THE WHITE HOUSE,
Washington, December 12, 1967.

Hon. JOSEPH D. TYDINGS,
Chairman, Subcommittee on Business and Commerce, Committee on the District of Columbia, U.S. Senate, Washington, D.C.

DEAR CHAIRMAN TYDINGS: It is kindly requested that this letter and the enclosure be placed in the record as supplemental comments to my testimony before your Committee on S. 2589, S. 2590 and S. 2592.

If enacted, these bills will constitute landmark innovations on behalf of consumer protection in the District of Columbia and by improving the quality of the marketplace, will benefit the honest and reputable competitors for the retail business of the area.

Sincerely,

BETTY FURNESS,
Special Assistant to the President for Consumer Affairs.

Enclosure.

SELECTED COMMENTS ON S. 2589, A BILL TO PROVIDE FOR THE REGULATION IN THE DISTRICT OF COLUMBIA OF RETAIL INSTALLMENT SALES OF CONSUMER GOODS (OTHER THAN MOTOR VEHICLES) AND SERVICES, AND FOR OTHER PURPOSES; S. 2590, A BILL TO PROVIDE MAXIMUM FINANCE AND OTHER CHARGES IN CONNECTION WITH RETAIL INSTALLMENT CREDIT SALES IN THE DISTRICT OF COLUMBIA; AND S. 2592, A BILL TO AMEND SECTION 521 OF THE ACT APPROVED MARCH 3, 1901, SO AS TO PROHIBIT THE ENFORCEMENT OF A SECURITY INTEREST IN REAL PROPERTY IN THE DISTRICT OF COLUMBIA EXCEPT PURSUANT TO COURT ORDER

S. 2589

GENERAL PURPOSE

The general purpose of this Act is to provide for the regulation in the District of Columbia of retail installment sales of consumer goods (other than motor vehicles) and services.

Comment

The general purpose of S. 2589 is fully consistent with the Administration's goal of making the District of Columbia a model for urban communities; the Administration's recognition of the need to extend consumer protection; and the Administration's drive to secure full disclosure for the consumer in the marketplace thereby furthering the free enterprise system and the promotion of economic stability.

S. 316 and S. 2589 are similar bills but in a number of significant areas the protection provided by S. 2589 and companion bills S. 2590 and S. 2592 is stronger and more comprehensive than the comparable provisions of S. 316. While enactment of S. 316 would be a progressive step forward, it does not furnish acceptable minimums when compared with the other bills.

TITLE I—GENERAL PROVISIONS AND DEFINITIONS

This Title provides rules of construction and states the purposes of the bill.

Comment

Re Section 1.101(B)(1), (2), (3) and (4), statements have been made that among the background causes for the recent riots in American cities are to be found frustrations arising out of sharp practices suffered by consumers in some of the urban marketplaces. Action to eliminate such possibilities must be taken for the poor and disadvantaged in Washington, D.C. to relieve similar pressures. Both the consumer and the fair and honest business community are adversely affected by overreaching. The lack of consumer confidence can have a depressing effect on the entire economy of the District. Rational consumer decisions, which require full disclosure of all transactions, stipulations and alternatives are among the best of protections for the free enterprise system.

The protection afforded consumers by this bill will extend to persons living beyond the District because of the many consumers who shop in the city but reside in the adjoining jurisdictions. Successful redress of consumer grievances in the District of Columbia can point the way for similar consumer protection