

Mr. ERLNBORN. One last question. Do you feel that the student financial aid officers in the schools are generally fully qualified to make these judgments? I am thinking of some of the testimony we have had before the committee to the effect that many of the student financial aid officers only do the work part time and their full-time efforts, and maybe the majority of their time, is spent elsewhere in the school administration setup.

Mr. WALKER. I cannot speak as an expert but can only pass on first what bankers tell me and they feel in general the student financial aid officers with whom they are so qualified. I feel certain it is true for the larger institutions with thousands of students who probably make up the bulk of the borrowers in the program.

Second, even if only part time and if he is part time he is probably pretty dedicated, he is certainly better qualified to make the decision all things considered than the banker is.

Mrs. GREEN. Thank you very much, Dr. Walker and Mr. Smith.

Your testimony has been very helpful.

Mr. HATHAWAY. Did you say that 7 percent would be better than the fee?

Mr. WALKER. I think there have been some which I have heard of by college boards and others which indicated that more bankers would prefer the 7 percent than the fee. I don't think there is that much difference. I think from the standpoint of the Federal Government having some administrative flexibility, the Office of Education consulting with the Treasury operating in this direction might be preferable from your standpoint, and easier to adjust the fee to an overall rate, but I think more bankers would like it in the traditional sense of the interest rate.

Mr. HATHAWAY. Would you tell me what the interest rate is for nonguaranteed loans for students?

Mr. WALKER. Yes; they are normally to the parent and run probably 10 or 11 or 12 percent.

Mr. SMITH. Not that high. I would say 8 or 9 percent.

Mr. HATHAWAY. Thank you, Madam Chairman.

Mrs. GREEN. Thank you.

STATEMENT OF MRS. JUANITA GREER WHITE, MEMBER, AMERICAN ASSOCIATION OF UNIVERSITY WOMEN AND CHAIRMAN, COMMITTEE ON INTERNATIONAL FELLOWSHIPS AND AWARDS; ACCOMPANIED BY MRS. ALISON BELL, STAFF ASSOCIATE, LEGISLATION

Mrs. GREEN. The next witness to appear will be Dr. White, representing the American Association of University Women and the chairman of the Committee on International Fellowships and Awards, and Dr. White will be accompanied by Mrs. Bell.

You may proceed as you wish, Dr. White.

We welcome you to the committee and are delighted to have your comments on the legislation before us.

Mrs. WHITE. Thank you.

I will leave this development plan for our institution and this may give you some idea later on what we are facing.