

If we had that money by taking away the interest subsidy, we would be very happy. If you can provide both, if the Congress can provide both, perhaps we would not argue that way.

Mr. BRADEMAs. You make no distinction, I take it, between the language of the act which does make a distinction between the student borrower whose family adjusted income is \$15,000 and the student whose family adjusted income is more than that.

Mr. PARISH. The \$15,000 of course is modified as you know. It can go up to \$20,000 with the particular amendments that were included. But the question is there that we are not making any money in California available to those above the \$15,000 in just the education field because we haven't got that much money. We have restricted it.

But if you take the number of students involved, if you take the total number of students involved, you will find most of them fit into, or say 85 percent would fit in the amounts below the adjusted \$15,000, so actually we are talking about the largest number in that group but we cannot provide enough funds to take care of that particular group at the present time.

Mr. BRADEMAs. Thank you.

Mrs. GREEN. Congressman Hathaway?

Mr. HATHAWAY. I wonder if you could give me your thoughts on the tax credit proposal?

Mr. PARISH. I have to give them to you as the Commission itself felt because we cannot speak for the association on this particular matter.

The Commission on financial aid opposes tax credits. We feel it will help only those with highest incomes and, therefore, we have taken action for that purpose to oppose it.

Mr. HATHAWAY. Don't you think the tax credit proposal in conjunction with a good loan program for those of low incomes would be an ideal situation?

Mr. PARISH. I think my own personal feeling is that the loss to the Treasury of this amount of money would make it almost impossible to properly fund the proper kind of loan program and the proper kind of other programs.

I think the loan program used to be the most important but today I think college work-study and others have supplanted the loan program as being the most effective.

Mr. HATHAWAY. Thank you.

Mrs. GREEN. Are you speaking from the effect on the Treasury? Is this why you oppose the tax credit?

Mr. PARISH. Yes, this is the main reason.

Mrs. GREEN. Do you oppose the tax incentive for businessmen that would cost \$2.2 billion this year?

Mr. PARISH. That is not within our competence.

Mrs. GREEN. It is kind of a tax reduction to the Treasury. Is it less important to make arrangements for students to go to college than to get the tax incentive for businessmen?

Mr. PARISH. I wish I could speak to that point, but I feel that tax credit could be a very worthwhile thing if we have enough money to fund all of these programs properly.

Mrs. GREEN. On your guaranteed loan, you make your plea here in regard to the 6 percent subsidy in the cancellation. I judge on that basis you want the money to go further?