

The second group of five, which provides another 15 percent of the output, is made up of Norway pine, white spruce, white fir, eastern and western white pine, and Norway spruce.

SPARE THAT TREE

Some people are troubled about evergreens being cut for Christmas trees. President Theodore Roosevelt, an ardent conservationist, felt so keenly about this that he at first forbade their use in the White House. One year, however, his sons, Archie and Quentin, smuggled one in and set it up in their room. When the distressed President discovered it, he consulted his close friend and advisor on conservation measures, Gifford Pinchot, former Governor of Pennsylvania. Pinchot assured him that the supervised and proper harvesting of trees was good for the forests. Since then, the White House has had an indoor tree, continuing the custom begun by President Pierce in 1856.

Independent Bankers Association Develops Committee Amendment on Revolving Credit in Truth-in-Lending Legislation

EXTENSION OF REMARKS
OF

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mrs. SULLIVAN. Mr. Speaker, one of the major unresolved issues of the session of Congress now ending, which will come before us early in the new session, is the form in which the House passes truth-in-lending legislation. H.R. 11601, the Consumer Credit Protection Act, which has now been reported by the Committee on Banking and Currency—House Report No. 1040—is, in most respects, a strong and effective bill to protect the consumer in his use of credit on substantial purchases and loans, but it now contains two committee amendments which will defeat the purpose of the legislation in connection with the majority of all consumer credit transactions.

As spelled out in the supplemental views filed by 11 of us on the committee, these two committee amendments exempt from annual percentage rate disclosure requirements the so-called revolving credit accounts of the large chains and department stores, and also all credit transactions in which the credit charge is \$10 or less, meaning purchases or loans up to about \$110.

The consumer would be ill served by either amendment, and I intend to fight both of these amendments on the House floor.

INDEPENDENT BUSINESSMEN OPPOSE REVOLVING CREDIT EXEMPTION

In fighting one of these amendments, I will have, I am sure, the united support of most independent businessmen who extend consumer credit. They feel—and they have every right to feel—that the special exemption written into the bill for revolving credit is a legislative reward for the tremendous lobbying effectiveness of Sears, Ward's, Penneys, and

the other huge mail-order houses and chain retailers, and the major department stores using computerized revolving credit. These stores, under the amendment on revolving credit, would be permitted to state merely a monthly percentage rate in disclosing credit charges, whereas the furniture dealers, hardware merchants, music stores, sporting goods stores, appliance dealers, radio-television sales firms, and most banks would be required, under the same legislation, to reveal the annual percentage rate of their credit charges.

The independent businessmen regard this as an unfair competitive advantage for the department stores, whose lobby won them this special concession. The unfairness of the amendment is easily seen when the independent store has to state a rate of 18 percent per year for the same credit charges which a mail-order house or a big department store could state as 1½ percent a month. The testimony before my Subcommittee on Consumer Affairs clearly established that, to the average consumer, 18 percent a year sounds like a fantastically high credit charge, whereas 1½ percent a month sounds delightfully low.

We can deplore the fact that consumers are not generally sophisticated enough about credit terminology to see instantly that the two rates are identical. But it is because there is so much confusion and lack of awareness among consumers about interest rates and credit costs that truth-in-lending legislation is so badly needed.

The businessmen who have joined me in opposition to the committee amendment on revolving credit on H.R. 11601 ask that all forms of credit be placed on the same competitive basis, so that the consumer can quickly and accurately compare rates and charges. Thus, all creditors should be required to give an annual percentage rate.

IBA SAYS REQUIREMENTS SHOULD APPLY EQUALLY

Thus, in its December issue, the Independent Banker, published by the Independent Bankers Association of America, at Sauk Centre, Minn., an organization which has many highly respected members in every congressional district in the Nation, stresses the need for equality in the treatment of competing forms of credit through uniformity in the expression of the credit information required to be disclosed under the legislation.

The article referred to is as follows: [From the Independent Banker, December 1967]

INFORMATION REQUIREMENTS SHOULD APPLY EQUALLY IN "TRUTH" BILL

Requirements for credit information in any "Truth-in-Lending" bill should apply uniformly and equally to all types of creditors, the president of the Independent Bankers Association of America said in a letter to members of the House Banking and Currency Committee.

Stanley R. Barber, president of the Wellman (Iowa) Savings Bank, wrote:

It disturbs us to read reports that the final form of this proposed legislation may:

1. Exempt revolving credit accounts, or
2. Permit granters of revolving credit to state their charges on a different basis than other creditors.

Writing in advance of Committee consideration of the bill in executive session, Mr. Barber said:

"Our understanding is that the purpose of "Truth-in-Lending" is to have credit charges stated in such a way that the consumer may make an informed judgment on the cost of alternative sources of credit. It seems to us that a single standard for stating these charges is essential to achieving this purpose. A variation would constitute a built-in distortion or 'truth.'"

"During Committee consideration of this legislation, we earnestly and respectfully seek your support for equality in application of disclosure requirements."

BILLS AND A JOINT RESOLUTION APPROVED AFTER SINE DIE ADJOURNMENT

The President, subsequent to the sine die adjournment of the Congress, notified the Clerk of the House that on the following dates he had approved and signed bills and a joint resolution of the House of the following titles:

On December 26, 1967:

H.R. 6167. An act to authorize the extension of certain naval vessel loans now in existence and new loans, and for other purposes; and

H.R. 8715. An act to amend the District of Columbia Alcoholic Beverage Control Act to limit the amount of wines, spirits, and beer that may be brought into the District of Columbia.

On December 27, 1967:

H.R. 4765. An act to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956, as amended, and for other purposes;

H.R. 10783. An act relating to crime and criminal procedure in the District of Columbia; and

H.R. 10964. An act to enable the District of Columbia to receive Federal financial assistance under title XIX of the Social Security Act for a medical assistance program, and for other purposes.

On December 28, 1967:

H.R. 5575. An act for the relief of Panagiotis Paulus; and

H.R. 10242. An act to amend title 10, United States Code, relating to the authorized strengths by grade for medical and dental officers on active duty in the Army, Navy, and Air Force.

On December 29, 1967:

H.R. 3031. An act for the relief of Mr. and Mrs. Christos Photinos-Svoronos;

H.R. 8476. An act to confer U.S. citizenship posthumously upon Pfc. Alfred Sevenski;

H.R. 8580. An act to declare that certain lands are held in trust for the Squaxin Island Indian Tribe;

H.R. 12505. An act to provide that a District of Columbia public school teacher may retire on a full annuity at age 55 after 30 years of service or at age 60 after 20 years of service, and for other purposes;

H.R. 13833. An act to provide that the post office and Federal office building to be constructed in Bronx, N.Y., shall be named the "Charles A. Buckley Post Office and Federal Office Building" in memory of the late Charles A. Buckley, a Member of the U.S. House of Representatives from the State of New York from 1935 through 1964; and

H.J. Res. 980. Joint resolution establishing that the second regular session of the 90th Congress convene at noon on Monday, January 15, 1968.