

which says that unless your son or your daughter gets help he cannot get a college education.

Some financial aid officers, quite understandably, look at the guaranteed loan program through the same glasses, if I may say so, as they look at the NDEA loan program. They should not because there is not the same financial means test imbedded in this program.

Mrs. GREEN. Could they not have a couple pair of glasses so they would use one for the guaranteed student loan program and match the intent of that program and another one to match the intent of the NDEA?

Mr. HOWE. I think the guaranteed loan program has a very rough kind of financial means test through this \$15,000 breaking point on the forgiveness feature for interest. It is very rough.

The financial aid officers are accustomed to dealing with a much more systematic and exact system of establishing financial need. Many of them use the college scholarship eligibility form for that which inquires into the details of a family's financial position.

It seems to me that the criticism of financial aid officers probably has some validity as long as there is a tight restriction on the unavailability of guaranteed loans because then somebody has to make choices.

That is the problem we confront right now and one of the reasons we are proposing these amendments. If we can open the door of availability, then it seems to me that the very broad cut of the \$15,000 eligibility is a reasonable position to take for special privilege of interest forgiveness and you don't need the kind of exact feature which is for more restricted programs with less funds available the financial aid officer is accustomed to using.

Mrs. GREEN. If there had been that kind of eligibility evaluation by the institution, I don't mean a means test but determination of eligibility for this, with the limited funds that we have in the guaranteed student loan program, loans would have gone to the students who needed it more. We don't have any assurance that this occurs.

I know that Mr. Barr is optimistic about the funds that will be released for this, but suppose that the available money does not meet the expectation, then would it not be better to have some kind of check by the student aid officer to prevent the kind of thing that Mr. Quie spoke about a moment ago?

Mr. HOWE. What you have now from experience with the program, which admittedly is short, is an experience record which I understand indicates banks are tending not to loan to people above the \$15,000 level and tending to concentrate their loans in the portion of greatest need.

So I think we are getting some response from the banks on this score already although admittedly without the exact kind of differentiations that a more involved system would provide.

I think that opening the door of having loans available will solve a large proportion of the problem we are discussing.

Mr. BARR. Madam Chairman, I would hope that the officers in these institutions would exercise discretion. If they push too hard on the means test, those 47 Senators who have signed off on the Ribicoff bill will cost the U.S. Treasury a billion and a half dollars someday.

Mrs. GREEN. I hope you will look again at your answer to the question in terms of any check on the student as far as character is concerned, as far as failure to meet other obligations.