the sale of real estate or in transactions among businessmen themselves. Yet, your committee must carefully determine whether the remedies proposed are in fact needed for treatment of the evils that are to be removed. It would be important to know how many stores in the District of Columbia actually negotiate or assign their retail installment notes or contracts. If the number is small, then we would not like to see the bill falter in committee because of the controversial issues which may really have no significant relationship to the matter at hand. Accordingly, we urge the committee to make a careful study of this point.

(3) A third difference between the two bills lies in the area of repossession of goods. We firmly endorse the principle which would provide a seller—in case of buyer's default—an election of alternative remedies. To echo the words of Mayor Washington when he testified last week before this subcommittee, a significant feature of these consumer protection bills is the "requirement that in case of repossession of goods—which in retail installment sales depreciate so rapidly as to lose quickly any equitable interest the consumer may have in the goods—that the seller who repossesses must choose either to take back the goods and forgo any deficiency judgment or sue the buyer on the unpaid balance and not repossess the item for which the consumer is in default."

(4) A fourth major difference between the two bills lies in the problem of regulation of finance charges. Senator Morse's bill is silent on this matter. Your bill, S. 2590, Mr. Chairman, would limit finance charges, delinquency charges, court costs, and attorney's fees that may be imposed on consumers.

We are concerned, however, with the percentage limitations which S. 2590 places on finance charges. They may be too high a price for the consumer to pay; they may be too low a charge for the merchant to be able to function. Moreover, we feel there may be lessons to be learned for the extension of credit on a short-term basis—that is, retail installment sales—from experiences and policies in the extension of credit on a long-term basis. Accordingly, we respectfully urge this committee to study the entire credit situation in the District of Columbia, with a view toward determining whether limitations on the magnitude of finance charges are either desirable or possible, and to make recommendations based on the findings of such a study.

Finally, Mr. Chairman, recognizing the problems and difficulties entailed in efforts to decide whether any fair percentage rate can be determined for finance charges, we believe that the very least that the law must do is make mandatory the disclosure of all costs of consumer credit. Therefore, the Jewish Community Council supports legislation which would require full disclosure to the buyer of all charges; we believe it important that the buyer knows exactly—in dollars and cents—what the merchandise or services he is purchasing will cost him. This knowledge—coupled with the consumer education that is so important as a followthrough to legislation—will allow the buyer to engage in comparative shopping, one of the goals of our free and private enterprise system.

We appreciate the opportunity to testify today. It is the position of the Jewish Community Council that consumer protection legislation should be a priority item for the Congress of the United States.