

APPENDIX B

TRUTH-IN-LENDING INQUIRY, CITY HALL, NEW YORK, N.Y., AUGUST 28, 1967, 10 A.M.

Present: Congressman Jonathan B. Bingham (Presiding), and Congressman Seymour Halpern.

PROCEEDINGS

The CHAIRMAN. Will the meeting please come to order. We have a heavy schedule and we want to try to stick to it.

First of all, as the organizer of this hearing, I would like to extend a welcome to all of those who will be participating with us today as witnesses and also to welcome our guests.

This hearing is being conducted by the representatives from the New York Metropolitan Area who are members of the Subcommittee on Consumer Affairs of the House Banking and Currency Committee.

The statements made here today and the testimony will be incorporated in the formal record of the hearings that have been conducted and are still open, the hearings by the Consumer Affairs Subcommittee, of which Representative Leonor Sullivan of Missouri is Chairman.

We are grateful to those who are participating here today to shed some light on these very crucial issues in the field of consumer protection.

The basic issue before us is the issue of Truth-in-Lending, and how effectively, through Federal legislation, we can prevent the deception of buyers and of borrowers, to make sure that they know the exact terms under which they are borrowing money and buying goods on time, and also to consider certain provisions that have been added to the legislation in the House and in the bill introduced by Chairman Leonor Sullivan and others of the Subcommittee, including myself, provisions such as prohibition of garnishments among others.

I would like to proceed immediately to the first witness. I know that he has a busy schedule. We have with us, representing the City administration, the Honorable Deputy Mayor, Timothy Costello, who is chairman of a committee in this field for the City administration.

We are very happy to have you with us, Dr. Costello.

STATEMENT OF HON. TIMOTHY W. COSTELLO, DEPUTY MAYOR-CITY ADMINISTRATOR OF THE CITY OF NEW YORK AND CHAIRMAN OF MAYOR LINDSAY'S COUNCIL ON CONSUMER AFFAIRS

Dr. COSTELLO. Mrs. Sullivan, Congressman Bingham, Congressman Halpern, distinguished members of the subcommittee, I am delighted to appear before you and testify in support of the Consumer Credit Protection Bill introduced by Mrs. Sullivan for herself, Mr. Gonzalez, Mr. Minish, Mr. Annunzio, Mr. Bingham and Mr. Halpern. The fact that two of the six sponsors of the bill, Mr. Bingham and Mr. Halpern represents districts within the City of New York, and the fact that they are nominees of three parties, Mr. Bingham having won election as a Democrat-Liberal and Mr. Halpern as a Republican-Liberal, indicate the wide support here in New York for this legislation.

I am delighted, too, that this hearing is being held here in New York City in our own legislative chambers. It is gratifying that at least some members of the congress are beginning to learn where the action is, right here in the city. It is especially appropriate that this bill, H.R. 11601 be discussed publicly here where we have demonstrated a concern and a determination to act on the problems of consumers with a sense of priority and urgency not often demonstrated by municipal government, nor, indeed, by the congress itself.

On April 23 of this year, Mayor Lindsay established a Council on Consumer Affairs composed of every agency whose functions have impact on the consumer. As chairman of the Mayor's Consumer Council, I report daily on radio to the people on food prices in the neighborhoods of the city, on sharp selling practices and smart buying tactics—telling the consumer what to look for and what to