

## IMPACT OF CRIME ON SMALL BUSINESS—1968

THURSDAY, MAY 16, 1968

U.S. SENATE,  
SELECT COMMITTEE ON SMALL BUSINESS,  
*Washington, D.C.*

The committee met, pursuant to recess, at 10 a.m., in room 1202, New Senate Office Building, Senator George A. Smathers (chairman) presiding.

Present: Senator Smathers.

Also present: William T. McNarnay, staff director and general counsel; Ernest P. Evans, professional staff member; and James H. Grossman, minority counsel.

The CHAIRMAN. The meeting will come to order.

Today is the final hearing in our series on the impact of loan shark operations on small business enterprises. Yesterday the conferees on the truth-in-lending bill reported out a provision which would make loan sharking a Federal offense. The conference bill sets a statutory limit of 45 percent per annum. It also prohibits the use of threats of violence or other illegal means to collect payment for any loan. I urge both the House and Senate to accept this provision in the truth-in-lending bill which can curtail the type of tragedies we have heard about in the past 2 days.

The committee has initiated these hearings 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.

To introduce our first witness today we are privileged to have the very distinguished Senator from Illinois, Mr. Charles Percy, who will present our first witness.

Senator Percy.

### STATEMENT OF HON. CHARLES H. PERCY, A U.S. SENATOR FROM THE STATE OF ILLINOIS

Senator PERCY. Mr. Chairman, it is my privilege and pleasure to appear before your committee to introduce a very distinguished citizen of Illinois, Mr. Charles Siragusa. Mr. Siragusa is the executive director of the Illinois Crime Investigation Commission. He is accompanied by Mr. Robert J. Walker, the chief investigator for the commission.