Mr. MEADE. Mr. Smith could probably answer it as far as Lechmere goes. As soon as this law was passed in the legislature and signed by the Governor, various legal stationers put out forms for our retail installment credit agreements, and they are very simple, things for retail establishments to buy, and I think I recall Mr. Smith saying it was very simple for Lechmere to shift over forms. At any rate, I had heard no criticism of the time period in Massachusetts, at least since I have been handling these matters.

Mrs. DWYER. I asked you that question because we had some witnesses that asked that the timetable be extended beyond the period in the Sullivan bill.

Mr. MEADE. Well, I am not sure that things are quite on a similar parallel. In Massachusetts our truth-in-lending law does not set any rate on loans. The law is tied in with other laws that we previously had as far as the rates on loans go. It does set a maximum rate on installment sales on goods and services, and this rate pretty much followed—or the rates that are in there—they vary—pretty much followed retailing practices in the past and didn't cause any great disruption. If this were to be done—if there were to be one law for the whole country that would set a ceiling on something, that may be another question.

Mrs. DWYER. One more question. In your experience has this law, truth-in-lending, stopped those people who cannot afford to buy this merchandise on credit?

In other words, we are talking about the poor and people who have been buying at high credit rates from unscrupulous merchants. Now that this law is passed, are these people continuing to buy, even though they cannot afford it, seeing the 18 percent set for it by the retailer? Have you had any experience whether these people are continuing to buy, or has this stopped them, knowing that the rate is 18 percent?

Mr. MEADE. I will defer to Mr. Willett on it because that one is out of my line.

Mr. WILLETT. There is evidence through the ABCD, which is the Action for Boston Community Development, and other similar organizations, that the consumer in the poorer neighborhood now has been stopped from purchasing goods from those merchants that were changing unscrupulously high rates. That the organizations such as the ABCD that I mentioned have been able to help these consumers in such instances to obtain money for their purchases, if at all possible, in a more reasonable source.

Mrs. DWYER. In other words, they are purchasing now from legitimate, conscientious merchants?

Mr. WILLETT. Yes.

Mrs. DWYER. And fleeing from the ones who have cost them a great deal more in credit?

Mr. WILLETT. Yes. One of the points that I tried to make in my opening statement, which to me is an extremely important point, is that unfortunately, the business system as well as all kinds of other things quite often suffers from the acts of a very small group, and I think such bills as truth-in-lending actually help the legitimate businessman and help the American business system by preventing unscrupulous competitors from being in the picture, in forcing the legitimate businessman in considering methods to cope with him.