

For this reason, I would hope it would be possible that other sections of the bill might be deferred for more intensive study, and that emphasis be placed on quick passage of the full disclosure provisions.

"One of these other sections, which is already under study, is the one which would prohibit garnishment of wages in collection of debts. Garnishment is very often the only legitimate means available to a businessman for final satisfaction of debts due him. Many States already have laws which protect a specified percentage of a worker's wages or take-home pay against garnishment by creditors. We feel this is a most complex area, Madam Chairman, and would hope that further careful and thoughtful study could be given it.

"Likewise, we would hope more time could be given to looking into the areas of a national usury law, the provision outlining confession of judgment, and the setting up of a National Commission on Consumer Finance.

"Also, Madam Chairman, we believe it is most important that in implementation of any full-disclosure law the burden does not fall unfairly upon the small businessman. We think it essential that there be equal treatment and equal requirements for big and small business.

"In this regard, Madam Chairman, I was gratified by the remarks of the Honorable Joseph Barr, the Under Secretary of the Treasury in appearing before this committee August 7, when he said, and I quote, 'The practical application of the annual rate requirement has been studied at length and we have concluded that this requirement will impose no significant burden or difficulty with respect to the overwhelming majority of credit transactions in the United States.'

"I would stress that it is incumbent upon us to make it as easy as possible for the businessman, especially the small businessman, to be able to compute the annual percentage rate called for in this legislation, for we must keep in mind that in assigning additional responsibilities of this sort the burden always falls heaviest upon the smallest businessman whose resources are most limited.

"In closing, Madam Chairman, it is my belief that every hard-working and honest small businessman in this Nation stands ready to state simply and truthfully the total cost of his products and services, including the cost of credit charges. I am happy, therefore, to fully support the disclosure portions of this bill.

"Thank you."

Mrs. SULLIVAN. Thank you, Mr. Greenberg.

I have two short questions, one for you and one for Mr. Dixon and then I am going to call on the other members.

Mr. Greenberg, in your testimony you state that interest costs alone under consumer credit purchases total nearly \$13 billion and you state, "This is to the good. It is good for our economy and it is good for the purchaser, particularly those with moderate or low incomes."

How good is it for people on low income when they have to pay in many instances what are exorbitant interest charges?

Mr. GREENBERG. May I clarify that? When I said "this is good," this referred to the credit aspects of purchases rather than to the interest costs, obviously. I am sorry that the development of the statement did not make that clearer.

Mrs. SULLIVAN. Thank you.