

Mr. WHITENER. Now, I note that this publication further says that another type of exemption is—and maybe this would cover our Chapter 13 proposition—"judicial officers or others acting pursuant to court order."

Do you think that exemption might properly be written into H.R. 9806?

Mr. KNEIPP. Yes, sir, I think so. Or, as an alternative, the language I suggested earlier. "Nothing herein contained shall be construed as superseding or amending—"

Mr. WHITENER. It occurs to me if these seven states have identical language already, it may be better to follow the accepted language.

I note they say that five states exempt non-profit organizations. "The exemption is only if no charge is made for the service." Delaware and Hawaii permit a nominal charge, the reimbursement of expenses. New Mexico exempts such an organization when it is organized as a community effort to assist debtors. Pennsylvania exempts welfare agencies which act as debt poolers on behalf of debtors without compensation and profit.

Under your bill the non-profit organization would have no limitation on charges.

Mr. KNEIPP. A nominal sum. They are authorized to charge and collect nominal sums for reimbursement for expenses in connection with such services. The last part of Section 3 of the Broyhill bill.

Mr. WHITENER. You would interpret that to mean a non-profit organization could do no more than recoup its out-of-pocket expenses?

Mr. KNEIPP. Yes, sir.

Mr. WHITENER. Now, they say here that five states exempt full-time employees of a debtor to act as the adjuster of his employer's debt. Four states exempt a creditor when he adjusts a service without charge. What do you think of those exemptions?

Mr. KNEIPP. They seem reasonable, but there may be room for abuse unless they are very carefully circumscribed. I can see what might be involved.

For instance, a person who owes money to Woodward & Lothrop and Hecht's and Garfinkel's might have somebody in Woodward & Lothrop help him adjust his debt and prorate the payments among the three stores. I think that that might be a reasonable approach and it may be part of the Board of Trade's approach. I am not aware of it.

Mr. WHITENER. It appears also that Oklahoma excepts retail merchants trade associations and non-profit groups formed to collect accounts and exchange credit information. I suppose you agree that such an organization might have a credit bureau attached to it?

Mr. KNEIPP. I don't believe the Metropolitan Washington Board of Trade has such a facility and I don't believe the D.C. Chamber of Commerce does.

Mr. WHITENER. On page 8 of the Department of Labor publication—perhaps some of these are repetitious, but it says the usual exemptions are, (1) attorneys; (2) banks, fiduciaries, banks and lending institutions duly authorized and permitted to do business in the states.

This bill does not exempt those institutions.

(3) Title insurers and abstract companies while doing an escrow business. Do you think that would be a worthwhile addition?