

Because I sponsored legislation identical with H.R. 11601, I would like to comment on some of the principles involved.

I favor, in principle, limiting wage garnishment but I fear that such a goal might be better achieved by a complete revision of the idea of garnishment instead of by its outright abolition.

Garnishment can be made to serve the debtor instead of constituting a modern debtor's prison, as it presently does.

If we can limit garnishment, for example, to those transactions where repossession is impossible or excluded and can further limit it to a small percentage of the employee's wages, garnishment becomes a means of protecting him against even greater evils like bankruptcy and garnishment of his other assets.

To make such a revision in our present system of garnishment would require—

- (1) A strict limitation of garnishment of wages to the excess over a realistic and current living wage;

- (2) Protection against firing workers under wage garnishment or from revealing information about such garnishment to subsequent employers;

- (3) A uniform garnishment law to protect wages from garnishment in another State where the employer does business and where garnishment laws are more lax.

There are many ways to exempt, from garnishment, a wage needed to support a worker and his family. Present State laws provide, for example, a variety of exemptions. Many of these are outdated. Others are inadequate in protecting too small a percentage of wages above a meager dollar exemption.

I don't know the proper formula but I believe that one can be developed. Some of the excellent testimony your committee has heard can be the basis for such a study. The administration's current investigation of garnishment may be another source.

But whether the national minimum wage or the amounts covered by social security deductions or some other basis is used for exempted wages, I hope we do not forget that the basic problem in garnishment law revision is protection of the worker's livelihood.

No matter how we protect wages from garnishment, loss of a job or "blacklisting" for past garnishments can compound the debtor's problems beyond the possibility of solution.

Garnishments are an extra burden for employers also. I suggest consideration of a multiple-garnishment provision limiting this burden by allowing only one garnishment, perhaps payable to a creditors' pool.

Wage assignments can be an evil as great as garnishment. I believe they should be covered by similar exemptions and restrictions.

By correcting present practices, we can make garnishment a tool which can help people in debt, instead of making the court system an ally of unscrupulous creditors as it now is.

There are other very important aspects of H.R. 11601 which I would like to discuss.

In general, we should be wary of expecting too much of the "truth-in lending" provisions while insisting that the most comprehensive version be maintained.