

Mrs. SULLIVAN: Good. I just want to say you are not trespassing on our time. You did come all the way down from Boston and we want to hear you. I am just sorry we do not have the full membership present at this moment.

Mr. STONE: Madam Chairman, members of the committee, my name is Julius Stone. I am chairman of the Legal and Legislative Committee of CUNA International, Inc., and I am a director and past president of CUNA. CUNA International, Inc., is a nonprofit association of credit union leagues. In this country, there are 48 State credit union leagues which represent approximately 22,000 credit unions and which comprise approximately 18 million members.

I am appearing before you today to testify in support of H.R. 11601, the Consumer Credit Protection Act.

When the first truth-in-lending bill was presented we came and testified in behalf of this concept.

As you know, credit unions are nonprofit mutual membership organizations chartered for the purpose of promoting thrift and providing provident and productive loans. They are chartered by either the Federal Government or by one of the State governments, and they are supervised and examined by a State or Federal agency. They are exempt from Federal income taxes. Credit unions do not deal with the general public. They must have a common bond of membership and they can only deal with members.

The community concept was conceived by Edward Filene when he had the Massachusetts law enacted in 1909. But the common bond might be governmental, municipal, might be industrial or it might be fraternal or it might be a national background. All of these types of credit unions with its membership having a common bond gathered together to assist each other and to make their funds available to each other in time of need. We like to think of credit unions as being a service organization. It is more than a thrift in savings type of organization. It is the type of organization where we attempt to service our members, and in attempting to service our members we felt that there has been an obligation upon us to educate them—to educate them in connection with consumer credit, to educate them with the problems that arise daily. So in connection with this we would have schools, we have had educational programs in our various legislation—CUNA International has submitted a number of pamphlets and some of them I think we would like to submit for the attention of the committee and this has been for the purpose of making our membership aware of the needs of the members and the need of checking credit and misrepresentations and representations made in connection with the extension of credit.

Mrs. SULLIVAN: Without objection we would like to have that for the record.

(The material referred to follows:)

[Consumer Facts—a service of your credit union]

MANAGING YOUR FAMILY'S CREDIT

By Lucile Ketchum, Extension Specialist in Home Management,
Michigan State University

Ruth Mason sighs as she looks over the bills for the month and tries to think how they'll stretch the paycheck that Jim will bring home tonight. Groceries will take \$125. Then there's the house payment, light bill, payment on the new washer, payment on the car, shoes for Johnnie, and the telephone bill.