Mr. NASSAU. I am getting away from the fraud area. I am just asking for a full disclosure, as much as possible, in all types of installment contracts. I think this will be very helpful, and I believe that the House truth-in-lending bill covers first the mortgage situation.

Going on, we endorse the setting of maximum finance charge rates, but we question whether the rates set forth are reasonable, or whether they might not be too high. We feel that 20 percent might still be an onerous burden on the poor citizen.

We would like for the Congress to delegate to the District of Columbia Council the right to hold hearings on this problem, to investigate what the most reasonable charge would be, from the point of view of both the consumer and the merchant, and then set the specific charge. Even the setting of the maximum level will not be enough in all cases to protect the consumer. A store which does a large percentage of credit selling, as many do, can merely increase the cash price of its merchandise to hide the real credit charge. The subcommittee should study this problem with an eye toward solutions such as providing that extreme markups or prices far out of line with the price of similar goods elsewhere in the community would constitute prima facie evidence that the finance charge is greater than stated and is, in fact, hidden in the cash price.

We are pleased with the attack by the bills on the Ora Lee Williams situation where a merchant was allowed to repossess all of the items which the customer had purchased on credit, even though she had paid well over the amount due on most of the goods. The bills deal with the after-acquired situation. We question whether or not the same inequity could not result from the purchase of several items at the same time under one contract. We urge the subcommittee to amend the bill to prevent the repossession of all the items purchased under one contract where the principal already paid is sufficient to fully pay off any of the acquired items. Accordingly, we recommend that the bill be amended as we have set forth in our prepared statement, adding the recommended language to the bill.

S. 2589 authorizes the Council to make appropriate regulations dealing with unfair and unconscionable advertising in relation to retail installment sales contracts. We heartily urge that the wording be clarified or expanded to allow regulations to safeguard consumers from all unfair and unconscionable advertising, whether in regard to retail installment sales or not. We would like to see a provision in the law prohibiting an employer from firing an employee because his wages were being garnisheed. The employee, who not only gets himself into debt but as the consequence of this debt loses his only means of removing the debt—his job.

We also regret that the subcommittee is not at this time considering S. 2591, the bill which would provide for a cooling-off period, after home solicitation sales. We would like to recommend that when this bill is considered that the purchaser of goods in the store should also be given 2 or 3 days in which to decide about the purchase.

Senator TYDINGS. There is a national bill on that. The hearings have gone forward in the Commerce Committee.

Mr. NASSAU. When the committee does consider this, or when the Congress does consider this, we would like to see it extended to the store-sales situation. Very often, people do not take the time to