

not opposed to the creation of an agency with the broad authority granted by the bill, I suggest instead that general authorization be given the city administration for organizing the governmental machinery that ultimately may be found to be needed.

It is in that vein that I would hope I could get an early start on such an office, so that I might be able to provide the committee with some experience in setting up the machinery. I am in accord with the general proposition.

Senator TYDINGS. I think, Mayor Washington, the mere fact you are going ahead and setting up an agency for consumer protection, even on the rather restrictive lines you have suggested would be possible, will mean that you would have the expertise and the machinery already established so that the Congress which could broaden the jurisdiction, undoubtedly will move right in and fill the gap, so to speak. It goes hand in glove. The executive leadership you have demonstrated in this regard is a very important first step.

Mr. WASHINGTON. I agree with you entirely. That is why I am very anxious to see if I can locate funds from any source to get this very significant Office underway. I would like to be doing it hand in glove with the work of this committee.

As I indicated at the outset of my statement, Mr. Chairman, I endorse in principle each of the bills you now have under consideration.

My predecessors in office, the Board of Commissioners, proposed enactment of a Retail Installment Sales Act identical to that contained in S. 316. The bill was introduced by Senator Morse at the Commissioners' request. This proposed legislation was formulated after such study and deliberation by a special drafting committee organized at the suggestion of the Commissioners. It included representatives of a broad cross section of the community, business, and financial interests as well as civic organizations. In some ways the provisions of S. 316 represent compromise approaches, particularly with its treatment of the problems relating to the legal concept of holder in due course in retail installment transactions. On the whole, however, the bill was felt by those who participated in drafting the proposal that it will effectively deal with the most serious problems arising in connection with retail installment sales and revolving charge account agreements.

Generally speaking, S. 316 would permit sufficient regulation of retail installment sales so as to provide the consumer with the fullest disclosure of contract terms and finance charges. It contains specific authority for the regulation of certain aspects of the retail installment transaction, including credit insurance requirements—but not finance charges—and it specifically prohibits certain contract clauses which are believed to be the most unfair and detrimental to the unprotected consumer. This bill has my unqualified support, so far as it goes.

Turning to S. 2589, introduced by yourself, Senator Tydings, we find a broader approach that provides for more specific retail installment sales controls established by statute rather than by regulation. The District of Columbia Council would have certain regulatory powers with regard to such areas as advertising, sales, and collection practices and with respect to forms and methods dealing with contract provisions, disclosure requirements, and sales relating to repossessed goods. The bill contains specific, detailed requirements relating to the