

AMERICAN BAR ASSOCIATION

LAW STUDENT DIVISION

HOUSE OF DELEGATES - ANNUAL MEETING

SAN FRANCISCO, 1972

Resolutions Committee Action

Do Pass 5

Do Not Pass 0

House of Delegates Action Passed

SUBJECT: UNMARRIED PERSON'S BILL OF RIGHTS

- 1 WHEREAS: in the nation's past it was desirable to encourage
2 rapid population growth, as a result of which the
3 government encouraged people to marry and reproduce
4 by means of laws, regulations and policies
5 necessarily favoring married people and penalizing
6 single people; and
- 7 WHEREAS: the increasing pollution and exhaustion of our
8 natural resources now raises the question whether
9 there is still an overriding State interest in
10 rewarding American who choose to marry and
11 multiply, while penalizing those who choose to
12 remain or become unmarried and/or barren; and
- 13 WHEREAS: all Americans, whether they be married or unmarried
14 are guaranteed equal protection of the laws; and
- 15 WHEREAS: many American choose neither to marry nor repro-
16 duce, as a result of which they are being unreasonably
17 prejudiced by the said laws, regulations and policies,
- 18 RESOLVED: that all portions of the United States Internal
19 Revenue Code or of the income tax laws of the
20 various States which impose higher taxes on
21 single people than on married people be repealed; and
- 22 RESOLVED: that appropriate legislation be enacted to ensure
23 that;
- 24 (a) Automobile insurance companies be pro-
25 hibited from considering the insured's
26 marital status as an underwriting or
27 rating criterion;

- 28 (b) Institutions in the business of ex-
29 tending credit to the public be pro-
30 hibited from considering marital status
31 as a criterion for the same or to
32 influence the terms on which such credit
33 is offered;
- 34 (c) That employers be prohibited from
35 discrimination against applicants
36 or employees on the basis of their
37 marital status; and
- 38 (d) Owners of dwellings offered for rent
39 be prohibited from discriminating
40 against a person on account of his
41 marital status. (This section shall
42 not apply to owners of owner-occupied
43 dwelling houses of 4 units or less.)

44 RESOLVED: that this resolution be transmitted to the Secretary
45 of the House of Delegates of the American Bar Associ-
46 ation with a recommendation that they also adopt it.

This resolution was submitted by Thomas F. Coleman to the A.B.A. Law Student Division at its annual meeting in San Francisco in August, 1972. It was passed by an overwhelming majority of the House of Delegates of the Law Student Division. It was later adopted by the Executive Board of the Law Student Division and will be presented to the House of Delegates of the A.B.A. in Cleveland this February. If adopted by the House of Delegates in February, it will become the official policy of that organization.

Resolution 6.

Submitted by: Thomas F. Coleman
Loyola U School of Law (L.A.)

Overview:

Of the adult population in the United States there are over 31 million single persons, 11 million widowed persons, and 3.5 million divorced persons (according to the latest government statistics). All human societies, and particularly western societies, have always contained large numbers of unmarried adults. A host of different reasons account for the existence of single persons. Some are a consequence of conditions in life over which the individuals involved have little or no control. Examples of this type are widows or widowers who have lost their marital partner. This type would also include bachelors and single women in war devastated lands unable to find spouses because of the high rate of casualties thereby decreasing the supply of prospective husbands or wives. A second type of unmarried person is the result of deliberate choice either in remaining single or in becoming unmarried. Examples of this type include monks, priests and nuns who deliberately eschew marriage as a part of their callings, and divorced persons who deliberately ended their married status. But this group is really far broader than the reference to ecclesiastical and divorced persons would indicate. It includes all persons, minors and adults, who, for whatever personal reason he or she may have, do not marry. At any given time, this group includes those persons who have postponed marriage for economic or other reasons. We need not examine too closely into what these personal reasons might be. In any free society, the decision not to marry ought to be as free from State sanctions as the decision to marry, though this does not deny the right of reasonable State regulation of either status, married or single.

Governments in history have traditionally presided over the competing claims of the breeders and the thinkers within their midst. In primitive, agricultural societies, when, to borrow from Hobbes, life was "nasty, brutish, and short", the Biblical injunction to "be fruitful and multiply" had logic on its side. There was then a need to maximize the population in every possible way merely to insure an adequate supply of hands to perform all the necessities for human survival. Hence government policy could be expected to favor the breeders of human beings. Since the birth rate determines the size of of a nation's labor force, the number of men who can be inducted into its military forces and the number of mouths its economy will have to feed a government will form a policy and will be concerned with marital status and human reproduction. At one time in the history of the United States a governmental policy favoring reproduction and penalizing unmarried persons might have been logical. But today we are threatened with overpopulation, pollution and exhaustion of our natural resources. All of these problems dictate that the government put an end to this policy of favoritism for married persons and at least grant equality to the single person.

Tax Discrimination:

Prior to the Tax Reform Act of 1969, all single taxpayers were required to pay up to 40% more than their married counterparts even though their living expenses were approximately the same. Since that "reform" single persons can now be taxed up to 20% more than their married friends.

Examples of tax discrimination against the single taxpayer: 1) A single taxpayer having a taxable income of \$8,000 pays \$1,590 in Federal income taxes. By contrast, a married taxpayer having the same income will pay only \$1,380 -- a difference of \$210.00. 2) A single taxpayer having a taxable income of \$14,000 will pay \$3,210 compared to the \$2,760 paid by his married counterpart. This amounts to a single person's surtax of \$450.00. In a lifetime this could amount to over \$20,000 more paid in taxes by a single person with an average income.

It is interesting to note what types of persons are being suxtaxed in such unreasonable proportions. Certainly a significant proportion of the group who deliberately do not marry consists of persons who, for psychological or sociological reasons -- reasons which are presently little understood -- do not marry because of involvement with their careers. The extent to which many persons never marry because they are "married" to their work is a phenomenon which deserves sociological study, but that it accounts for a significant number of single persons is evident from even cursory observation. There are many persons for whom their single status is intimately connected with their creativity. In truth their singleness may be the sine qua non of that creativity. Examples abound, from the dedicated school teacher whose total energies are absorbed in his or her teaching to the creative geniuses of history who never married and who seem to have become what they were precisely because the totality of their energies was devoted to their life work. (This, after all, is the rationale for the requirement of priestly celibacy; it would have merit were it made voluntary rather than being forced.) In this regard, it is noteworthy that there never was a "Mrs." Einstein. For a state to tax such single persons at a higher rate than married persons is to place a penalty on ability and creativity. The social consequences of such a tax system are too ominous to discuss.

There is much validity in the old adage that "two can live as cheaply as one." The converse is also true in the sense that the per capita living expenses of a person living alone are higher than those for someone living with another person. By definition, most single persons live alone. Thus, they pay more for everything they buy, either because they must buy in smaller quantities and therefore pay higher unit prices for almost everything, or they must buy in larger quantities than they need and are thus confronted with unavoidable waste. Compounding this situation is the fact that, statistically, the average and median ages of single persons as a group are lower than those comprising the married group, if only because some of those in the singles group consist of persons who are not yet married, but who plan to marry later in life. Now it is well known that, up to a certain age -- which varies with different occupations -- earnings tend to be a function of age, that is earnings increase as one gets older. Since the average and median ages of those in the married group are higher than those in the singles group, their earnings are higher than those in the singles group. (If it be argued that married persons also have larger expenses because of the existence of children, the answer is that our tax system already provides for this in the form of deductions for dependents.) Thus, for the government to tax single persons at a higher rate than married persons constitutes a double injustice, since it requires those whose per capita living expenses are higher and those whose average earnings are lower to pay higher taxes. This is discrimination with a vengeance. When this discrimination is part of an income tax, the injustice is even worse, since such taxes are supposed to be based on the ability to pay principle, that is, progressive in character, with the rate of tax proportionate to the income.

Examples of tax discrimination against divorced persons: 1) the divorced woman experiences a tax increase of up to 10 to 20 percent depending on whether or not she has children. Her burdens in life have been increased because she not only must perform the household chores but also maintain her employment. Her tasks and/or burdens are increased as a result of her divorce and so are her taxes; 2) the divorced man often suffers additional problems where minor children are involved. He must often support his former wife and children and he must establish a second home for himself. However, when tax day comes he must use the "single" tax table. Thus, a divorced father with 2 children pays up to 20% more than a married father with 1 child, even though his living expenses are probably far greater.

Examples of tax discrimination against the widow or widower: when a person loses his or her spouse because of death, many of the services formerly performed by the deceased will have to be paid for by out-of-pocket money by

the survivor (cooking, cleaning, laundering, chauffeuring, repairs, etc.). Together with this increase in the cost of living an increase in income taxes takes place because the survivor will have to use the "head of household" or the "single" tax table. This means an increase in taxes of up to 10 to 20 percent depending on whether or not minor children are involved.

Many legislators have recognized these injustices suffered by unmarried persons as a result of our present Federal income tax system. In referring to the Tax Reform Act of 1969, Senator Robert Dole stated, "The tax disadvantages of single taxpayers is sharply reduced and we urge further changes to assure full equality." (Congressional Record, Sept. 11, 1972, p.6)

On November 22, 1971, Senator Robert Packwood (Oregon) introduced his amendment (number 706) to the Revenue Bill of 1971. This amendment was intended to result in equality in the tax rate for both married and unmarried persons. Unfortunately, his measure failed at that time.

In the 2nd Session of the 92nd Congress, Senator Packwood, for himself and 18 other Senators (Chiles, Church, Dole, Eagleton, Harris, Hart, Hatfield, Humphrey, Inouye, McGee, McGovern, McIntyre, Metcalf, Mondale, Pell, Stevens, Tunney, and Weicker) introduced an amendment (number 1687) to the Debt Ceiling Bill. At that time the Amendment passed the Senate but failed in the Conference Committee. Both Senator Packwood and Representative Edward Koch (N.Y.) will introduce similar legislation in the 93rd Congress to end this tax discrimination against unmarried persons.

Since many states pattern their income tax laws after the Federal tax system, this discrimination has crept into the state systems. As a result, this problem cannot be solved with federal legislation alone. State reform must occur also. As an example, California Assemblyman Robert Cline introduced 2 bills last term in the California Assembly. The single person's tax measure (A.B.555) was introduced by 46 Assemblymen and coauthored by 6 Senators. This measure provided for taxation of single persons the same as married persons filing joint returns. Although it passed the Assembly, it failed to get out of the Senate Finance Committee. Thus the bill died. The unmarried head of household tax measure (A.B.111) would have granted equal tax treatment to unmarried heads of household. This bill passed both the Assembly and the Senate only to be vetoed by the Governor. Assemblyman Cline introduced a single person's tax measure (A.B.6) on Jan. 9, 1973.

THESE AND SIMILAR LEGISLATIVE REFORMS OF THE INEQUITABLE TAX DISCRIMINATION AGAINST SINGLE OR UNMARRIED PERSONS NEEDS THE SUPPORT OF THE AMERICAN BAR ASSOCIATION. OVER 30 MILLION SINGLE TAXPAYERS WILL BENEFIT BY THE ADOPTION OF THIS RESOLUTION BY THE AMERICAN BAR ASSOCIATION.

Discrimination in Employment:

At one time in our nation's history the government granted the employer almost unlimited control over his business, his employees and the working conditions. Since unlimited power usually leads to abuse of power, public policy with regards to the power of an employer changed from that of indifference to legitimate concern for the welfare of the employee. Hence, restrictions have been developed regarding child labor, minimum wages, working conditions, and protections for women. While the government leaves much to the discretion of the employer, and rightfully so, it must be careful to protect the rights of individuals and employees. In these days when public sentiment is opposed to "handouts" and the government subsidizing laziness, the "Right to Employment" is becoming a reality. Employment of its citizens should be a prime concern of any government. Unemployment breeds idleness and idleness breeds crime. Unemployment may cause persons to become public charges which ultimately raises taxes. Continued unemployment may cause one to lose faith in our system of government and if the situation becomes uncontrolled it may eventually lead to revolution. Therefore the government has a compelling interest to insure that every person has a right to be employed. That right should not be taken away from a person or denied a person for arbitrary or capricious reasons. Obviously, if a person is not physically or mentally capable of doing a job he has no right to be employed. However, if he has the necessary educational or technical qualifications it would be arbitrary to deny him employment on the basis of race, religion, color, sex, age, handicap, marital status, sexual orientation, or national origin.

In order to prevent some types of arbitrary discrimination in employment, the Federal Government established the Equal Employment Opportunity Commission. Originally it was empowered to investigate/discrimination on ^{and initiate action for} the basis of race, religion, color or national origin. Recently, its power has been expanded to include discrimination on the basis of sex. Because of our national policy favoring employment and fair employment practices and because the "Equal Protection" concept is not static, federal legislation should be adopted to include prohibition of discrimination in employment based on marital status.

Many states have also established administrative agencies to remedy the evil of employment discrimination. An example would be the Fair Employment Practices Commission in California. It has authority to investigate and initiate action for discrimination in employment because of race, religion, color, national origin or sex. Complaints to this commission for discrimination because of marital status is not uncommon. Often an employer who does not wish to hire a black person or a woman will decline to employ them on the grounds of their marital status. This often leaves the agency without power to act. It therefore has become necessary to include marital status as a protected classification in order to protect Blacks, Chicanos, Asians, Indians, etc., as well as women and single persons.

It is common knowledge that in the recent past the Airline Industry discriminated against stewardesses who became married. As soon as her marital status changed from single to married she would be fired. This often caused these employees to conceal their marriage and to live in fear of losing their jobs. This situation was finally remedied but not until after many lives had been economically and emotionally damaged. Such uncontrolled discretion cannot be allowed to continue. The government has a legitimate interest in protecting employees from such arbitrary action by private or public employers.

Some municipal governments have recognized the problem and have enacted ordinances or executive orders to correct discrimination on the basis of marital status. In Ann Arbor, Michigan it is a misdemeanor for an

employer to discriminate on the basis of marital status. Section 9:151 of Chapter 112 of Title IX of the Code of the City of Ann Arbor reads:

"It is hereby found that discrimination violates the public policy of the City...and that such discrimination is injurious to the public health, safety, and general welfare of the City of Ann Arbor and the people thereof, and constitutes a public nuisance."

Section 9:154 of that Chapter reads:

"It is a discriminatory employment practice: a) for any employer, because of the race, color, sex...or marital status of any individualto refuse to hire or otherwise discriminate against him with respect to hire, tenure, terms, conditions, or privileges of employment, or any matter, directly or indirectly, related to employment, except where based on a bona fide occupational qualification.

That Section further includes the regulation, in this regard, of employment agencies, labor organizations, and advertisers. These regulations prohibit discrimination by these groups against persons on the basis of marital status.

A similar ordinance to this was adopted by the city of East Lansing, Michigan. Similar ordinances are awaiting final adoption in Berkley and Marin County in California. In New York City, Mayor Lindsay has issued an executive order covering city employment with provisions covering sex, sexual orientation and marital status. At this time no solid information is available from New England States, Minnesota, or several others that have or are making progress in this regard.

Some educational institutions have recognized the injustice in this discrimination and have taken steps to eliminate it. An "Affirmative Action Policy" designed to provide equal employment opportunities at Wayne State University in Detroit, Michigan was adopted on July 14, 1972 by the University's Board of Governors. In its new policy the University emphasized that it recognized not only its legal obligation but its moral and educational responsibility to achieve equal employment opportunity within the University. The University also reaffirmed its longstanding commitment to the policy that there shall be no discrimination on the basis of race, color, religion, national origin, marital status, age or sex in the hiring of applicants or in the treatment of University personnel. At Loyola University of Los Angeles, School of Law, Dean Leo J. O'Brien has issued a directive to the school's Placement Office that "employers who use the services of our office cannot discriminate against law students on the basis of race, creed, color, national origin, sex or marital status; that if they do discriminate on the basis of one of the above grounds they will no longer be allowed to use our placement services."

That the American Bar Association is cognizant of the injustice of discriminatory hiring practices is evidenced by the Resolution adopted by its House of Delegates at its meeting in San Francisco in August, 1972 which reads: "Resolved, That the American Bar Association strongly condemns all forms of discriminatory hiring practices within the legal profession, whether on the basis of sex, religion, race or national origin."

WE ASK THE AMERICAN BAR ASSOCIATION TO TAKE FURTHER COGNISANCE OF THE DISCRIMINATION IN EMPLOYMENT SUFFERED BY PERSONS ON THE BASIS OF THEIR MARITAL STATUS AND THEREFORE TO ADOPT THIS RESOLUTION.

Discrimination in Housing:

Although discrimination in housing does exist, it is the most difficult area in which to substantiate the magnitude of the problem. The amount of discrimination in any given location will probably vary with the vacancy rate. It is in locations in which there is a housing shortage where one would expect to find the most discrimination.

The Federal government has sought to end various types of discrimination in housing by establishing the Equal Opportunity Office in the Department of Housing and Urban Development. The function of this office is to investigate and initiate action for discrimination on the basis of race, religion, color, or national origin. Unfortunately its protections have not been expanded to include sex or marital status.

The State of California has vested its housing supervision in the Fair Employment Practices Commission. However, it too lacks the power to investigate discrimination claims based on sex or marital status.

Both the federal and state agencies have received complaints of discrimination because of marital status but are unable to investigate or to take any action. Spokesmen in the Los Angeles offices of these agencies stated that it is not unusual for a landlord who seeks to avoid renting to a prospective tenant because of his race or national origin to base his denial on either the sex or marital status of the applicant. Thus the addition of sex and marital status to the list of protected classifications would benefit not only single persons and women but also racial and ethnic minorities.

Some local but private and non-profit agencies have been established to aid in the battle for fair housing practices. One such group is the Fair Housing Congress in Los Angeles. Ms. Lois Moss, a spokeswoman for the agency stated that she has encountered discrimination in housing on the basis of marital status. The Fair Housing Congress is a clearinghouse and a referral agency to governmental and other volunteer local groups in the Southern California area. However, when it comes to discrimination because of sex or marital status there is no organization to refer the aggrieved applicant or tenant to because there are no protections.

WE ENCOURAGE THE AMERICAN BAR ASSOCIATION TO TAKE AN AFFIRMATIVE STAND FOR FAIR HOUSING PRACTICES AND THEREFORE TO ADOPT THIS RESOLUTION.

Discrimination by Insurers:

Automobile Insurance: Next to tax discrimination, the most blatant form of discrimination against unmarried persons lies in the area of automobile insurance. A survey of various insurance companies indicated the extent and seriousness of the problem.

1) Allstate Insurance: Detroit Representative: Mr. Conway
Telephone: (313) 886-9600 or 886-2132

Pretext: Am 24 years old, single at present and will marry on Feb. 4, 1973. Am purchasing a 1973 Chevrolet Impala and am interested in acquiring insurance.

Result: Mr. Conway suggested that the applicant wait until Feb. 4, 1973 to obtain the insurance. That the coverage for both the applicant and his wife (both drivers) would be considerably cheaper than for applicant alone if single.

Rates: With same coverage: Married: \$367.00 per year (both husband and wife driving); Single: \$500.00+ per year.

- 2) A.A.A. Insurance: Detroit Representative: Mr. Bauer
Telephone: (313) 963-2911
Pretext: same as for Allstate
Result: Married rates are more reasonable than single rates
Rates: Married: \$352.00 per year; Single: \$496.00 per year
- California Representative: Dick Compton
Telephone: (213) 240-2200
Result: Mr. Compton stated that if the applicant is 23 years old or less that the married rates are up to 40 percent cheaper than the rates for a single person. If the applicant is above 24 years of age the rates are 20 to 25 percent higher for a single person than a married person.
- 3) Mercury Casualty Company: Fox Agency, 222 S. Glenoaks, Glendale, Cal.
Representative: Vince Fox
Pretext: Am 23 years old, single at present, but will get married in March, 1973. Am a full time student and own a 1965 Chevy Impala. Want full coverage.
Result: I will pay more as a single person.
Rates: Married: \$214.00 per year; Single: \$281.00 per year
- 4) State Farm Insurance Company: Representative: Bush Owen
201 S. Central Avenue, Glendale, Cal.
Pretext: Am 24 years old, single at present, but will get married in March, 1973. Own a 1965 Chevy Impala. Am full time student with a B average.
Result: Applicant will pay more as a single person.
Rates: Married: \$237.74 per year; Single: \$337.84 per year
- 5) Insurance Company of North America: Bob New Inc., Agency
Representative: Ruth Stevenson
736 N. Glendale, Ave, Glendale, Cal.
Result: Ms. Stevenson stated that I.N.A. will not insure a single male under 30 years old, nor a single female under 28 years old. If a male is over 30 or a female is over 28 there is no discrimination in rates based on marital status.
Rates: Insurance is not available to single persons in this category at any price.

Automobile travel is no longer a luxury in American society. It has become a necessity. Automobile insurance has become a necessity also. Drivers are motivated to obtain insurance either on their own initiative because of a desire to protect themselves and society, or because of the compulsion of law. In either event, it is not only desirable that every driver have insurance but it is essential for the welfare of our citizens. It would seem to follow that the state has a legitimate interest in preventing insurance companies from refusing to insure or from setting arbitrary or unreasonably high prices. There are probably many drivers who cannot afford to pay higher insurance rates because they are single, nor can they afford to or should they be pressured into marrying by the insurance industry. It seems incredible that an automobile insurer such as I.N.A. has so much discretion that it can flatly deny insurance to any single person under 28 years old regardless of his characteristics or circumstances. This abuse must be remedied. It also is unbelievable that an insurer such as ^{Allstate} can charge a single driver 40 percent more than a married couple (2 persons driving) in the same circumstances. The government cannot allow such capricious penalties to be placed on single persons. It should again be remembered that there are over 31 million single persons in the United States who do or will suffer from this injustice.

Homeowners Insurance: The discrimination against the single person by the insurance industry has crept into homeowner's or tenant's insurance. As an example, Safeco Insurance Company, main office at 4347 Brooklyn N.E, Seattle, Washington issues homeowner's and tenant's insurance policies nationwide. It has a policy of not granting insurance to any single persons. It would not give a tenant's policy to a 45 year old female legal secretary because she was single. There are no exceptions to this policy. (Reference: Representative: Ruth Stevenson, Bob New Inc. Agency, 736 N. Glendale, Glendale, California).

Many students, out of economic necessity, live with roommates. Many, or rather most insurers will not insure the personal belongings of either one or both of the roommates. As an example, David Rosenbaum and Lee Jessup, both graduate students in California share an apartment at 618 E. Lomita Ave. in Glendale. They sought to obtain insurance on their personal belongings (fire and theft coverage). They contacted several insurance companies, including Allstate and State Farm, only to be informed that it was a policy of the company not to insure 2 unrelated single persons living together. There are thousands of students who suffer the same discrimination.

WE STRONGLY RECOMMEND THAT THE AMERICAN BAR ASSOCIATION GO ON RECORD AS OPPOSING THIS TYPE OF DISCRIMINATION AGAINST SINGLE PERSONS AND THEREFORE ADOPT THIS RESOLUTION.

Discrimination in the extension of Credit:

At one time in our nation's history societal and governmental pressures were so great that very few individuals elected to remain single or to become divorced. Today, many states have greatly relaxed their divorce laws. Also, more and more people chose to enroll in college or graduate school. Since most full time students are not in a position to maintain steady employment, they are not in a position to marry and establish families. At one time, the only acceptable or expected role for a young woman was to marry and become a housewife and mother. Today many young women have discarded this notion and have other ambitions, including higher education and careers. This means that many young persons will either marry much later in life or for some personal reason will not marry at all. As was noted earlier, for whatever reasons many persons chose to "marry" their jobs. Should such a person who is so dedicated to his career be penalized for exercising his freedom of choice in this regard?

Since it was the norm, or expected in the past that all adults would marry and have families, many persons formed the impression that only the irresponsible or the "rejects" of society would not conform to this norm. It therefore became somewhat firmly established in the minds of businessmen that such persons were credit risks and untrustworthy. Since "credit" is really one man's trust in another most single persons found it very difficult to find a lender who would extend credit.

Today there are over 31 million single Americans. Is it rational or reasonable to indict a class of persons on outmoded notions? It would seem not, and yet many lenders still consider any single person a greater risk than a married person.

Most lenders have adopted some form of internal "rating" or "point" system to aid them in determining whether or not to extend credit. With some the point system is a guide, while with others it is the sole determiner. Each "relevant" characteristic or attribute is allocated points. If an applicant scores so many points he is given credit, if not then credit is declined. It therefore becomes crucial to the borrower what attributes are considered "relevant" by the lender and how many points are allocated to each attribute. While at one time in the past the economy did not absolutely depend on credit, today credit is the "life's blood" of our economic system. Therefore, the federal and state governments have a legitimate and compelling interest in insuring that the credit system is fair and reasonable to all consumers and businessmen. With over 31 million single consumers, the use of marital status as a criterion in extending credit should be subject to investigation and regulation by the government. An investigation of various credit institutions has determined various philosophies and practices in existence in this country.

- 1) Bank of America: Glendale, California Office
Loan Officer: Richard Gerro

Information/ It is the general feeling that a married person is more stable than a single person. There is a point system in use by the company. The same amount of points are given to married, single or widowed status. Less points are given for the divorced status. The point system is a guide to the loan officer and can be overridden by his discretion.

Result: Discrimination against divorced persons.

- 2) Security Pacific Bank: Glendale, California Office
Loan Officer: Bill Munster

Information: A point system is in use by the bank. Points are allocated to the varying marital status factors. A married person receives the most points, single and widowed persons receive less points, divorced persons receive least of all.

Result: Discrimination against single, widowed, and divorced.

- 3) United California Bank: Glendale, California Office
Loan Officer: Tom Beard
Information: U.C.B. has a rather elaborate point system. Marital status is a rated factor. A widowed person receives the most points for marital status. Married status receives the next greatest amt. of points. Single receives less while divorced received the least points of all.
Result: Discrimination against married, single, and divorced.
- 4) Bank of the Commonwealth: Detroit, Michigan Office
Representative: Miss Peoples
(E. Jefferson-Parker Branch)
Information: Commonwealth does have a point system in effect. Credit is approved more readily to married persons than single persons.
Result: Discrimination against single persons.
- 5) Manufacturers Bank: Detroit, Michigan Office
Information: No comment. Point system was not their way of checking nor approving credit.
- 6) Glendale Federal Savings and Loan: Glendale, Cal. Office
Loan Officer: Art Prebe
Information: Glendale Fed. does have a point system. However, marital status is not one of the rated factors.
- 7) Great Western Savings: Los Angeles, Cal. Office
Loan Officer: Joseph Ursino
Information: G.W. does have a point system in use. Marital status is one of the rated factors.
Result: Discrimination against single and divorced persons.
- 8) Montgomery Wards: Norwalk, California Office.
(Regional Credit Office for the L.A. Basin)
Representative: Mr. Bartlett
Information: The point system is in use. It is mostly a guide. While marital status is a rated factor, it more often affects the amount limitation of the account rather than if credit will be given. It is a rated factor only if the applicant is under 30. Widowed or married persons receive the most points, then single, and finally divorced or separated.
Result: Discrimination against single or divorced persons.
- 9) May Co. : Downtown Los Angeles Store
Representative: William DeBore (General Credit Manager)
Information: May Company is the 5th largest retailer in the United States (non chain store). It uses a point system. It is the sole determiner of the extension of credit (not merely a guide). May Co.'s present point system is based upon a statistical analysis of delinquent accounts which was done by Fair-Isaac Co. in San Raphael, Cal. The study was done in the winter of 1971. Fair-Isaac analyzed the accounts for all relevant factors or attributes which would be used as an indicator of the probability of an account becoming delinquent. MARITAL STATUS WAS NOT FOUND TO BE SUCH A FACTOR AND HENCE IS NOT RATED BY MAY CO.

One observation of this survey might be that while there are numerous inconsistencies and variances among lenders, single and divorced persons are generally discriminated against. The blatant differences between companies in the use of marital status as a criterion in the extension of credit is awesome:

- 1) Glendale Federal Savings and Loan, and the May Co. find marital status to be an irrelevant factor in their point systems, while all 7 other lenders surveyed do not.
- 2) Bank of America does not discriminate against single persons while Wards, Great Western Savings, Bank of Commonwealth, Security Pacific and U.C.B. do discriminate.
- 3) Security Pacific discriminates against widowed persons while United California Bank actually favors widowed persons.

Since there is no overwhelming consensus among the lenders in the use of marital status as a lending criterion, and since the inconsistencies are so obvious, it is almost an inescapable conclusion that the use of this attribute has become arbitrary and irrational.

In 1968 Congress established the National Commission on Consumer Finance. It includes 3 members appointed by the President, 3 Senators appointed by the Vice-President in his capacity as president of the Senate and 3 representatives selected by the House Speaker. President Nixon, in commenting on a 216 page report issued by the Commission in January, 1973, said that it was "good news for all Americans" and promised to give close attention to its proposals. He added, "It is...vital to ensure that our consumer finance system continues to provide consumers with adequate credit at reasonable rates." In its report, the Commission emphasized that "Because credit is so important to American consumers the commission believes that it should be available to every creditworthy applicant on a nondiscriminatory basis." (L.A. Times, Jan. 4, 1973, page 11)

To arbitrarily assign points or to use marital status as a factor in extending credit or in determining terms is and has become arbitrary and unreasonable and is therefore discriminatory and against public policy.

WE HOPE THAT THE AMERICAN BAR ASSOCIATION RECOGNIZES THE ARBITRARINESS OF THIS FORM OF DISCRIMINATION ON THE BASIS OF MARITAL STATUS AND ASK THAT IT ADOPTS THIS RESOLUTION IN OPPOSITION TO THESE PRACTICES.

Additional Information:

Tax Discrimination:

On January 3, 1973 Representative Edward Koch (N.Y.) introduced a bill which would establish a uniform rate of taxation (income tax) for all working persons, regardless of their marital status.

Housing Discrimination:

Some municipal governments have established regulations which prohibit discrimination in housing on the basis of marital status, in addition to race, religion, color, sex, sexual orientation, or national origin.

Section 9:153 of Chapter 112 of Title IX of the Code of the City of Ann Arbor, Michigan reads: "It is a discriminatory housing practice for any person to: a) refuse to negotiate for a real estate transaction with a person because of his race..... or marital status, b) to refuse to engage in a real estate transaction with a person because of his race....or marital status, c) to discriminate against a person in the terms, conditions, or privledges of a real estate transaction... because of his race....or marital status,"etc...

It is a misdemeanor to discriminate in housing because of one's marital status.

The city of East Lansing, Michigan has followed suit and has recently enac ted a similar set of regulations.

Similar changes in city codes are in various stages of development in Minnesota, New York, and several California cities or counties.