scarce and that where is a real need for the sort of investigation which Title III of H.R. 11601 would authorize.

I appear to testify in general support of Title II of H.R. 11601, which would prohibit the garnishment of wages, although I have several suggestions to make for changes in the proposal.

The problem with which Title II would deal is a nationwide ones because nearly all states permit wage garnishments. Some limit the remedy to creditors who have first reduced their claims to judgment but most permit the creditor to garnishee the employer when suit is initiated. In some states a separate levy is required each payday; in others, the initial levy is a continuing one until the creditor's judgment is paid.

All states exempt some portion of the debtor's wages from garnishment, but the exemptions vary drastically. In some states they are expressed in dollar amounts and they range from $350 for married debtors and $200 for single debtors in Alaska to $50 for all debtors in Rhode Island. In other states they are expressed in percentages and range from 50% in Arizona to 100% in Florida, Pennsylvania and Texas. Most exemption laws, also, are confined to residents and afford no protection to the many debtors whose employers can be served with garnishment process outside the state of the debtor's residence.

The best and most recent survey of this bewildering pattern of state wage garnishment laws is an article by Mr. George Brunn, published in volume 53 of the California Law Review in 1965. I have a copy of that article with me and would be happy to submit it to the Committee if you would care to have it.

The consequences of wage garnishment are principally three:

(1) If garnishment of the employer is effected outside the state of the debtor's residence, he may find his wages shut off entirely. If it is effected in the state of his residence, he may find himself left to support his family on $50 a month in Rhode Island, $67.50 a month in Kentucky, $20 a week in New Hampshire, or half of his $75 a week wage in Arizona, or 50% of his wage or $25, whichever is less, in Vermont.

(2) Without regard to the amount of the exemption, the debtor may find himself unemployed. Many employers do not take kindly to the extra bookkeeping required by garnishment levies, particularly if they are repeated. Labor unions have been largely ineffective in protecting their members against such employer retaliation although some collective bargaining contracts give the employee one or two free garnishments before discharge.

(3) To save his job and support his family, the debtor may be driven to resort to bankruptcy in many cases where he would not otherwise do so in order to dissolve the garnishment levy or prevent threatened levies. As the number of non-business bankruptcies has increased more than twenty fold, from 8,500 to almost 176,000, between 1946 and 1966, this is a matter of some consequence to the federal bankruptcy courts.

Precise information on the relationship of wage garnishment to bankruptcy is, of course, not available. But there is enough evidence to support a recent statement of the Bureau of Labor Standards that "There seems to be a direct connection between the number of garnishments and the number of personal bankruptcies." *Debt Pooling and Garnishment in Relation to Consumer Indebtedness*, Fact Sheet No. 4–F (1966).

Mr. Brunn, in his California Law Review article, made a study of the 10 states with the highest and the 10 states with the lowest per capita personal bankruptcy rates in 1962. The results are so interesting that I reproduce them here.

Personal bankruptcies per 100,000 population

Alabama	279	North Carolina	1
Oregon	200	Texas	2
Tennessee	184	South Carolina	3
Maine	153	Pennsylvania	4
Georgia	149	Maryland	5
California	145	Florida	7
Arizona	147	Delaware	10
Illinois	134	South Dakota	11
Ohio	132	New Jersey	11
Colorado	131	Alaska	13

Of the states with the lowest personal bankruptcy filings, Florida, Pennsylvania and Texas had a 100% wage exemption, North Carolina, South Carolina and South Dakota authorized exemptions up to 100% if needed to support the debtor's