EXTENSIONS OF REMARKS

March 5, 1968

"You know how within the usual claim on a case of this kind? Well, this time it was well over 50 witnesses who volunteered to help the police. I never saw such willingness to cooperate."

A few years ago, a Washington bus driver was beaten up for some reasons. When police arrived, all 30 passengers on the bus said they hadn't seen anything or heard anything. They appeared to me to be a little surprised if they testified, and afraid of the police as well. Today, perhaps, there is a growing awareness that if we want to we must all "become involved."

BUILDING, Education and Health, and millions, if not billions, of dollars like "Understanding Smell in Creative Thinking." The Commerce Department spent $500,000 to find out that shipping rates are lower on imported goods than on domestic goods. The National Science Foundation, a study of the Commonwealth of Pennsylvania, had to wait for The National Institutes of Health spent $11,782 to finance "A Social History of French Medicine 1789-1918." It spent $6,556 for your money on "A Political Leadership: Indians in Fiji."

The Office of Economic Opportunity shelled out $39,000 to find out why some underprivileged youth reacted favorably to "It's What's Happening, Baby!"—a nationally televised rock and roll show praising the Job Corps. The National Science Foundation gave $2,000 to an organization called "Train Troops in California," $2,000 to a young man's campaign for The Ohio State University calls federal research grants "the most powerful destructive force the higher education had mounted."

Is all this, and much more, really necessary? Is it even desirable? Does it do any good for the people of the United States to support it? Do you "demand" these services, impress your federal government to start new programs at the rate of 100 every 10 years?

The average American is being taken by his government and its agencies to the tune of billions of dollars. He gets nothing back to what he has paid for unnecessary and useless programs that the government loads on his back.

How much can you take? How much can you bear? How much can you stand in the dust under this intolerable burden?"}

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Address by Congresswoman Sullivan at Workshop on Consumer Credit in Family Financial Management, Sponsored by District of Columbia Home Economics Association

HON. LEONOR K. SULLIVAN OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 5, 1968

Mrs. SULLIVAN, Mr. Speaker, one of the most stimulating, and potentially one of the most important, community action meetings I have attended in a long time was held Sat., March 2, 1968, in the National Education Association Building. It was a workshop on consumer credit in family financial management sponsored by the District of Columbia Home Economics Association.
EXTENSIONS OF REMARKS

May 3, 1968

The members of this organization come from Federal agencies, State and local government units in this area, the school systems, and private business. It is an outstanding group of people who are interested in the most basic problems of the community, and I was delighted to be able to meet with the members of this organization to discuss consumer credit issues from the legislative standpoint.

The workshop began at 9 a.m. and did not adjourn until 4 p.m., reviewed such issues as local laws on credit, sources of credit, education in the use of credit, the psychological and sociological aspects of credit, as well as the Consumer Credit Protection Act. At the House on February 1, Chairman of the workshop planning committee was Mrs. Irene H. Wolgamot, president-elect of the District of Columbia Home Economics Association, and assistant to the director of the Consumer and Food Economics Research Division, Agricultural Research Service, of the U.S. Department of Agriculture.

Mr. Speaker, consumer credit is a valuable economic tool which makes possible the high level of consumer goods and services now available to the American people. But the misuse — the abuse — of consumer credit is one of our most serious domestic problems. Congress can pass laws on this subject, and so can the States. But the problems will not be solved unless and until more groups which have direct dealings with the low-income families in our communities emulate the American Home Economics Association, and assist in the direct work of that association, in spotlighting the problems encountered by low-income families in the use of credit, and devise programs to help educate more families on the pitfalls as well as the opportunities in the use of credit.

Under unanimous consent, I submit the text of the remarks I made at the workshop on Saturday as follows:

CONSUMER CREDIT AND LEGISLATION


Members of Congress often dare to advise other people how to run their businesses or professions, but always knowing much about it, and our only excuse for doing that is that whatever your professional field happens to be, you have to live with laws dealing with it, or affecting it. If we stay in Congress long enough, and keep our ears and eyes open, and read the fine print in the Congressional Record, and participate in our Committee work conscientiously, we cannot help but absorb some expertise on a few things — so much so, that after a while, we even begin to think we are experts in everything.

At this risk, therefore, of revealing a lack of proper scholarship, let us consider doing something about the name of your professional group. Economics is a word which scares most people, who immediately think of the stock market, but balance of payments deficit, the gold cover, the rediscount rate, the sum of the digests, and the Rule of the 78's. And home economics, to most women, I suspect, means learning in high school to sew a skirt which they would never consider wearing, and learning the starches, carbohydrates, and vitamins.

As a Member of Congress, I have had many opportunities to talk about home economics and learn about the broader aspect of your work, and I am deeply impressed by the range of your interests and contributions. I shall always remember the people who came to the Missouri Extension Service, for instance, in going to work on an assignment, I asked them to undertake early in my Congress experience. All of the Missouri Department of Agriculture had begun to distribute surplus food to the needy, at a time when I was instead trying to get a food stamp program through, where is the answer, where is the answer?

HOME ECONOMISTS ARE REALLY "CONSUMERISTS"

I received no help whatsoever from the Department in those days for my food stamp proposal, and since the surplus foods were already available to the needy, but were being distributed, I wanted to help the many unemployed people in my area, which then in relief, to get the advantage of the foods available to them — corn meal, flour, powdered milk, powdered eggs, and lard were the main staples. Of course, those foods could not possibly be used in an attacking diet, but I discovered that many of the poor people getting these foods did not know how to use them, and certainly couldn't read what was on the list.

So I asked the Missouri Extension Service to help me, and they developed some simple and practical recipes which were a tremendous help at the time. And even today, when the Consumer Credit Protection Act now in Senate-House Conference, it will end immediately.

Certainly it won't happen unless we keep in the final version of the legislation the proposed which Agriculture sources, the psychological and sociological aspects of credit, and the main tool of the predatory creditor.

But credit addiction, like alcoholism and narcotics, is an addiction which laws alone cannot solve. Education in the dangers and pitfalls which exist for the addict seems to have only limited success. Nevertheless, we must try in every way we can — through laws and through education — to help the potential victim avoid or overcome his problem. Full disclosure of the real costs of all types of consumer credit, as required in my bill, would provide the necessary information a consumer should have in making informed and intelligent decisions. But for those for whom excessive use of credit, regardless of the source, is a way of life, the fact that he is paying 36% or even 100%, or more, for credit will not deter the credit addict from satisfying an exotic want indebtedness, or assuming an unreasonably heavy or impossible burden, and doing in some future time. But to the extent that it helps our civic or church activities, I hope that will not happen.

THE "CREDIT ADDICT" ALSO NEEDS HELP AND GUIDANCE

I have been talking for years about "credit addicts" to whom "easy credit" seems to be as all-American as a ham sandwich. In the case of the alcoholic or narcotics to the junkie. The problem of the helpless and hopeless credit addict is guilty of at least a moral offense, and I hope that the Consumer Credit Protection Act now in Senate-House Conference, this practice will eventually end, but in the meantime, I hope that in this particular instance, it will end immediately.
STRONG CONSUMER CREDIT PROTECTION ACT NOT YET ENACTED

Professor Morse has done a remarkable job in examining the potential for consumer credit protection legislation in the marketplace. His work in this field has provided a solid foundation for the technicalities of consumer credit terminology and deceptions, and the hearings of my subcommittee, I believe, have illustrated the magnitude of the problem. I am confident that the Senate, which will soon be considering this problem for the first time in a piece of national legislation, will be more aware of what we were talking about in the House, on the only test vote we had on garnishment, on a nonsubstantive section of the Title—what we were trying to do off the non-reconciliation of vote of 101 to 98. Had this issue come to a rollcall, I am sure the margin of victory would have been much greater. But it is a new issue, and I believe the collection agencies are being heard from on it over there.

There are numerous other provisions of the House bill which are new to Senate consideration in connection with truth-in-lending or consumer credit protection legislation, and I think those who are interested in the details and technical provisions will read the Congressional Record for January 30 and 31 and February 1 for the full debate on the bill.

CONSUMERS MUST REALIZE CREDIT IS EXPENSIVE

In the meantime, however, I urge you to do what you can to spread the word on the hideousness of the House bill, which is to strip away the truth-in-lending regulations. There are fewer legal terms which mean very precise things to the creditor, and nothing whatsoever to the average consumer. The consumer assumes that somebody in his state or federal government has laid out clear and equitable rules for regulating the credit industry, and he further assumes that the rate given is a meaningful one. But when he tries to figure out his actual rate on an actual transaction—other than on real estate—he frequently finds himself in confusion and blame himself for being poor in mathematics. Perhaps he is. But that's not the reason he's having such difficulty understanding what credit costs him. Consumer credit is often deliberately planned that way, to be incomprehensible to the customer. Even real estate transactions are more confusing than those that should be, or would be under H.R. 11601.

So far as I see the fault lies in the fact that we grew up thinking 6% was a fair and reasonable rate of return on borrowed money, and we still tend to think that is about the figure that the manager of the credit agency promises to the wage-earner against the tragic consequences of harsh garnishment laws. But the consumer as a whole, and their associates, are genuinely predicting the end of consumer credit in this country if we pass the law restricting garnishment to moderate percentages. If people start explaining how credit has managed to exist in states which prohibit garnishment entirely! GARNISHMENT TITLE IN JeOPARDY

The people who suffer from repeated garnishments are those who are not living within their means, and are often habitual borrowers who use this subterfuge to make the rate appear about half of its real size, you can imagine what kind of misinformation, including completely false statements, that these consumers often receive from the fringe and they elements in the consumer credit industry.
Tires Discounted As Cause of Accidents

HON. ROBERT McCLORY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 5, 1968

Mr. McCLOY, Mr. Speaker, at a time when travel within the United States is being encouraged, the subject of highway safety takes on increased importance. Today in Chicago, Ill., the results of a significant 5-year study of the causes of expressway automobile accidents were announced. Among the interesting findings of this independent study by the Northwestern University Traffic Institute is the fact that few expressway automobile accidents—between 0.9 and 2.4 percent—are caused by flat tires. It is to be hoped that an examination of this Northwestern University report on the causes of automobile accidents will help American motorists take the necessary precautions to avoid many future highway mishaps.

I wish to congratulate the Rubber Manufacturers Association for providing the financial assistance which made this comprehensive study possible. Among the companies contributing to the cost of this survey is the Goodyear Tire & Rubber Co., which maintains a manufacturing facility at North Chicago, Ill., in the 12th Congressional District which I represent. I salute the Goodyear organization, the tire industry, and the Northwestern University Traffic Institute for their initiative in making this helpful study. In particular I salute Mr. J. Stannard Baker, director of research at the Northwestern University Traffic Institute, for his active cooperation in the investigation. The special information found in this report should help the motoring American become a safer driver. Mr. Speaker, I insert in the following summary of the Northwestern University Accident Study:

EXTENSIONS OF REMARKS

Very few flat tires lead to automobile accidents. A study of 1.720,000 automobile accidents during the test period coped successfully with an estimated 344,369 tires. On 660,000 tires the test extended for 12 months," said Baker. 286,368 tires were involved in accidents, but 1.700 (0.06 percent) to 4,000 (0.02 percent) of the flat tires were involved in accidents, or 1-in-a-third billion miles on the average car. This amounts to five miles per flat tire

"Automobiles traveled on one road for a period of 12 months," said Baker. 394,368 tires contributed to accidents. Of these, 112,368 tires were involved in an accident in from 75 to 210 days after driving in some part of the road, or about as much driving would do in the period of the test. The range of percentages is indicated because of incomplete evidence. In some cases it was not possible to locate tires involved in the accident. Drivers often blame human factors such as rain or the weather. You will do your best.

Tires Discounted As Cause of Accidents

"And from our data, we believe that accidents involving tires are more severe than other motor vehicle accidents.

Despite the full fencing in the survey of all accidents on expressways, there were more than twice as many accidents on flat tires, six, to two, and a pig to one.

Of 1,746 cars inspected in Northwestern University's study, one or more tires failed to meet minimum state inspection standards for inflation, load, tread wear, cracks and bubbles. Nearly 6 percent of the tires inspected were overloaded or under-inflated. A total of 66 percent of the tires had minimum standards for inflation and load, tread wear, cracks and bubbles. Drivers often blame human factors such as rain or the weather. You will do your best.

On the average, a tire can go flat for every 22,000 miles of travel, around the earth at the latitude of Florida. This time is about six weeks a day at expressway speeds.

The study, titled "Tires and Accidents On a High-Speed Road," was completed by G. Declan McNair. The study was published earlier by the Traffic Institute, and consists of four parts:


2. Use and Condition of Tires, based on inspections of 1,746 cars on three roads during fall 1965.


4. Tire Displacements Followed by Accidents, based on reports of 1,568 accidents and on follow-up discussions with drivers and inspection of the vehicles.

According to the study, tires most likely to go flat include:

Worn tires: Tires with less than 2/32 in. of tread have a higher probability of going flat than with 10/32 in. or more of tread. "Bald" tires were 44 times as likely to go flat as "sided" tires.

Tires with visible external cracks or blisters: 4 percent of tires surveyed on the Tollway were observed to have such defects; 11 percent of the tires surveyed on the interstate were observed to have such defects.

Bald tires: 64 percent of all flat tires surveyed by the State Police and Baker were rear tires.

More tires were found to be disabled in warm weather. For the same kind of trips (average length 60 miles), dislocations were more numerous at 69 degrees as at 48 degrees F.

More tire dislocations occurred on short trips than long trips. Tollway trips averaging 18 miles had 1.5 times as many dislocations as trips averaging 64 miles.

The average time since the last tire was replaced, for the entire period of the study, was about two and one-half years.

Information was also gathered on the number of accidents occurring after an accident. The study showed that a minimum of 5 percent and a maximum of 15 percent of the vehicles with a flat tire after an accident could have had a flat tire before the accident.

The study is based on the data collected by the Traffic Institute during 1964 on U.S. 66, a combination limited-access and non-limited-access express road connecting Chicago and Los Angeles.

In 120 cases the tires were found to have contributed to 56 percent of the single-vehicle accidents. Traffic officers inspected the tires and found that 9 percent of the tires were placed on the road in perfect condition, and 16 percent of the tires were much too low or bad. The new study confirmed Baker's impressions in a survey of single-vehicle accidents during 1964 on U.S. 66, a combination limited-access and non-limited-access express road connecting Chicago and Los Angeles.

He found that tires were reported to have contributed to from 11 percent of the single-vehicle accidents. This figure was derived from questionnaires mailed out by cooperating highway patrol investigators, without any actual inspection of the actual tires. Inspection of the actual tires would probably have led to a lower figure in the route 66 study, Baker said.

Elementary and Secondary Education Act

PRODUCES TWO HEROES

HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 5, 1968

Mr. RODINO. Mr. Speaker, recently I was greatly honored to present the Red Cross National Award for Heroism to