

Now, you have the truth-in-lending feature and you have the garnishment which is at the end. Now, I don't think I would want to comment or even recommend as a tactical approach whether it should be two bills, one, or how it should be handled. There may be some merit to each suggestion.

My position is that I think garnishments are harsh, they do a lot of damage, and I say that in spite of the fact that I may talk myself out of a job because if the bankruptcies in California are reduced I find myself not having enough business and I am one of the junior members out there so I could be in that position.

I think you have two different problems there. I don't think—I am not prepared to comment as to whether it should be split or not.

Mrs. DWYER. I think your testimony was fairly persuasive but I asked the question because I thought the administration policy is to defer this question for further study or separate legislation. That was the only reason I asked the question.

Mr. MORIARTY. I may say this. I am familiar with the—I believe Referee Snedecor would say the same thing. I think that it should go all the way or not at all because even in New York where you have 10 percent you can still get employees fired for garnishments if the company's policy is to fire—they refer to them as nuisances.

If you are going to go at all, go all the way because half a loaf of bread is not going to help the poor guy who has been fired because, if the wages are garnished a second time.

Mrs. SULLIVAN. Thank you.

Of course, you people are attached to the Federal courts and not part of the executive department. I do not agree with the administration in their position on title II of H.R. 11601 because I think this is all part of the credit picture and that is why it is in the bill.

Mr. BARE. We have been studying this problem for—at least I have for some 10 years, and Referee Snedecor for 30 years, Referee Whitehurst for 10 years and Referee Moriarty for 6 to 8 years. Certainly I do not believe that any bill should be enacted without adequate study but we have studied this problem for many, many years.

That is the answer, I think, to the differences.

Mrs. SULLIVAN. That is exactly why you gentlemen were called in, so that we could have the benefit of your knowledge and background on these cases that touch so directly on consumer credit. Perhaps, after some of these statements, we can get Mrs. Dwyer to join us in trying to get this provision through, despite the administration's reluctance to help us on it.

I want to make only one comment on the practice of urging customers to use more credit. They make money on their credit—let's not kid ourselves. But I believe—and I am one of them myself—I think people will buy much more freely if they can just say charge it than they would if they had to open up their purses and put out the cash right now to satisfy that desire of the moment.

Charge accounts are enticing. So, this is just one additional way of selling their products. And their product is often credit for its own sake. Let's not fool ourselves on that.

Mr. Annunzio?

Mr. ANNUNZIO. Thank you, Madam Chairman.