

As a member of the Illinois Association of Credit Counselors, and the American Association, for several years we have been very instrumental in trying to rid the industry of the bad operator.

I am sure that if your committee would take time to interview and question the authorities in the states that hold regulation, you will find that the violations created are very, very few, and that in the areas where our members operate they are held in very high regard.

I would appreciate any consideration your committee could show to our industry.

Respectfully,

R. A. BOWERS,  
*General Manager.*

CONSUMER CREDIT COUNSELORS,  
A DIVISION OF THE CREDIT BUREAU,  
*Decatur, Ill., August 14, 1967.*

Hon. B. F. SISK,  
*House of Representatives,*  
*Washington, D.C.*

DEAR MR. SISK: All members of our industry are most concerned at plans to regulate or prohibit professional credit counseling in the District of Columbia.

Our firm has been in the business of consumer credit counseling and financial budgeting for almost thirty years. We enjoy an excellent reputation with Decatur credit grantors, including retailers, medical professions and financial institutions and the Association of Commerce.

However, many years ago there was a great deal of abuse in our area by firms going into some type of prorating service and being interested only in retiring their fee, which was projected in advance for their service. This type of thing is now completely stopped. All our industry is licensed and bonded to the State of Illinois; the Director of Financial Institutions enforces the regulations concerning their licensees. We are completely audited, much the same as the consumer finance industry in Illinois, at least once a year, and the cost is assessed to us by the State of Illinois. Our receipts, payment checks, and counseling fees are thoroughly checked. This has driven the unethical operator from the field.

Previous to the time that such services were licensed and bonded in the State of Illinois we had performed this service for families for the past twenty-five years on about the same fee basis. It is not, nor is it intended to be, a lucrative type of business, but is set up for the good of the families and their creditors. We are enclosing a copy of our Annual Report for 1966. If you will check our pages you will find that we assisted 404 families last year. Our debt liquidation through counseling was \$196,532.

We believe that you will be doing a disservice to commerce, which is carried on through the channels of credit and whose life blood is credit, if you prohibit credit counseling by ethical, responsible firms in Washington, D.C. We are certain that machinery for bona fide firms can be established just as it was in the State of Illinois.

Thank you for your attention to this letter, and we hope that you will consider our statements in favor of credit counseling through a licensing and bonding law.

Sincerely,

Mrs. JOSEPHINE F. SHAFER,  
*Assistant General Manager.*

Mr. SISK. The next witness will be Mr. Ronald L. Snellings, Navy Federal Credit Union, Washington, D.C.

Mr. Snellings, will you take the witness stand.

Is he here? (No response.)

Without objection, Mr. Snellings' statement, which I believe we already have, will be made a part of the record.

(The statement follows:)