Does the issuance of a garnishment arise in union negotiations with management and have any settlements of the issue resulted?

Mr. SAMPSON. Let me give you my own personal experience. I represent a union of 25,000 members, naturally a large volume, and I would be confronted with the problem of garnishments more than an office with 4,000 or 5,000, and repeatedly in our negotiations the cost of effectuating reductions of payments, forwarding these payments to the various credit agencies or banks is a chargeable items, is a fringe benefit in our negotiations and we, in a sense, are losing X cents per hour in benefits, so that unscrupulous lenders can have a field day.

That's how it affects us, but beyond that even more important is our concern over the exploitation of the workers.

Let me give you two cases. Only in the last week, I had a man with six children who bought a used car. He was one day late in his payments. The very next day a garnishee was gotten against him, the very next day.

I had another case where a man bought a used car. He made his payment but somewhere between the agency and the discount house there was a delay and seven days after he made his payment the garnishee was gotten against this man. We were called in on this matter and this man happened to have four garnishees and they were all waiting in line as one is paid up to collect another one.

We knew why the man wanted the car. He had six children. He had a brother who was dying and the only way to get down there was to have a car. So, it's more than just what the cost is to us in negotiations and fringe benefits. We want to see the end of the exploitation of people who are so easy with credit who will get themselves in debt over their heads, which they shouldn't, and become a problem to themselves, a problem to the family, where they are making this exorbitant payment, something has to give, either in food or clothing or education, and the family in the end suffers.

It's better if they didn't have it than to find themselves in debt and lose their job as a result of this debt.

Congressman HALPERN. My question was more aimed as to whether or not the issue of garnishment arises in negotiations with management and have any settlements of the issue resulted.

In other words, when you do negotiate with management, does this question come up?

Mr. SAMPSON. I can say this, speaking for myself, I wouldn't want to speak generally——

Congressman HALPERN. Well, you represent the unions in the Trades Council.

Mr. SAMPSON. In some instances where you make an appeal to management, they will be generous and go along with you. In some instances they won't. They take a hard line and say, "No, we are not going to stand this cost. He has one, two and three more. We are not going to pay the bookkeeping expenses, no."

Congressman HALPERN. It is a subject of concern?

Mr. SAMPSON. It is very, very much.

Congressman HALPERN. What attempts have your unions within the Trades Council made, based on the lines of communication open to them, to educate their members in the area of consumer finance?

Mr. SAMPSON. We have been conducting consumer classes and graduating counselors for fifteen years now in both Spanish and English.

Congressman HALPERN. That's very good to hear.

Mr. SAMPSON. But, of course, every time you find a solution or a possible answer to alert the people to something, they come out with a new gimic.

The latest one now—if you saw the advertisement—is that they show you a card, "Have A Checking Account. You can overdraw on your checking account. All you have to be is a resident for a short period of time and be employed for a short period of time, and you can overdraw."

But they don't tell you what you are going to pay. This is what encourages people to get themselves in debt. They don't realize the price in the end. They don't realize what the price or what the cost is, and this is the answer to the whole thing.

Congressman HALPERN. This would help the unions in their own educational programs?

Mr. SAMPSON. It would help the unions, but more important it would eliminate the exploitation of the people that unions are interested in.