$18, it might curb unwise impulse buying, so that I am certainly in favor of the House bill over the Senate bill.

In this regard, I am also concerned that something be done about garnishments, which is proposed to be done in your bill and which the Senate bill does not consider. I indicated in my response to Congressman Bingham that I am concerned, however, lest the 18 percent limitation and the garnishment dry up whatever credit resources there are for the poor. This point needs to be emphasized.

We have created a credit economy whether we approve of it or disapprove of it. It's a fact of life that most of the people who have a sense of belonging to our society measure to some extent that sense of belonging by their ability to buy, for instance, a television set when they can't immediately pay cash for it.

As I tried to point out in my testimony, it is even more necessary that the poor who may not have immediate cash be able to obtain certain basic possessions, such as television, such as some household appliances that could reduce sharply the burden of household work.

If we dry up the credit resources that are available to them, we cut them out of this credit society. Now, of course, some of us may feel that no one should borrow to buy anything less than a necessity, but unfortunately, this is not the society we have created, and I think we reduce the poor to second-class membership in that society if we make it absolutely impossible for them to find some means of borrowing.

Control that means of borrowing carefully; inform them of exactly what is involved, provided if you do banish the garnishment and limit rates of 18 percent; provide alternative means to a modified credit union so credit continues to be available to those who would not have it.

Congressman HALPERN. I would like to correct the record from $10 or more. I meant to say $10 or less.

Mr. Deputy Mayor, in what ways do you see the City Government complementing programs at the Federal level?

Dr. COSTELLO. Well, the Senate bill passed. Of course, we were interested in blocking up what we considered to be the loopholes. I think the House bill goes a considerable distance in blocking up those loopholes.

The important thing the House bill does is include revolving credit, which is a rapidly expanding field of credit. It does get at credit charges of less than $10, which are frequently those involved in purchases by the poor.

It opens a door for consideration of the garnishment issue which ought to be examined. I want to emphasize that, and it does set up a Commission on Consumer Affairs. It does provide an opportunity to bring sharp focus to bear on the problems of the consumer.

Congressman HALPERN. In what way do you see the City government complementing the program on a Federal level? What programs does the City have and are foreseen for consumer protection?

Dr. COSTELLO. The City, as I mentioned before, has been thinking about legislation in this field which perhaps would be made unnecessary if a strong House bill were passed. But, in addition, the City sees as its responsibility organizing the poor in co-operatives so that through cash buying on a cooperative basis, lower prices might be obtained. We have also been working with community groups to develop credit unions which would meet one of the problems you raised.

I think the City would have, through the Mayor's Council on Consumer Affairs, a heavy responsibility in informing the average consumer and poor consumer what his legislative rights are. One of the things we have discovered in our work is that to pass a law is one thing and to educate the consumer in what his rights are under the law and to encourage him to command those rights is quite another thing. And at the local level, we think acquainting the people with what their rights are is one of our responsibilities.

The CHAIRMAN. That is all. Thank you.

Congressman HALPERN. I want to thank the distinguished Deputy Mayor for his very enlightening testimony.

The CHAIRMAN. Thank you very much.

The next witness, who has to leave for Albany, is the Hon. Guy R. Brewer, Assistant to the Borough President of Queens, but he is here representing the Borough President Badillo of the Bronx. He is Chairman of the Subcommittee of Consumer Protection of the New York Constitutional Convention.