

We likewise have a feeling that as a result of these current hearings there will be some useful legislation which will be put on the books and will make it less possible for organized crime to take hold of small businesses.

I wanted to make that statement, because I am very proud of what we did.

Now, today the committee continues its investigation into the impact of loan sharks on legitimate small business enterprises. Yesterday the committee heard testimony largely devoted to a description of the mechanics of the loan shark operation which pervades the business community. Today we have scheduled witnesses who are in a position to tell the committee in some detail about actual cases of borrowers falling into the clutches of loan sharks. In addition, we will take testimony on the efforts of law enforcement agencies to control loan sharking. We will also hear from a victim of the loan shark racket. Subpenas have been issued for the appearance of two alleged members of a loan shark operation. I should like to repeat that the committee has initiated these hearings pursuant to the authority granted to it by the standing order of the Senate "to study and survey by means of research and investigation all problems of American small business enterprises and to obtain all facts possible in relation thereto which would not only be of public interest but which would aid the Congress in enacting remedial legislation."

Specific authorization to hold the hearings was granted pursuant to the rules of the select committee in executive session of the committee held March 26, 1968, notice of which was announced on April 19, 1968, by me. In accordance with rule 6, any witness summoned to public or executive hearings may be accompanied by counsel of his own choosing who shall be permitted while the witness is testifying to advise the witness of his rights.

The first witness this morning will be Mr. Michael Metzger, the assistant district attorney of New York County.

Mr. Metzger, we are very pleased to have you, and you may proceed as you like.

**STATEMENT OF MICHAEL H. METZGER, ASSISTANT DISTRICT ATTORNEY, NEW YORK CITY, N.Y.; ACCOMPANIED BY NORMAN ARCHER, ASSISTANT DISTRICT ATTORNEY, QUEENS COUNTY**

Mr. METZGER. Mr. Chairman and members of the committee, I would like first to extend greetings to you from District Attorney Frank Hogan, and Chief Assistant District Attorney Alfred J. Scotti. We appreciate your according our office the honor of participating in your hearings. We consider it a privilege to have this opportunity to appear.

I would like to introduce to you, Senator, and Senator Dominick, Inspector Louis Cottell of the New York City Police Department, and assistant district attorney, Mr. Norman Archer, of the Queens district attorney's office.

The CHAIRMAN. We are pleased to have you.

Mr. METZGER. At the outset I would like to make some reference to the terms that we have used here. I know there has been prior testimony before this committee on definitions. However, I would like to say one or two words with respect to organized crime.