

Mr. WALKER. I think it would be very similar to that, but argued from the standpoint of equity, my son should not be able to get one of these subsidized loans. I don't think it is the way to go about solving our problems and let me qualify myself as an expert on education, which I am not, I am speaking on the financial points but speaking as a citizen I would have reservations about tuition-free colleges for all persons in the United States. That is a personal view. I think I have some responsibility as a parent to give my kids an education.

Mr. BURTON. How do you account for the differing impact institution by institution or State by State for those States that, where the taxpayers have assumed a broader responsibility of having virtually, if not in fact, tuition-free higher education, how do you account for the disparity in treatment looking at it in national terms, that either these students or institutions receive, or looking at it the other way, the obligation of the national taxpayers assuming education of that student?

Mr. WALKER. Talking about the tuition-free approach?

Mr. BURTON. No, talking about the function of student loans, these loans are used to further one's higher education and if you paid \$500 tuition your need for money is going to be greater than if you pay none at all under most circumstances.

Mr. WALKER. I see.

Mr. BURTON. So we find that the national responsibility differs considerably depending on what the State education policy is and to some extent that discriminates unfairly one way or another against political subdivisions that do or don't have what in effect is a tuition-free higher education system.

Mr. WALKER. That is a problem. It seems to me you could only get around it by forcing an education policy on the States or, secondly, not having a State system of government where the States can make decisions as to how they want to go about handling their higher education.

I think the student loan program has to be looked at differently from that as a marginal source of funds which, with the partnership of the Federal Government, the State government, and the private lending institutions can enable some portion of aspiring college students with the ability to get education that could not otherwise if the program did not exist, this is superimposed on the existing system.

Mr. BURTON. Do we have so much in the way of loans in the pipeline that there is a risk that funding to pay the interest are not likely to be available?

Mr. WALKER. I don't think so. It depends, of course, on congressional appropriation but it is not anything of that magnitude. There are now outstanding under the program this much.

Mr. BURTON. Madam Chairman, what I am toying with in my mind is, what in fact is at stake that we have to require this eligibility check, given the testimony of the witness before us that there are instances that the local bankers does become subject to the special pleading of big depositors which is almost inherent in the nature of the relationship of the bank with some of the big depositors; that we may be encouraging an avoidance of full disclosure of family income in some situations families in the \$14,000 to \$18,000 or \$19,000