

ruptcy in which garnishment of a wife against a husband for the support of the children has been a factor?

Mr. SNEDECOR. I don't think that has been a factor very much because it is not a dischargeable debt. Alimony or support for children is not dischargeable.

Mr. HANNA. I hoped you put that in. Because that is the same situation you find in taxes because that is not dischargeable in bankruptcy and I think we need that, need to take that into consideration.

The third argument seems to be more persuasive. I talk to you now as lawyers.

When we talk about garnishment, we are talking about the total creditor-debtor relationship and the basis of the responsibilities and the rights that are created when the credit relationship arises and that you have not only garnishment but you have, for instance, in the creation of the debt things like assignments, mortgages, various other things that operate as the basis upon which the credit is extended.

Then you have after the fact the question of whether confession of judgments, whether deficiency judgments, attachment or garnishments or other creditor reliefs are going to be made available.

Is there a possibility of some merit in the argument that this is a piecemeal approach on a total debtor-creditor relationship that might be given consideration?

Mr. MORIARTY. It seems to me like while the effects the basic remedy that certain people have, you know as a lawyer, sometime you may have rights but you have no remedies. That might be the situation we have here.

Now, even if you abolished all garnishments, the person could still get a deficiency judgment. They may still be able to levy on property. We are only talking about wage attachments now. It is on the property a man may have. If he has a bank account, has an interest in a cabin in the mountains or something like that, they may be able to reach it. I think Referee Whitehurst could tell you coming from a nongarnishment States, could probably tell you how they collect bills in Texas where there is no garnishment at all.

Mr. HANNA. Thank you. Mr. Whitehurst?

Mr. WHITEHURST. Of course, if he has property that is subject to garnishment then garnishment is available. It is only current wages that are exempt. After money gets into his bank account it is no longer exempt. So, if he needs his wages for his daily living expenses he never lets them get into a bank account. Most of this type debtor have no bank accounts. They also collect it—I am sorry to say—by harassment, repeated telephone calls all day, and calls to employers, and I have had people approach me, and they were so scared—they couldn't put you in jail I told them—and they say they can't? Obviously, they had been threatened to be put in jail. Well, those strong-arm methods are not quite so much in use now as they were a few years ago before an attorney who made a specialty out of this type of thing succeeded in collecting some very large judgment for mental and physical damage by harassment—he got some very substantial judgments against loan companies who went out of bounds in their efforts to collect.

Also, the creditors take mortgages on all sorts of personal property and sometimes we find the same furniture mortgaged five or six times.