nishment should be strung up, and they passed a law according to that suggestion, saying he could get his job back.

There is no doubt about it. The laws in this state are very strict in respect to garnishments. You may not have more than one garnishee at a time.

The CHAIRMAN. Do you happen to know anything about the operation of the credit unions in the States of Texas and Florida?

Mr. RUBEL. I do know they don't allow them, but the credit unions don't get along as well as we do.

I'll tell you why. Federal employees are not garnishable. I'll give you an answer to something that will give you a shock.

If a credit union or bank gets hold of an employer of an employee who has failed to make his just and honest payment, out he goes. He's fired, and I'm going to let you in on a little secret. Back in 1959, we had a Police Commission in the City by the name of Valentine. He dismissed two or three policemen a day for non-payment of just and honest debts, and this is the reason why I set up this procedure which originally, 86 (a) of General Municipal Law applied. And in 1956 that was repealed and we made it all-inclusive, so it would treat State employees the same as Municipal employees.

The CHAIRMAN. I'm sorry that my memory is not as good as yours in that regard. I am sure you are right.

Mr. RUBEL. I have some correspondence with you. In fact, I sent you the contract and you turned it over to Mr. Lefkowitz for his approval and it was signed by the then State Comptroller and it's been functioning beautifully. In fact, 99 percent of the loans that the Municipal Credit Union makes are based upon the wage assignment with no co-makers, no security, and the employee, that is the commission, city and state, individually, approve the copy, the original and the employee gets—as the law provides—a copy of what he signs.

In other words, it states on it in big letters "This is a wage assignment," and I believe in it thoroughly, but I don't think that you should destroy something that has taken us over 50 years in this State to accomplish.

In fact, Governor Roosevelt was State Senator in 1913 and introduced the State law. He was the President that fathered the Federal law, and in this State we have 124 state-chartered credit unions and 750-some-odd Federal chartered unions.

The CHAIRMAN. I would like to say that the Committee on Banking and Currency, of which we are members, is very much interested in credit unions and we certainly don't want to do anything to harm them. We think this a fine type of organization and we want to thank you for your testimony.

Congressman HALPERN. Yes. I, too, want to commend the witness and I'm glad our distinguished Chairman here today pointed out that the Banking and Currency Committee not only believes in credit unions, but supports them, and I would like to add that the Banking and Currency Committee has handled all of the legislation passed by the Congress to encourage and promote credit unions. We handled all bills affecting credit unions, so you can be assured we don't intend to hurt the credit unions in any way whatsoever.

In looking over your memo, your testimony, I note that it is headed Memo in Opposition to HR 11601. Shouldn't that really read opposition to two provisions in 11601?

Mr. RUBEL. You are absolutely correct.

Congressman HALPERN. Do you agree with the general disclosure provisions in the bill?

Mr. RUBEL. Absolutely.

Congressman HALPERN. Do you believe in the revolving credit requirements?

Mr. RUBEL. I absolutely do.

Congressman HALPERN. Do you agree with the advertising in the bill?

Mr. RUBEL. Absolutely.

Congressman HALPERN. I am very, very pleased to hear that. Now you suggested that garnishments are so essential to the operation of the credit unions. Doesn't this indicate that, perhaps, they extend credit to borrowers who can't afford the credit and should not receive it in the first place?

Mr. RUBEL. When a person comes to the Municipal Credit Union, the one I managed for 20 years—you know, Sidney Wexler is the Treasurer.

The CHAIRMAN. And I have the utmost regard for him.

Mr. RUBEL. Sidney would have been here himself if he wasn't sick.

I will give you the answer to that.