

We feel, however, that consumer protection can only be achieved through legislation; the responsibility rests squarely on the Congress. We regret that up to now the Congress has not shown a very great interest in the plight of the consumer in the District of Columbia. The Ad Hoc Committee on Consumer Protection participated in the drafting of S. 316—a process which started more than 3 years ago. The bill, when it was finally introduced, languished in committee until last week. But we are encouraged by your interest, Mr. Chairman, and by the interest expressed by Mayor Washington when he testified before your committee. We certainly hope you will continue to urge the enactment of some form of consumer protection legislation.

Turning to the bills themselves. We support S. 316, introduced by Senator Morse, as the basic, minimum protection. This bill is a compromise measure, supported by the Washington community. There is no opposition to the provisions of that bill other than that some of the consumer groups represented in the ad hoc committee feel it is not strong enough to adequately protect the consumer. The ad hoc committee today reaffirms its support of S. 316. We expect and hope other groups, including the representatives of the business community, will continue to do the same. Thus the least the Congress can give to the District of Columbia is S. 316.

A reading of S. 316 and of the bills introduced by yourself, Senator Tydings, makes it clear that there are no differences in principle between the bills. Differences, if any, go to the implementation of the basic principle—the protection of the consumer in a retail installment sales transaction. It is our understanding, Mr. Chairman, that Senator Morse, another well-known champion of the rights of the residents of the District of Columbia, introduced his bill at the request of and with the support of the then District of Columbia Commissioners. It is our hope that he will endorse the stronger consumer protection legislation that you are supporting.

Let us now examine some of the differences between the two approaches taken by these bills. I think basic to this is:

1. The Congress and the City Council: S. 316 would authorize the Commissioners (now the City Council) to make and enforce such regulations as they deem appropriate to prevent unconscionable practices in connection with retail installment transactions. (See sec. 4a(1)–(10).) S. 2589 sets forth specific guidelines to accomplish this. We favor giving more responsibility to our new City Council. This is in keeping with our objective of local determination over local matters. Prior to reorganization the District of Columbia business community, strongly urged an approach by enabling legislation. We expect them to continue to support this approach.

2. A Department of Consumer Protection: The provision of regulations by direct or by delegated legislation requires the means to enforce such regulations. Most of the buyers affected by the types of sales transactions here involved are in the lower educational and economic bracket. They are therefore unaware of and if aware cannot afford the cost of protection. S. 2589 provides such protection in the form of a District of Columbia Department of Consumer Protection. We especially welcome its power to enforce the rights of a buyer by appropriate court action. Although S. 316 does not provide for such a Department of Consumer Protection, we have no reason to believe