I have heard testimony about it this morning. We object to the regulation of finance charges; that is, to a limitation on finance charges.

We object to price controls. We object to regulations which interfere with our method of doing business.

Senator TYDINGS. Mortgages are now limited to 6 percent interest rates—that is, in the State of Maryland—and most mortgages in most States are limited to 8 percent.

You feel, however, that finance charges should not be limited to 20 percent per annum.

Mr. BRYLAWSKI. I feel that finance charges should be based on what that particular merchant feels his cost of doing business is. I certainly have no objection to disclosing it. I do not care what type of print it is in, either. I would like to see the buyer know what he is paying for the merchandise.

Senator TYDINGS. Why should the jewelry industry want to be protected, or the home-improvement, or furnishings industry? Why should they be allowed to charge any interest that they want to charge, whereas the mortgage on the home is the most important single item an individual can ever buy. There the money is far more desperately needed and the rate is limited. There you limit the amount of the mortgage return, the amount of interest you can charge. You limit it to 6 percent in Maryland, the State of Maryland. What is the big difference?

Mr. BRYLAWSKI. One falls more squarely under the usury concept. When you are lending money, you are subject to the usury law. This is not a loan of money as such. It is a credit transaction where merchandise is not paid for, for a longer period, so that the payments on the merchandise is not recovered quickly. Also, there is a lot of cost in keeping accounts, and other expenses in connection with it. I am not going to belabor this point. We object to it. We feel we should not be regulated in that respect. If we are regulated, I am sure we will be able to coexist with it.

Lastly, we further have no objection to the creation of a Department of Consumer Protection which is not in S. 316, but which is in your bill. It should be inserted in S. 316, if the committee feels that is an important thing. We have no objection to it. I feel it might do some good in the District of Columbia.

Also, of course, I want to call to your attention that the truth-in-lending legislation would cover a good many aspects of your bill and, perhaps, they have been put into it. I have not observed that closely.

Let me say, finally, because I do not want to take up too much time, that we do have certain reservations, although we favor the bill.

Senator TYDINGS. Thank you very much, Mr. Brylawski, for being with us.

We appreciate your testimony. As stated previously, your letter has been incorporated into the record in full.

Mr. BRYLAWSKI. Thank you.

Senator TYDINGS. Our next witness is Mr. James Williams, accompanied by Miss Pauline Myers of the United Planning Organization, and other witnesses.

We will be pleased to hear from you now, Mr. Williams.