

Mr. SCHEUER. He has to be enrolled and have an adequate academic standing; otherwise he is not going to get into the door?

Mr. BARR. That is right.

Mr. SCHEUER. Now what further act of judgment should the bank be making?

Mr. BARR. Really they should make no others, Mr. Scheuer. All they should do is to establish a personal relationship and impress on that child who is borrowing the money that this bank expects to get repaid.

Mr. MUIRHEAD. I think, Mr. Barr, that the bank also has to have other information from the college. That is, the actual cost of education at the college and what other assistance the student is receiving from the college. So that when he makes application for a loan, he won't receive a loan that is over and above the cost to him of obtaining an education.

Mr. SCHEUER. Including his living expenses?

Mr. MUIRHEAD. Yes.

Mr. SCHEUER. That would be about the only discretion.

Mr. BARR. That is really about the only area of discretion, that is correct.

Mr. SCHEUER. Now you highlight the personal relationship.

Mr. BARR. Right.

Mr. SCHEUER. I think that is very important, too. This may be the first time that that person—I won't call him a child when they get to be in their late teens—if you have any of your own, you had better not call them a child—it is probably the first time that most of these kids have ever been inside a bank.

Mr. BARR. That is correct.

Mr. SCHEUER. To me this would be a very fruitful opportunity for more than just a quick, impersonal sort of brushoff. This would be a great opportunity for somebody to establish a meaningful personal relationship. I think you have hit on it, to hit that kid, that teenager with his own personal financial planning.

Mr. BARR. I agree, Mr. Scheuer. The banks look at it this way, too.

Mr. Gurney, this relates to your question, why are they willing to make these loans. There is something in it for the banks. If they can establish an early relationship with a promising customer, they have established a relationship that can well exist over their whole life.

If I may tell a favorite story, the President, when he first started to college, found a banker willing to lend him \$75. He says he has kept an account with that man ever since. It is a little town down in Texas and it is not related to anything he has, but he has never failed to keep an account with that banker. This is what the banks see in it.

Mr. SCHEUER. Can I ask you this question? Is anything being done, is there any program of instruction or orientation, to the person in that bank, whether he is a teller or assistant vice president who is going to interview these kids as to how to establish this relationship, how do you make the kid feel that you are concerned with him and that you want to help him, that there is certain knowledge you can impart to him that will help him in his own personal life, the importance of personal financial planning, the technique of interviewing a person from perhaps a social class that he has not had much experience interviewing before? What is being done in terms of an orientation course or a lecture or an outline or a booklet or a documentary movie or something