

He thinks they have all been productive—anything we have spent on education.

Mr. SCHEUER. We certainly would be interested in these studies. I hope they will be forthcoming in the not too distant future.

Mrs. GREEN. On a quid pro quo basis, Mr. Barr, if we should help you get an appropriation for such a study, would you use your influence in the Treasury and Budget Bureau to get the appropriation for education bill through the Congress so the Office of Education does not get cut?

Mr. BARR. I will do my very best.

Mrs. GREEN. We would like that very much.

Congressman Erlenborn.

Mr. ERLNBORN. Generally savings and loan are limited as to the type of loan they can make, they are not in the commercial loan business generally speaking. Were Federal savings and loans specifically authorized to make this type of loan in the 1965 act?

Mr. BARR. They were specifically authorized. There is a regulation change that the Federal Home Loan Bank Board is now considering which would allow a savings and loan to treat a guaranteed student loan precisely the same as any other federally guaranteed loan.

Mr. ERLNBORN. Have there been restrictions as to the amount of their assets that they could loan?

Mr. BARR. Yes, there is a tax limitation of 18 percent. We are examining whether or not we can by regulation take these loans out of that 18-percent category.

Mr. ERLNBORN. How about State savings and loans? Do they generally authorize this type of loan? Or are there many States where commercial loans just are prohibited, even this type of guaranteed loan?

Mr. BARR. I am advised that the rules are generally similar to the Federal rules, but I would have to submit that for the record. I can get that for you from the Federal Home Loan Bank Board.

(The information to be furnished follows:)

FEDERAL HOME LOAN BANK BOARD,
Washington, D.C., September 15, 1967.

HON. JOSEPH W. BARR,
Under Secretary of the Treasury,
Washington, D.C.

DEAR JOE: As requested in your letter of August 25, 1967, we have conducted a state by state survey regarding authorization for state-chartered savings and loan associations to make guaranteed student loans. According to our interpretation of the relevant state laws, savings and loans in the following states can make such loans:

Alabama	Maine	Ohio
Alaska	Maryland	Oregon
Arkansas	Massachusetts	Pennsylvania
California	Michigan	South Dakota
Colorado	Minnesota	Texas
Connecticut	Mississippi	Utah
Illinois	Nebraska	Vermont
Iowa	New Mexico	Virginia
Kansas	New York	Wisconsin
Kentucky	Nevada	Wyoming
Louisiana	North Dakota	