

biguous information about products and services available for sale; and be it further

"Resolved, That we support legislation that helps consumers shop for the best buy in credit by requiring a clear statement of the cost of credit and the annual rate of interest; and be it further

"Resolved, That we support legislation that assures the safety of food, drugs, and cosmetics before they are offered for sale; and be it further

"Resolved, That we reaffirm our support for full representation of the consumer in the highest councils of government and commend the President for again appointing a Consumer Advisory Council to work with his Special Assistant for Consumer Affairs; and be it further

"Resolved, That we urge rural electric systems and their state and national associations to make consumer information available to their members."

Those of us who work in the rural electrification program are well aware of the importance of credit and the significance of the terms and conditions attached to its use. The very history of rural electrification demonstrates the value of the extension of useable credit for a worthwhile national purpose—the construction of rural electric systems to provide electricity to farms, homes, schools, churches, and businesses in rural America. This successful credit partnership of the Federal government and private citizens is one of the brightest chapters in our Nation's history, for rural electrification has been—and continues to be—a dynamic factor in improving the living and working conditions of the people of rural America.

It is an interesting but often overlooked fact that the architects of the original Rural Electrification Act of 1936—the late Senator George Norris of Nebraska and the late Speaker Sam Rayburn of Texas—wisely included a provision for low-cost consumer credit in that landmark legislation. At that time, the United States was in the midst of the great depression, and reasonably-priced consumer credit was non-existent in rural America.

Because would-be consumer-members of the rural electric cooperatives could not borrow money from private sources to finance the wiring of their homes and farmsteads, Section 5 of the Rural Electrification Act of 1936 specifically provided for low-cost loans "for the purpose of financing the wiring of the premises of persons in rural areas and the acquisition and installation of electrical and plumbing appliances and equipment." These consumer loans, commonly referred to as "Section 5 loans" did much to speed the initial electrification of rural America and the subsequent modernization of its homes and farms.

At this time, I would like to introduce Mrs. Erma Angevine, who will outline NRECA's position in regard to H.R. 11601 and other bills before this Subcommittee.

Mrs. SULLIVAN. Knowing the ability and background of Mrs. Angevine, I am delighted that you are testifying. We will be happy to hear your statement.

Mrs. ANGEVINE. Thank you, Madam Chairman, Mr. Ellis.

I am very pleased to have the opportunity to be the one to register NRECA's strong support for H.R. 11601, introduced by your distinguished chairman and also the identical bill, H.R. 11806.

As Mr. Ellis mentioned and as he told you, we have two resolutions strongly endorsing truth in lending. These were passed in 1966 and early in 1967.

I want to point out, because these resolutions were based on the strong truth-in-lending bill of the former Senator Douglas, we therefore were disappointed in the provisions of S. 5 as passed by the Senate. We still strongly support truth in lending, but we are disappointed at a bill that leaves out first mortgages, revolving credit, some installment loans, and for all practical purposes doesn't become effective until July 1, 1972.

Currently, Americans pay around \$22 billion a year on interest and finance charges. That's about a fourth of what they pay for groceries. We know it is hard, women know this day to day, to go in and decide