

Commerce, and reported in the Wall Street Journal, May 31, 1967, part 1, column 6, show the following average family incomes.

Year	Amount, actual	Amount, revised
1949-----	\$3, 860	(\$3, 945)
1952-----	4, 570	(4, 747)
1955-----	5, 000	(5, 275)
1958-----	5, 670	(5, 839)
1961-----	6, 220	(6, 360)
1964-----	7, 325	-----
1965-----	7, 780	-----
1966-----	8, 300	-----

I have been in touch with Mr. Gorman and he advises me that because of a revision in national income accounts the figures for earlier years should be revised as I have indicated in parentheses.

I should suppose that protection against garnishment should also extend well beyond the income of the average family. It therefore seems to me that a figure in the neighborhood of about \$15,000, translated into \$285 per week, would be appropriate.

Mr. Gorman's figures illustrate another problem, however. That is a problem of obsolescence, since laws like these tend not to get periodic revision—the Connecticut exemption law still saves to a debtor 10 bushels of Indian corn. Obsolescence accounts for the inadequacy of many of the State wage exemption laws which employ dollar amounts. But the percentage exemption laws produce excessive exemptions for large income debtors and inadequate ones for small income debtors, regardless of the percentage used.

The present working draft of the Uniform Consumer Credit Code would solve this problem by using dollar amounts and authorizing an administrator to change them whenever there is a change of 10 percent or more in the U.S. Bureau of Labor Statistics Consumer Price Index for Urban Wage Earners and Clerical Workers. Under H.R. 11601 the same function might well be assigned to the Federal Reserve Board.

An alternative method of handling this problem would be to tie the exemption to a legislatively fixed figure which does seem to receive periodic revision—the amount of earnings subject to tax under section 209 of the Social Security Act. Currently, that figure is \$6,000, although H.R. 5710, as reported out by the House Committee on Ways and Means, would raise the figure to \$7,600. An exemption in H.R. 11601 for twice the amount of earnings taxed under the Social Security Act would come very close to the \$15,000 exemption I have suggested.

Fourth, and finally, if you go no further than to protect wages from garnishment, you may not accomplish much. In many States the creditor still will be able to reach the debtor's income by taking an advance assignment of future wages at the time of extending credit. And since employers find wage assignments as annoying as garnishments, there will be the same jeopardy to the debtor's job. Again the debtor will be driven into bankruptcy—this time to get the debt discharged so as to free his postbankruptcy earnings from the lien of the wage assignment.

Mr. Justice Fortas, while still a law student, made an exhaustive study of the use of wage assignments in Chicago (Fortas, "Wage Assignments in Chicago," *State Street Furniture Co. v. Armour & Co.*,