

District of Columbia, except as an incident to the lawful practice of law or as an activity engaged in by a nonprofit corporation or association.

It is felt by the Association that the business of "debt adjusting," as defined in both Bills, is of such a nature as to lend itself to grave abuses and can give rise to relationships of trust and counseling in which the debt adjustor's client may need counsel as to the legality of claims against him, usury and other abuses by his creditors, legal remedies involved in the debtor-creditor relationships, and the application of the Bankruptcy Act.

In view of the above, the Association feels that the activity known as "debt adjusting" should be prohibited rather than regulated. "Debt adjusting" should not be an activity engaged in by persons who have not been admitted to the Bar, except that, subject to applicable restrictions on the unauthorized practice of law, nonprofit or charitable corporations or associations which engage in debt adjusting as a service to the community should be allowed to do so for nominal sums as reimbursement for expenses. We understand that such nonprofit or charitable corporations or associations have performed such services in other communities, and we feel this is appropriate.

Respectfully submitted,

JOHN E. POWELL, *President.*