

FIRST NATIONAL BANK OF OREGON,
Portland, Oreg., September 8, 1967.

HON. EDITH GREEN,
Congress of the United States,
House of Representatives, Washington, D.C.

DEAR MRS. GREEN: We have read with interest the testimony you sent to me concerning the Guaranteed Student Loan Program.

We have close to \$1,500,000 outstanding in student loans under the program which has been administered to date by the USAF program. Matching funds, as you know, have been provided by the State of Oregon and we soon will be participating in that program. To the best of my knowledge no student in the State of Oregon has been turned down for the reason that loanable funds were not available.

Since the program is in its infancy and our experience with pay-out loans is very limited, the co-insurance proposal on a four-to-one basis seems quite liberal. Realizing that the co-insurance is not a budgetary item, the four-to-one factor does create a sizable exposure in the future to the Federal Government. I would suggest that consideration be given to a lesser amount of co-insurance to begin with and then to base any increase on need.

This same philosophy also should be applied to students in applying for the loans—that there must be a need for the funds. It is obvious that the 6% interest on loans of this type is a losing proposition to the bank and, therefore, I believe that the bank should be entitled to an additional fee for each loan processed. Although the recommended fee of \$35 may be high, the \$25 fee would at least compensate the bank for services rendered. The Michigan plan of having the student pay the full interest during the pay-out and then applying for a refund from the Federal Government when the loan is paid in full certainly would simplify a great deal of paper work and also be an incentive to the student to pay his loan.

We appreciate your interest in our position in granting these loans.

Sincerely,

JOSEPH J. VOSS, *President.*

SEMINOLE JUNIOR COLLEGE,
Sanford, Fla., September 1, 1967.

HON. CLAUDE PEPPER,
11th District, Florida,
House of Representatives, Washington, D.C.

DEAR SIR: I have reviewed your proposal to revitalize the Guaranteed Student Loan Program outlined in Bill No. H.R. 11978 and I want to congratulate you for taking this forward step concerning this program.

We have many students who have been denied loans at local banks due to the problems you spell out in your testimony. I hope this Bill will successfully pass and would appreciate your keeping me informed of its progress.

Sincerely,

R. A. SCHREIBER,
Dean of Student Affairs.

ST. PETERSBURG JUNIOR COLLEGE,
St. Petersburg, Fla., August 29, 1967.

HON. CLAUDE PEPPER,
Member of Congress,
House Office Building, Washington, D.C.

DEAR SIR: Thank you for acquainting me with your Bill HR-11978. This bill is of extreme importance to the junior college graduate. Many attend their local junior college because of lack of sufficient finances to continue their education away from home. Once they have graduated, they then find it necessary to seek substantial sums of money in order to complete their final two years. The guaranteed student loan program could be of significant assistance to them. I wish you success in its passage.

Very truly yours,

M. M. BENNETT, *President.*