

that they sold me a bedroom suite for \$200.00 that cost them \$64.00; a *used* washing machine that cost them \$75.00 *new*, was repossessed from another customer and sold to me for \$170.00; a *used* high fidelity that cost them \$142.00 *new*, was repossessed and sold to me for \$340.00; a cocktail table that cost them \$6.50 and was sold to me for \$30.00. This was typical of all the transactions.

I think that this company should be regulated. I bought from them because they gave me credit while I was on welfare, but I do not think I should be charged three or four times more in the case of the used articles than their worth.

STATEMENT OF HATTIE MAE WILLIAMS

Mr. Chairman and members of the subcommittee, I appreciate the opportunity to appear before you to support the Consumer Credit Bill which you are discussing. My name is Hattie Mae Williams and I live in Southeast Washington with my husband and three children.

A collection company in Washington has tried to make me pay \$426.00 for a series of courses at a local detective academy which I never took. I knew you were interested in cases where people are taken advantage of in credit deals to show the need for your bills which would reform the law to protect the consumers. I will tell you the facts of my case to show what happens when a company sets out to take advantage of the average housewife.

During March 1967, a local detective academy placed an advertisement in my mail box. At the time I was interested in further education and I called up the academy to find out more about their courses. In April a salesman from the academy came to my house. He described the courses in methods of investigation and interrogation and offered to take an application from me. While I was interested in the courses I wasn't sure at that time whether I could afford to go to school or to be away from my family during the day. I agreed to fill out the application form with the understanding that I would not be obligated to take the course or to pay any money. The salesman assured me that the paper which I signed was merely an application to take courses at the academy and would not obligate me to pay any money. The salesman left me with a contract which said I should pay \$357.30 in weekly installments of \$8.80 if I decided to take the course.

A few weeks later the detective academy called me at home and said that I was accepted for the courses. I was told to report for class during May. I told the person who called that I would be unable to attend the school in May and that I would call back later to let them know when I would be available. The academy sent several letters asking when I was going to start the courses. After receiving the letter I would call and tell them that I was unable to start. Later I decided not to take the courses at all because I wasn't sure that I could find employment as a private detective.

I kept getting threatening letters and phone calls from the academy telling me that I had to pay money even though I wasn't going to school. Later on I got a bill from a collection company for \$426 owed to the detective academy. I did not recall signing any contract, only an application for enrollment. I received no course materials or books. I attended no lectures, I got nothing of value from the academy. I was convinced that the salesman meant what he said that I would not be obligated to pay anything if I did not attend courses. I think the application form that I signed probably was a disguised contract saying that if I were accepted for courses I would promise to pay some amount of money to the detective academy.

The credit company is still sending me dunning letters about the \$426 bill. I was afraid that they would try to garnishee my husband's salary so I went to the Neighborhood Law Office for advice. The lawyer wrote a letter to the credit company denying that I owed any money and suggesting that the company stop sending me letters. The letters continue to come but I hope that we won't have to go to court.

I have and will continue to refuse to pay hard earned money for nothing. The trouble is I know there are lots of people who end up paying for nothing when they get threatening letters and phone calls from credit companies just to avoid being sued or garnisheed and losing their jobs. Many people are afraid to stand up to collectors and credit companies even when they know they are right because the collectors threats are so frightening. Sometimes people are told they