any of their money. The concern here is the student, not the family income or where he comes from.

Maybe the family is broken up. The level of income under the statutes we use for reckoning our tax income and so forth, the taxable income, it may be sizable but is it available to the student?

We don't know these answers.

I am relieved a great deal to hear those students coming to my office and saying they had been denied a loan and the bank won't give them one because they say they have no more funds for this purpose because of tight money.

I can now direct them in this mass number to the First National City Bank.

Mr. BRYTCZUK. I would rather you didn't do that.

Mr. CAREY. This is a policy of the bank that no one is turned away who is judged capable of pursuing a college degree.

Mr. BRYTCZUK. We don't take loans from all over the country.

Mr. CAREY. You just take care of the 15th Congressional District of New York?

Madam Chairman, you will have to get your own First National Bank.

I want to say I do recognize the banking community in New York, which naturally would be more within my budget, has done a fabulous job of cooperating with the State leadership in this field and our State plan, which was far in advance of the national plan, brought about a great awareness of the opportunity for the banks to perform this public service.

Dr. WALKER. It was one of the prototypes for the national plan.

Mr. BRYTCZUK. I think in the figures New York State accounted for $50 million of that total previously mentioned.

Mr. CAREY. If you are successful in selling the committee and the committee is successful in selling the Bureau of the Budget that you should get a placement fee, cost of acquisition fee to cover your paperwork and other factors in these loans, won't this make it far more attractive for all the States, all the banks rather, to operate for the Federal program because you get the placement fee which you won't get on the other?

Dr. WALKER. No, my statement is not clear on this point. This would be for any loan guaranteed under the Federal program. I say this again for the benefit of the members of the press, the Federal loan program is not at this point a Federal-student cooperation, it is a Federal-private; there is no Federal yet.

Mr. CAREY. It is only a guarantee?

Dr. WALKER. No, there is no Federal guarantee anywhere yet.

Mr. CAREY. When the State decides to come in the Federal guarantee will be there?

Dr. WALKER. No, the States have the opportunity first of setting up their own plans or going under a private plan such as USAF. After a given period of time if the State is not doing this, the Office of Education can trigger the Federal plan in that State.