thing. We have distributed this past year to all high school counselors and to college counselors information about the full package of Federal aid for attending undergraduate or post-high-school education, a rather well-thought-through series of materials. We ought to give some to this committee if we have not. We are using a variety of means to get people informed. It will take time again. This is a 1-year program in terms of actual experience.

Mr. QUIE. What kind of relationship is there between the college and the banks or the student aid program? I know the banks have to find out if the student is enrolled and how he is pursuing his college course. Do any of them have a relationship worked out where the admissions officer or the aid officer in the college actually is working with the bank and he sends them down to the bank and the bank takes his work and all he has to do is go to the bank to secure the loan?

Mr. MUIRHEAD. The procedure under the program is that the student may go to one of several places to start the exercise of getting a loan. He may go to the college, he may go to the State agency, or he may go to the bank. He receives an application at that time. The procedures include, no matter where he starts, sending the application to the college. There the financial aid officer reviews the application and provides the essential information you have just indicated, including what it costs to obtain an education at that institution and including also any additional aid that he may be receiving. For example, he may be getting an NDEA loan. He may be on college work-study or the college may be providing him with a scholarship. This information then is forwarded to the bank and they assess that in determining the amount of the loan for which he is eligible.

Mr. HOWE. I would assume in direct answer to Mr. Quie that the college counselors are frequently advising individual youngsters to piece out the rest of their college expenses by a guaranteed loan and indeed perhaps calling up loan officers and saying, "I am sending Joe down to see you."

Mr. QUIE. If they do that, does this tend to be a lending agency in the vicinity of the college or a lending agency in the vicinity of the student's home?

Mr. BARR. Mr. Quie, there has been some tendency for the colleges to refer the students to lending agencies near the college. Those lending institutions have usually referred them back to their own hometowns.

Mr. QUIE. Your testimony indicated that there is an advantage to the bank to make the loan because he will probably be out of the poverty bracket the rest of his life when he graduates from college. It would not help much if a few thousand miles away he secured his loan.

Mr. BARR. That is right.

Mr. HOWE. The chances are that he would move out of his hometown, so I don't know how valid that argument is.

Mr. QUIE. When he moves out he keeps some ties there. You don't keep ties with the college town. You are apt to be close to home. What if there were a reduction in the amount of money available for NDEA loans? Does the guaranteed loan pick up the slack? I can think of two reasons. One, that the Congress starts thinking that there is plenty