The man who introduces the juice customer—this man is a human collateral. He is the guy who will introduce the juice customer to the juice man. He now becomes a collateral or an invisible paper promissory note, if you will. By the ethical criteria of organized crime, in its psychopathic interpretation, the man who did the introducing is equally and fully responsible with the man who actually borrows the money. He is the cosigner, whether or not he ever affixes his pen to anything. He gets the same pressure. In some cases he is pressured before the juice customer. In some cases he is given a little beating beforehand, and he is told he better collect from the juice customer. A chain reaction sets off. The original introducer may inflict a slight beating of the juice customer himself, to prevent the beating to himself.

Now, when neither the borrower nor the cosigner, so to speak, can pay, we have had a case where the cosigner—I am using that expression figuratively—he can wind up as a compulsory finger man, and the juice victim, the guy who actually pocketed the money, is taken for a ride, they shoot him with some bullets, put him in the trunk of his car—always arranging to have the car found, parking it in a spot where it will inevitably become conspicuous.

The purpose is that this gives them an awful lot of free advertising. When the newspaper headlines talk of so-and-so being found dead in a trunk, those juice customers who have themselves been delinquent get the message immediately, and they accelerate their efforts.

The CHAIRMAN. Mr. Siragusa, your testimony is excellent and helpful.

I wonder if we could go to your recommendations on page 24. We are getting a picture of what the problem is and what is involved. What we are interested in at this point is what we can do about it.

Mr. SIRAGUSA. Yes. I think in the Federal area there are some specific things that can be accomplished.

I think a model uniform criminal usury law for distribution to the Governor, the legislative bodies, and the attorneys general of every State should be drafted. As it is now, only Illinois and New York State have criminal usury laws.

The CHAIRMAN. In other words, each State should not have a different rate of interest or a different usury statute, because it is too difficult to enforce.

Mr. SIRAGUSA. Yes, sir. I think in addition to the usury laws which now exist, they should either be amended or a separate law be passed, such as we have done in Illinois, making a separate criminal usury statute, which simply defines you cannot collect more than 45 percent a year, you must be a licensed institution—if you are not a licensed institution, you have to be a factor. But in any event, you cannot receive more than 45 percent interest. I think that maybe your committee can draft a model criminal usury law for distribution.

The CHAIRMAN. You think that it could be worded so that it would apply, for example, to two friends who have a personal arrangement between them—"You lend me $800 and I will pay you back $1,200 at the end of a year." That actually would figure out to be usurious—therefore violative of the criminal law.

You would have to put in "willfully and knowingly with intent to collect more than 45 percent."