

Mr. WALKER. No, sir. I remember this ruling, and I did not agree with the ruling. The great majority of the national bankers looked upon it as we call it, a bottom drawer ruling. You take and look at it and put it in the bottom drawer.

Mr. GONZALEZ. Did you ever disagree? Did you ever tell the Comptroller he was wrong?

Mr. WALKER. That particular Comptroller and I had a communications problem. This is not the significant point.

Mr. GONZALEZ. Yes, it is.

Mr. WALKER. Take the banks in Massachusetts. There is no usury law in Massachusetts, the banks in Massachusetts can charge consumers 10,000 percent a year. They don't. Competition—banks are not going out and charging that kind of rates. Mr. Saxon made this ruling which we thought had dubious legal status. I am not even sure the ruling is still in effect. It got a very big scream from the State bankers in Texas because of discrimination between the State and national banks.

I would like to see evidence that one loan was made by one national bank anywhere in Texas at anything other than the regular normal rates under that particular authority.

Mr. GONZALEZ. You may check with the banking officials in the State of Wisconsin. In the State of Texas, why did the banking industry insist on the legislature's approval of the bill that the Governor vetoed after a lot of protest, that was reintroduced in this session and vetoed in the session before last that would allow the banks to enter this area even up to loans in the amount of \$1,500.

Mr. WALKER. If you have got efficient lenders—not the banks—but if you have got inefficient lenders that are allowed to charge rates on these particular types of loans, would you rather not have efficient lenders coming in and compete with them? This is the way you get rates down, through the competitive process. Or you can pass a law and say you can't charge over 5 percent. So what happens? You don't get any loans. That is the danger of a Federal usury statute.

Mr. GONZALEZ. I would like to continue with that, but I have just been advised that my time has long expired.

Mr. WALKER. On equal employment, we have worked very hard on this with the Assistant Secretary of the Treasury Wallace. If you know of any abuses in commercial banks I would like for you to communicate with me and Assistant Secretary Wallace immediately. We are working with various groups. We are having a panel discussion on how to promote equal employment opportunity in our convention in New York next month. The chairman of the panel is the head of the Chase Manhattan Bank. The participants are Whitney Young, Morris Abrams—Whitney Young is the head of the Urban League and Morris Abrams is head of the American Jewish Committee and Robert Wallace is the Assistant Secretary of the Treasury.

On the question of what is the banking community doing for social progress, the main point that I would state is the guaranteed students' loan program. Banks made almost \$400 million in loans to 480,000 students last year on a loss basis.

The President yesterday after consultation with us announced a new program and we are going to push it even more strongly in the future.