

Mr. GANNON. Figuring out adjusted family income took two lawyers and an accountant to figure out that form that they started with last year. That has since been simplified, reduced from two forms to one form. Instead of two sides of one sheet of paper adjusted family income, it is now reduced to about five lines on the front side of the paper. This was very complicated. And yet these students who are not used to borrowing, don't know anything about it, there is a lot of consulting that has to be done when a student comes in to apply for these loans.

Mr. WALKER. I have discussed this program twice with President Johnson. He makes a very strong and valid point from his own experience in borrowing money to go to college and his experience throughout the years, that one of the most valuable aspects of this whole thing is the student establishing credit with a financial institution and doing it in a sound sort of way and consulting with the banker, the credit union official, or whatever, about financial practices. We all know the figures throughout this country on individual bankruptcies and things of this type. The fact is that the average American consumer does not know enough about credit and does not know enough about how to establish credit. If you can get kids of 16, 17, 18, 19 years of age starting off with a good credit operation they will be better off for it during their entire life. This requires some time on the part of the banker, the president of the small bank or vice president or assistant vice president of a large bank, to sit down and talk with these kids and it is costly but it is very valuable to the student, it is very valuable to the economy.

Mrs. GREEN. Congressman Quie.

Mr. QUIE. You may have asked the questions that I was planning to ask but I am impressed by the statement you made of the need to involve the financial aid officer in an institution of higher learning. This has been one of my great concerns with the guaranteed and subsidized loan program. The student who may need the loan may never even get to the bank to talk to the president or vice president of the bank. But the person who is in contact with him is the financial aid officer in the college. Somebody has motivated him to want to attend the institution. That is where the relationship first begins.

I am wondering also about your comments with regard to the expense of securing the payment of interest from both the Office of Education and the student. If the National Defense Education Act student loan program provided loans for those who really needed the support or the subsidizing even after they graduated, if that would take care of that group, if a guaranteed loan program would not be sufficient for the banks to operate and, therefore, you don't have to check into the credit for the student because the full faith and credit of the U.S. Government stand behind him. But you would not have to go through all the expense of collecting the money. Would you support it if we just dropped the subsidized interest rate and went into a guaranteed loan program only.

Mr. WALKER. You would have very enthusiastic support. I discussed this with Dr. Logan Wilson and officers of the American Council on Education just a few weeks ago. We discussed it with educators throughout the country. Quite frankly with all due respect, they seem