

would transact purchases under a credit disclosure law substantially different from the Federal law applicable in Maryland and Virginia.

It is for this reason that the board of trade does not believe such undue proliferation of credit disclosure laws can possibly serve the best interests of the consumers in our metropolitan area.

We therefore urge that the Federal provisions with respect to credit disclosure, as contained in S. 5 approved by the Senate and H.R. 11601 approved by the House Banking Committee, should be identically incorporated into legislation regulating retail credit in the District of Columbia.

The pros and cons of proposed Federal provisions covering credit disclosure have been exhaustively debated before committees of both the Senate and the House.

The board of trade believes that these Senate-House deliberations have culminated in credit disclosure provisions which will well serve the Nation's consumers. We believe that the Federal credit disclosure provisions will also serve to protect the interests of consumers in our Nation's Capital, and we, therefore, urge that the District of Columbia bill conform to the Federal legislation in this area.

I would like now to refer to section 4.102 of S. 2589 which deals with the doctrine of "holder-in-due-course." While recognizing the need for greater protection for the consumer in this area, the board of trade is continuing to study this provision in an effort to determine the effect it may have on the retailers who must depend upon bank or other financing in which the assignee must occupy the position of a holder-in-due-course and the effect on normal commercial and financial transactions. In its supplemental statement the board of trade would expect to state its view on this provision or to suggest an alternate approach.

The board of trade further supports strong penalties and effective remedies for violations provided that language is included which would adequately protect the honest businessman from being unfairly penalized because of an inadvertent or clerical error or unintentional mistake which he is given opportunity to correct after being brought to his attention.

The board of trade supports provisions which would prohibit large so-called "balloon payments" at the end of a series of smaller installment payments. We support provisions for fair and equitable treatment on cancellations, and provisions relating to prepayment rights of consumers.

The board of trade also supports those provisions strengthening laws to protect consumers against false and misleading advertising.

The board of trade supports those provisions affording substantial protection to the buyer under repossession and redemption procedures, with the exception of section 6.105 of S. 2589 which requires that the seller elect to either repossess without any subsequent deficiency judgment, or to pursue his efforts to collect the unpaid balance without repossessing the goods. It is the position of the board of trade that if the seller fully follows the highly protective repossession procedures, including notices to the buyer, such seller should have preserved to him the right to require the buyer to fulfill his obligation by requiring the buyer to pay any balance or deficiency owed.

We believe that the legislation should guard against abuses in connection with deficiency judgments. However, we are not prepared