particularly after graduation; but, in effect, this fee proposal on adjustable basis would not only achieve something like the same thing but would give administrative flexibility depending on the changes in money mortgages.

Mr. QUIE. How many States now have usury laws below 7 percent?

Mr. WALKER. There are at least four, and I think there may be more.

Mr. QUIE. Of those States, how many now have some activity in the works to change them? You know they are all being pressed pretty hard trying to figure out a gimmick in order to make loans anyway.

Mr. WALKER. I think quite a few of them do and those who don't, that have any sort of usury statute, will be moving in that direction as a result of the imminent enactment we presume of the so-called truth-in-lending legislation.

This will give quite a stimulus in straightening out usury statutes in many States. On top of that, with our financial support of the National Conference for Commissioners of Uniform State Laws who are drafting a uniform credit code which if enacted in the various States would eliminate the old once-and-for-all usury statute and apply usury ceilings for different types of credit, for this type of credit would be sufficiently higher for that 7-percent rate to be put into effect.

On the other hand, this is the here and now. In a number of States, you have constitutional provisions that would be very difficult to change and in other State's legislative provisions that will be fought very hard.

Mr. QUIE. In any instance in which the college gives you information in evaluating a loan for students, I imagine there might be some way of absorbing this expense for the college?

Mr. WALKER. They do it now. It is very frustrating. The college financial aid officer sits with the student and goes over the whole income situation, goes over his expensive situation and starts looking at the various alternatives available, that this might be a good student and he can get him a scholarship and this is work-study and all of the various programs, and he comes to the student loan program and the financial aid officer really, legally, has nothing to say about what portion this should be of the student's program.

So it is not really going to increase his expense. Quite the contrary, it will make him and his university credit worthy and is quite happy that finally they are in the program as they should be.

Mr. QUIE. You will be dealing with colleges and universities all over the State, or your bank will be dealing with colleges or universities all over the State or country, if it is a large enough area that you can service. Does this make it difficult since you don't know the presidents and student aid officers, all of those 2,000 or 800, or whatever the number is, that you are dealing with?

Mr. WALKER. First, it makes it no more difficult than it is now and, in fact, it makes it easier because the banker has an expert opinion or recommendation on which to go as opposed to sort of being up in the air. Quite frankly, under the present program I expect there are some informal exchanges of views between financial aid officers and bankers involved.