

How can we prevent these abuses? Can we advocate the burning of a house to rid it of roaches? Wouldn't it be a more reasonable measure to fumigate the home? Can you advocate destruction of a system to run out abuse?

Is it not better to find some other method of destroying those few who operate on the fringe of society than to hurt the society by piercing its body with an arrow?

It is under these premises that I oppose that section of your bill which would abolish garnishments. I think Mr. Noz has gone through a great part of this. However, let me say this:

There are probably three possible results from the abolishment of garnishments. One, a credit for certain salaried individuals would be greatly reduced or curtailed; how much we don't know.

We have heard about Texas, Florida and Pennsylvania. I do know this, that I sent a claim to an attorney in Texas, and the reason Mr. Noz says it is a laughable situation is that this was a just debt of a man who removed from this State to Texas.

I received a letter from a lawyer in Texas who said, "I am sorry, under the laws of this state I wrote to the debtor and he refused to pay."

Perhaps this is what is being advocated, I don't know. I believe there should be right, and anyone who is right should have justice, regardless of the individual.

The second possible result would be, as Mr. Noz says, rising prices. Well, gentlemen, somebody has to pay for this. It cannot be absorbed. If a person does not pay his bills, certain percentages, where is the money going to come from to continue the financing?

Well, those who do pay their bills, gentlemen, will bear their burden, they will have to. The money must come from somewhere.

Three. The third result concerns me more than the others, and that is worse collection practices by unscrupulous individuals might result. What type of unscrupulous individuals? Well, we know that in every field there are people operating on fringes. What type of collection activity could they use which would be worse than garnishment of wages? I will tell you.

I have seen marshals and sheriffs go into a poor man's house and carry out everything, no garnishment, and have that merchandise sold at a ridiculously low percentage.

VOICE FROM THE AUDIENCE. Let me say something —

The CHAIRMAN. Let's have some order, please.

Mr. TAUB. I think this type of practice is reprehensible.

However, I think garnishment is reasonable, gentlemen, to be taken for legitimate dollars.

They of course do not resort to this. Those who you have not rooted out will resort to these things. There are certain collection agencies, they will resort to these things.

I was pleased to hear a statement this morning by Dr. Costello, who pointed out there would be a drying up of some of this credit. The money, where is it, where will it come from?

This can be prevented. We have a good law proposed in this State, limiting the choice between seizure of this merchandise or garnishment, but not both. I suggest this legislation, gentlemen.

We had here this morning, and I listened very patiently to several representatives of labor who came here to testify in favor of this legislation.

From my reading of newspapers and periodicals it seems that the assets of some of the labor unions are greater than some of the banks in this State, are greater than some of the loan companies within this State. Why not these labor unions, who are in favor of this legislation, why could not they open up their large funds and offer credit to these people at their low rates?

They do have their credit unions, but they do not extend credit to everybody, they cannot, because it is physically impossible to do so.

The CHAIRMAN. Mr. Taub, can you limit your remarks to five minutes.

Mr. TAUB. I can say that I came from a ghetto area and that I held a union card from the age of seventeen, from the International Ladies Garment Workers Union.

I feel that justice must be served and a just debt must be paid.

Thank you very much, gentlemen.

The CHAIRMAN. Thank you, Mr. Taub.