the program. A number of our prospective students have experienced difficulty in securing these loans, and I feel that your proposal offers the necessary incentives for private lending agencies to participate actively in the loan program.

I would like to express my appreciation for your interests and efforts in behalf of the large number of students who could be relieved of added financial burden by participation in this program.

With kind regard, I am,

Sincerely,

HAROLD BRYAN CROSBY, *President.*

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FLORIDA STATE UNIVERSITY,
*Tallahassee, Fla., September 28, 1967.*

HON. CLAUDE PEPPER,
*U.S. House of Representatives,*
*Old House Office Building, Washington, D.C.*

DEAR CONGRESSMAN PEPPER: Thank you kindly for your recent letter and attached copy of H. R. 11978 along with your comments relative to this bill in the Congressional Record of August 21, 1967.

We at the Florida State University are most grateful for your strong, continuing interest in the welfare of students. We agree with you that we need changes in legislation to make the granting of guaranteed loans to students more attractive to banks. We would, however, hope you would examine more carefully the extent of the Federal subsidy.

Our concerns with respect to the Federal subsidy under H. R. 11978 are that the proposed $35 charge for processing or consolidating guaranteed loans could result in a subsidy as large as $175 if a student received four loans—one for each year in residence. In addition, the $1 service fee for each monthly installment could be substantial if loans total more than $2,000 since the repayment period may be from 60 to 120 months. An increase in the interest rate above the present 6-percent limitation is also of concern to us. We would hope also that you would examine carefully the need for large interest subsidies for students from middle and upper income brackets. We believe that it would be desirable for college and university student financial aid officers to be authorized to advise lending agencies on whether or not a student applicant needs a loan as well as the extent of the loan needed.

May I respectfully suggest that you might want to consult with Mr. John F. Morse, Director of the Commission on Federal Relations for the American Council on Education, Washington, D.C.; Mr. William W. Wharton, Administrator of the Florida Guaranteed Loan Program, State Department of Education, Tallahassee, Florida; Mr. Robert Kimmel, President, Southern Association of Student Financial Aid Administrators, Director of Student Financial Aid, The Florida State University.

We appreciate so much your interest in higher education in general and the Florida State University in particular. We look forward to having you visit with us at Homecoming.

Cordially,

JOHN E. CHAMPION, *President.*

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