For instance, if we were to have a total exemption of the minimum wage and only garnish above it, garnishment would go on for years and the fees for the collection of that garnishment would be borne by the debtor. Therefore, it might well serve his interests to pay off a garnishment faster rather than slower, once you are certain that he's making enough money to be able to pay it.

The CHAIRMAN. I was under the impression that in New York State there was a limitation of 10 percent of wages.

Miss TARCHER. There is, 10 percent of the total salary if it's above $30.

The CHAIRMAN. Well, Senator Kennedy suggested that we might consider modifying the provision in the bill so as to provide for a reasonable limitation on the amount that might be garnisheed in a Federal law and also protect the employee against discharge.

I take it from what you have said this would be in accordance——

Miss TARCHER. We have in New York State no discharge for one garnishment. I think, perhaps, you better turn to the Federal government itself which levels against the total wages for the collection of taxes.

We had a case where a person left her employment when her employer told her that for the next two weeks she wasn't going to collect her $50 a week salary, and we won the case. She had a good reason for leaving that job.

I don't know that the Federal government has necessarily changed its practice. It will always be limited, and I indicate here a fair percentage of the earnings, there have been different approaches to it. One would say that the percentage should be above the minimum wage and the other would say that once a person makes, say, $60 or $75 a week, that 10 percent would be against the total salary.

I'm afraid that the very delayed garnishment collection might again not prove as beneficial as it might seem at first glance, because it would go on forever.

Now, the creditor has lawyers who have no problem in going after the debtor. He really will be in bondage forever.

The CHAIRMAN. What about the question of revolving credit? 11601 includes the disclosure of annual interest rates on revolving credit. 11602 does not.

How do you feel about that?

Miss TARCHER. A very different type of person uses revolving credit and I think the 1½ percent per month probably translates itself into 18 percent a year to them. But there, too, there are so many intricacies. The time when the purchase is made, during the month, the time when it's paid for, and there are different practices unless you can insure uniform practices.

I always think the first bill should be fairly simple and it's just a personal preference for what seems to me a practical and basic bill with the other things that can be added on as improvements as time goes on.

It's not one of the things I would take to the barricades for, although I think I have indicated I would have as many ingenious ways of expressing the full disclosure as possible. I think that should be the goal.

The CHAIRMAN. Thank you, Miss Tarcher.

Congressman HALPERN. First I would like to thank the witness for taking the time from her busy schedule to give us the benefit of her views. Your dedication to the fine work of the Legal Aid Society is to be highly commended and I for one wish to extend my compliments.

You mentioned that you prefer 11602 over 11601. If we concentrate for the moment only on the disclosure aspects of the bill, don't you believe that 11601, which includes revolving credit, small transactions and first mortgages, as well as the whole area of advertising, affords the consumer greater protection than 11602?

Miss TARCHER. Let me say this: If you passed 11601, it would contain features that I am opposed to. If you pass 11602——

Congressman HALPERN. I'm talking at this moment merely about the full disclosure aspects and all its implications.

Miss TARCHER. It may well be the full disclosure aspects of 11602 can be amplified. I was expressing a preference, if given a choice, between the two bills, one of which has several features I am critical of, and the other which seems to be a good basic bill on which improvements can be made in the debate between the House of Representatives and the Senate.

Congressman HALPERN. You said you were not in agreement with the provisions of 11601 that would include all purchases, rather than in 11602 where