

As you have noted, I have only requested further study into this so that all of us will understand the true picture of garnishment more clearly than we now do.

Mr. GONZALEZ. The President requested this study better than 5 months ago. Can you tell us what progress was made in respect to the study, that I am sure has resulted as a result of his request?

Miss FURNESS. No, sir; I cannot. I know only the existence of the study.

Mr. GONZALEZ. With respect to our national usury law, one of the big battles—I did not have much success in waging it—with the former Comptroller of the Currency was an edict or rule, or whatever you want to call it, in which he said as an administrator he was decreeing that the national banks under what he interpreted to be the law were empowered to charge the highest possible interest as permitted by State regulatory agencies. Now, if that were to be carried out, and there will be some attempt to do so, the State of Wisconsin I understand has tried it—a national bank in our State could charge as much as 300 percent interest in some cases. In the first, I challenge the Comptroller and his study of the law. The debates in the Congress in the Reconstruction period do not reflect that he is right in interpreting the law, as I am sure did his legal assistants.

Do you not feel on the Federal level on this position you are occupying that it would be helpful to debate this point first, with the Federal-level administrators who are attempting to foist this?

When I came up from the State to the Congress I knew that my State had this rather undesirable name of being the "Loan Shark Capital of the Country." And when I got here I saw the same tracks and I figured it was the same animal, and I think what we have done here has been to federalize the loan sharks and it is going to take Federal-level action to control, not nationalize the loan sharks. I think we ought to start with our own agency such as the Comptroller.

Therefore, in connection with your statement here as to the need of a national usury law, may I suggest that perhaps an inquiry to the present Comptroller to find out if he agrees with the former Comptroller is a helpful start in this question of a national usury law?

Miss FURNESS. I think that is a very good suggestion.

Mr. GONZALEZ. The only problem there, as I understand this last legislation, they extended this privilege that was limited only to certain lending institutions, to the banks and savings and loan institutions, which of course means that you are going into the area of long-term mortgages. In other words, we are legalizing what hitherto has been usurious and this is, too, on Federal level and starting with the Comptroller himself we ought to see he does not get the virus. Thank you very much.

Miss FURNESS. Thank you.

Mrs. SULLIVAN. Mr. Wylie?

Mr. WYLIE. I would like to associate myself with the remarks of Mr. Halpern which were very complimentary to both of you, and thank you for your appearance here this morning. You made excellent statements.