in the lowest income segments of our population. An editorial in the Worcester (Mass.) Sunday Telegram of August 6, 1967 stated in part that "The high casualty rate among such 'buy now, pay later' stores was significant in the recent riots." As Mr. Malcolm C. Webber, chairman of the Commonwealth of Massachusetts Commission Against Discrimination states in the accompanying letter attached, "while not condoning, I do not believe it is by accident that nationally and locally during the recent riots, there was much burning and looting of loan companies and stores with reputations for unscrupulous business practices."

In Mr. Webber's letter he goes on to point out that truth-in-lending legislation has served to improve this situation. I concur in this opinion: "The ethical merchant and money lender are no longer forced to consider the institution of questionable practices to compete with those who are less scrupulous. Those who use misleading claims and cruel deceptions as a normal business practice are now in violation of the law and a decline in such practices is apparent" to the State Banking Department, the Consumers' Council and other State agencies such as the office of the attorney general.

Revolving credit and credit cards are covered by our statutes. In connection with revolving credit all that our acts require is that the customer be informed on his bill that the annual rate of interest is being charged. The following is a sample of the wording in boldface type on the back of the bill of one of Boston's largest department stores:

NOTICE TO BUYER

1. You may at any time pay off the full unpaid balance under this agreement.

2. When computed in accordance with the provisions of Chapter 255D of the General Laws, the simple interest per annum rate that approximates most closely the finance charge percentage rate is 18 percent on balances of $500.00 or less, and 12 percent on the excess over $500.00.

This is all the law requires. While the maximum rate must be stated, there is nothing to prevent a store from indicating that the percentage rate will be less depending upon the purchasing and payment cycle established by the customer. We do not require them to give the complete breakdown of such charges, but only the maximum rate. Incidentally, you might be interested in knowing this suggestion for the handling of revolving credit problems came to the Consumer's Council from one of the leading business journals in the country. All of the arguments proposed by the prophets of disaster if such legislation was passed have proven to be false.

Madam Chairman, these consumer protection laws passed in Massachusetts because the public interest was recognized by the leadership of the General Court, speaker of the house, the Honorable John F. X. Davoren, and the president of the senate, the Honorable Maurice A. Donahue, and the chief executive, Gov. John A. Volpe who signed these laws. As chairman of the Massachusetts Consumers' Council I earnestly recommend that the Congress adopt strong truth-in-lending legislation similar to that existing in our Commonwealth.