are the poor, the uneducated, or the gullible. Or, we could regulate them; but as I understand it, the District Commissioners, under Title 47 of the District of Columbia Code, have the general authority to require licensing and regulation of this business, but they have chosen not to do so on the grounds that it would give official recognition to this type of unscrupulous operation.

Thirdly, we can outlaw this type of business in the District of Columbia. There is no reason whatsoever for the existence of this type of business. The legislation I have introduced will outlaw this type of operation but will not prohibit debt-adjusting services incurred incidentally in the practice of law, nor will it prohibit nonprofit or charitable corporations or associations from providing debt-counseling services. Neither will it prohibit public officials from helping their constituents who have problems of this kind, but it will prohibit the type of practices brought out by Miss Ottenberg, and I might say I am glad the Chairman has inserted in the record the articles on this subject written by Miss Ottenberg, of the Evening Star.

I believe that if the House and the Congress will pass this legislation, we will perform a real service in protecting the unfortunate people in the District of Columbia and in the area who have been the victims of these unscrupulous operators.

Thank you.

Mr. SISK. I thank my colleague, Mr. Broyhill of Virginia, for his statement. I might say to my colleagues who arrived in the room since Mr. Broyhill began his statement that we have inserted in the record two bills, one by Mr. Broyhill that would prohibit the debt adjustment business in the District of Columbia, and one by Mr. Diggs which would regulate the practice of debt adjustment in the District. The Committee, of course, is attempting to gather as many facts as possible in order to determine the type of legislation needed.

I might mention to you gentlemen Mr. Broyhill has another appointment in the Ways and Means Committee this morning and we were happy to give him an opportunity to make his statement first.

I believe the gentleman from North Carolina has a question.

Mr. WHITENER. I wondered why the gentleman from Virginia approached the problem in the manner set out in H.R. 9806 rather than the approach of Mr. Diggs in H.R. 8929?

Mr. BROYHILL. Mr. Diggs' bill, as I understand it, is to regulate the industry, and it is my understanding that legislation is not necessary to regulate this business because the Commissioners have that authority now. Secondly, enacting legislation to regulate the business would in effect be acknowledging that the business is needed and would give dignity to these debt-adjusting services which I think are not needed and are actually injurious to the people of the District of Columbia. They furnish no real service to the people who are in trouble. They give them no money, they charge them a fee off the top of their salary, and the people in debt wind up being in more trouble than they were before.

Mr. WHITENER. Of course in your bill certain other business organizations would be prohibited from managing debtors' debts, while in Mr. Diggs' bill it provides they might. This could, it seems to me, run into trouble with a non-lawyer giving advice and working with a debtor under Chapter 13 proceedings, which are provided for in the Bankruptcy Act. And there are many other areas in which you could