

Mr. BINGHAM. I think it would be helpful to have an estimate on that.

Mr. DIXON. I shall submit it to the committee.
(The material referred to follows:)

May I say at the outset that, in answer to Congressman Bingham's question, I can only give an estimate as to what increases would be required in personnel and appropriations should Congress decide the responsibility of enforcing the advertising provisions of H.R. 11601 is to be placed with the Federal Trade Commission. Much will depend on the scope of a "Truth-In-Lending" bill as it is finally enacted into law. As now drawn, as I interpret H.R. 11601, it covers every form of consumer credit. Thus, in enforcing the advertising provisions of the bill, the Commission will be charged with the responsibility of observing and reviewing the advertising of many types of creditors, such as loan companies, department stores, real estate operators, etc., to determine whether their advertisements contain the disclosures required by the bill.

As I envisage the responsibility of the Commission, its first duty would be the promulgation of proper regulations to assure that the advertisements do contain the required disclosures.

To prepare such regulations and perform the duties necessary to assure their proper promulgations in accordance with the provisions of the bill as well as of the Administrative Procedure Act. I think the Commission would require as a minimum an increase of its present personnel of two additional attorneys and two clerks. After such promulgation is completed, to be certain that all creditors, subject to the provisions of the bill, are complying in their advertising with the bill's requirements and with the Commission's regulations, my estimate is that for the first year the Commission probably will require four more attorneys and four more clerks. Thus, for the first year my belief—and it is merely my belief—is that the Commission probably could adequately perform its functions, with reference to the advertising provisions of the bill, by an increase in its appropriations of approximately \$75,000 to \$100,000.

After the first year, the personnel may have to be increased or decreased, depending upon the extent to which there has been compliance with the provisions of the law and the Commission's regulations. I would not venture an estimate at this time as to what increase or possible decrease in the appropriations of the Commission should be made for the following years.

Mr. DIXON. One must keep in mind—I am quite sure each time you pass a statute such as this you would be hopeful that it would voluntarily be complied with. The Senate approach was one way. The Senate approach was to turn it over to the private citizen and criminal law enforcement. In your version here in the House is to do it differently. You will turn it over, as the bill provides, entirely to the Federal Reserve Board to enforce.

Mr. BINGHAM. But under the provisions we are talking about, if that part of the enforcement job were turned over to you, you would not be starting from scratch.

Mr. DIXON. No, we would not.

Mr. BINGHAM. As the Federal Reserve Board would.

Mr. DIXON. This is correct. It would be a better dollar buy to buy going expertise than to try to duplicate it. I think I get your point and that is quite right.

Mr. BINGHAM. Did I understand you to say as far as the other administrative enforcement is concerned, apart from advertising that you do not favor a governmental plan of administrative enforcement, that you favor leaving it to the individual?

Mr. DIXON. I think I would try that first. If this works—this has been bandied about up here on other bills and other subjects, that if would relieve a Government expenditure.