I want to call the attention of my colleagues on this committee, while this committee has been studying this for 5 months, I got from the U.S. Department of Labor a list which lists the 50 States and, Mr. Williams of Pennsylvania, I want to call to your attention that Pennsylvania has 100 percent of earnings that are exempt. The District of Columbia has 90 percent exempt. The State of New York has 90 percent exempt. Now, these various State legislatures——

Mr. WILLIAMS. Will the gentleman yield?

Mr. ANNUNZIO. I will be happy to yield to my distinguished colleague from Pennsylvania.

Mr. WILLIAMS. When you say 90 percent, you mean 90 percent of the wages are exempt, 10 percent is what is garnished?

Mr. ANNUNZIO. That is right. As I stated before the committee, an example from my own State is the Inland Steel Co. which has an 85-percent exemption. This company is harassed by a volume of garnishment that exceeds $500,000 a year. What I want my colleagues to understand is that it is not only the cost to the companies, their legal departments, and the people; it is also a tremendous cost to the cities and the counties where the courts are located and this expenditure of money could be used to alleviate much of the suffering in the poor communities of the large cities of America.

So, Madam Chairman, I ask unanimous consent that, at this point in the record, this insert be made on the exemptions involving all 50 States in the Union.

Mrs. SULLIVAN. For garnishment?

Mr. ANNUNZIO. For garnishment of wages.

Mrs. SULLIVAN. Without objection it will be made part of the record.

(The material referred to may be found in the appendix, p. 935.)

Mrs. SULLIVAN. Mr. Halpern?

Mr. HALPERN. Madam Chairman, first I wish to commend our distinguished witness and also our outstanding and very valuable Secretary of Housing and Urban Development for their frank presentations this morning which I am certain will prove most helpful to the committee in our deliberations.

Mr. Brownstein, we have been exposed to many disturbing statistics about the abuses in the credit industry and the unfortunate consequences in terms of bankruptcies which all too often result.

Now, first, in the home buying sector do you feel there are many intentional abuses on the part of creditors taking advantage of the ignorance of the customer?

Mr. BROWNSTEIN. This will be a very difficult question to answer, Mr. Halpern. I can speak principally from the FHA's side and what we find there.

Mr. HALPERN. If I may interrupt, let me add a second part to that question. Do you believe that many personal bankruptcies tend to result from unwise mortgage arrangements or are the customers in the home ownership sector generally sufficiently well informed and have high enough income levels at least to prevent the ultimate economic catastrophe of bankruptcy?

Mr. BROWNSTEIN. Again, this is strictly my own impression, but I would believe that the bankruptcies would be aggravated much more by installment credit than by home purchase credit.