a total of $5,000, which an undergraduate is presently allowed. This is a rather artificial type of demand or law in that some students need to borrow more than a thousand in some years, and in other years they need to borrow less than that. Yet if a student borrows $500 in one year his total amount of money that he may borrow eventually is cut down by a thousand, not by the $500. I would urge increasing the maximum loan in any one year to $2,000, let us say, which will meet the tuition in many of the private institutions of the country. I would urge this not with the intent that you increase the maximum undergraduate loan. In fact, I would suggest they remain at $5,000 or $6,000. But give the financial aid officer and the student some more flexibility and some more latitude.

Finally, I don't think I would represent the educational and the financial aid community very well if I did not call your attention to the fact that we would still like to see that oath removed from the National Defense Loan law. We feel that its efficacy still remains to be proved. We are not aware of any studies which indicate that it is helpful. Students treat it in various ways. I have had very few people refuse to sign the oath. I think that in seven years, four students have refused to take the National Defense Loan because of the oath. In each case it usually was a religious prohibition or a religious feeling on their part. So we would hope in future legislation on the National Defense Loans, the oath would be omitted.

Mr. MORRISEY. If I may, gentlemen, just add a point relative to collection to Grant's fine point. My own president of the University of Massachusetts asked me specifically to comment on this point. He feels strongly—and, of course, you have heard this many times—that the colleges were given quite a burden as far as collection of National Defense Loans were concerned. One of the reasons, of course, for the high default rate in the early days was that institutions were not prepared for this kind of thing and actually did nothing about it for several years until they finally discovered what a dilemma they were in. It is his feeling and mine and that prevalent in good many colleges that the Government could be doing a little more in aiding us financially with the administrative financial burden that we get in terms of the collection process. In a large institution, it means hiring several people to carry this out, do all the paperwork involved, and so on. It is a tremendous burden.

I would be remiss if I didn't bring this point up, that we feel there needs to be a greater aid than the 1 percent that is now allowed for administrative purposes, particularly at the collection end.

Mr. GUNNESS. Could I just add that it sort of follows along with one of my thoughts that money is important, and it helps to make the job of collecting easier. But I have the feeling that this is one of those areas where the problem was recognized perhaps a little later than it should have been recognized. The solution is a rigid set of principles which will then be issued by the Office of Education as to the definitions and ways of handling the problem.

There is too often very little technical assistance, especially to the college who didn't have the expertise in collecting the money. A lot