

Mr. BARE. In bankruptcy—

Mr. ANNUNZIO. I want to talk about usurious rates of interest.

Mr. BARE. When a straight bankruptcy petition is filed, the debt is discharged and the usury—all the charges are discharged.

In chapter XIII proceedings where the debtor agrees to pay a certain amount for the benefit of his creditors, the bankruptcy court is required to strike all usury charges from the claim that is filed.

I do not know of anything in my area which comes anywhere close to the information you have just submitted.

Mr. ANNUNZIO. My time has expired, Madam Chairman. This question will be in the record and I shall appreciate your answering it so that we can have the benefit of your experience.

Mrs. SULLIVAN. Mr. Hanna?

Mr. HANNA. Thank you, Madam Chairman.

May I say at the outset that I am most delighted to find among this very distinguished panel of my old friend Jim Moriarty whose court I have been in as a lawyer, I am certainly well aware of the fine work that he has done.

Madam Chairman, it is, I think, a matter well to be noted that we have before us over 56 years of collective experience in bankruptcy. As a practicing attorney, it is a mass of no small satisfaction to find a gentleman like Mr. Snedecor here who has a career of 57 years in service in his profession and certainly from the 31 years in public service in bankruptcy, that is something to be well proud of.

Mrs. SULLIVAN. I agree with Mr. Hanna and I think everyone of the committee members here is very much impressed and grateful to you gentlemen for giving us so much information from your own experience.

Mr. HANNA. I would like to direct my questions specifically to the reasons that have been raised for not including garnishment in this particular bill and ask you to discuss whether or not the arguments presented individually have force and effect.

One that has already been mentioned has been that the various witnesses have indicated that they did not think garnishment in and of itself should be a part of this bill because of the following: First, it would disallow garnishment for taxes. You have already commented on this. I would only ask you to correct me if I am not entirely right about this. If you are thinking primarily of the poor they pay the least possible taxes so garnishment for taxes on the poor would really be of the slightest impact. That is No. 1.

No. 2, it would seem to me, that if this were the sole argument we can easily put in language as we have already done in the bankruptcies saying that particular kind of garnishment was not included and I don't think it would be difficult not to put this language in because actually where the Federal Government is really desirous of having this against people who are not involved in bankruptcy for the most part.

I believe that is correct. Is that correct?

Mr. MORIARTY. Yes, sir.

Mr. SNEDECOR. Yes.

Mr. HANNA. The second point, garnishment in divorces. Would any of you comment as to how many instances you have found in bank-