

record could be better if these amendments were passed, and possibly some other amendments.

Having said that, let me introduce myself. I am professionally chairman of the Department of Economics and Business in Aquinas College, Grand Rapids, Mich., past president of CUNA International, a member of their executive committee. I am pleased to have the opportunity to submit this testimony today.

Madam Chairman, and distinguished members of this committee, CUNA International is a nonprofit association of credit union leagues. In this country, there are 48 State credit union leagues which represent approximately 22,000 credit unions with a membership approaching 18 million.

A credit union is a nonprofit mutual membership organization chartered for the purpose of promoting thrift and providing provident and productive loans. It is managed and operated mostly with volunteers who serve without compensation, which is of course one of the limiting factors or restraining factors in terms of our ability to make these loans or any loans, for that matter.

A credit union does not deal with the general public. It must have a common bond of membership and it can deal only with members. The members pool their savings and lend to each other. Each member of the credit union has one vote which he is free to exercise for the election of officers and for many other purposes. In order to become a member, an individual must pay 25-cent admission fee and usually he must agree to subscribe to one \$5 share. I have interpolated "usually" there because there are some changes between the States and provinces and overseas leagues, but basically that is correct.

We in the credit union movement like to believe that credit unions exist for one purpose—that purpose is to serve the members. Traditionally, we have fulfilled a substantial need for those who have been unable to obtain credit. We like to believe that we have been responsible for proving to other lenders that the "average man," whether he is a factory worker, an enlisted man in the military, a teacher, a civil servant, or a welfare recipient, has the capacity and the character to repay his loans if he is dealt with fairly and counseled wisely.

To this end, we like to think of ourselves as more than just a savings and lending institution. We believe that we are also an educational institution and a considerable amount of our time is devoted to educating our members. We consistently hold conferences and educational sessions throughout the country, informing our members about financial counseling, consumer credit, other consumer matters, as well as in the operation of credit unions. As a matter of fact, during this week many credit union leaders are meeting in Madison, Wis., for the purpose of attending a family financial counseling course, and one of the subjects being discussed is how to finance a college education. We are particularly cognizant of the role that this legislation can do there.

As a savings and lending institution which is also an educational institution, we were quite pleased to be granted the opportunity to participate in the guarantee student loan provisions of the Higher Education Act of 1965 and in the National Vocational Student Loan Insurance Act of 1965. After these were passed by Congress and signed into law, our association paid full to have two credit union people