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ROBERT D. BUEHLER

DIRECTOR OF GOVERNMENT RELATIONS

The B. F. Goodrich Company

1800 K STREET, N. W. WASHINGTON, D. C. 20008 (202) 872-0570

CONSUMER PROTECTION AGENCY

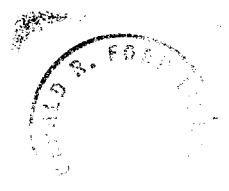
Amendment to H.R. 13163 subjecting CPA to an objective standard for protection of consumer interests.

On page 7, line 20, strike the words, "he determines that"

Explanation

The proposed amendment would simply require the Administrator to refrain from intervening as a party unless the intervention is necessary to adequately represent the interest of consumers. Under the present language of H.R. 13163 the Administrator alone determines whether his intervention in a proceeding is proper. This determination, moreover, would not be subject to judicial review. The proposed amendment, on the other hand, would establish judicially reviewable criteria as a precondition to CPA intervention as a party.

Emmett D. Smith



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CONSUMER PROTECTION AGENCY
AMENDMENT TO H.R. 13163 -- RIGHT OF CPA TO
OBTAIN OR PARTICIPATE IN JUDICIAL REVIEW OF
FEDERAL AGENCY DECISIONS

Page 10, strike lines 6 - 24, insert,

"substantially effects the interests of consumers, if he intervened or participated in the Federal agency proceeding from which such review is sought. In those cases where the Administrator had not intervened or participated in the Federal agency proceeding or activity out of which such action arose the Administrator may, in the reviewing court's discretion present briefs and arguments."

EXPLANATION

H.R. 13163 [§6(d)] would permit the Administrator to initiate as well as participate in judicial review of all agency actions affecting the interests of consumers including those proceedings and activities where the Administrator has not intervened or participated before the agency. A court may deny CPA intervention only if it finds that such intervention would be detrimental to the interests of justice.

To grant the Administrator power to initiate judicial review of agency decisions in which the Administrator had not intervened or participated would lead to unfair and unjust results. For example, a respondent who litigates his claim before a federal agency and who obtains a final decision from the substantive agency would remain subject to the serious possibility that

CPA would seek reversal in federal court. The finality of agency determinations would be subverted and entirely new questions might be raised which could and should have been resolved before the substantive agency.

It is inherent in the basic rationale for CPA, as a consumer advocate in the government, that it must furnish the substantive agencies with its views and information while matters are pending before them. CPA's function should be to alert the federal agencies to new consumer problems and perspectives to force the federal agencies to take a more comprehensive look at a particular matter with a "consumer" viewpoint in mind. Yet, if CPA were permitted to attack agency decisions on a broad scale, after-the-fact fashion, where CPA had not intervened or participated below, then the concept of a consumer advocate would be submerged and an unwarranted guessing game would rise to the surface.

The problems raised by H.R. 13163 can be easily solved by limiting the CPA's authority to seek judicial review to those situations in which it intervened or participated before the substantive federal agency. If the principle of "equality" is applied to the judicial review sections of the legislation, then the CPA should be accorded the same, but no greater right to seek judicial review than other affected or aggrieved persons. Where the CPA had not

intervened, the Administrator would have the same rights as any one else to petition the court for the opportunity to submit briefs and arguments.

This suggested approach would be consistent with the stated desire to balance the powers of the CPA with those of outside persons. Authority to initiate judicial review of federal agency matters is almost exclusively limited to persons who have taken part in a formal agency proceeding leading to the action at issue. Those exceptions which have occurred involved a very few instances of rulemaking where the federal agency ignored a plain statutory mandate.

CONSUMER PROTECTION AGENCY

Interrogatory Power Amendment to H.R. 13163

①

On pages 17, 18 and 19, strike section 10(a) in its entirety.

Explanation

H.R. 13163 would grant a broad interrogatory power to CPA.

This interrogatory power is inconsistent with the role of advocacy but more closely resemble powers given to an agency with a substantive enforcement function. It also is important to recognize that this extraordinary power which may be exercised by CPA even where no federal agency proceeding or activities are underway is unavailable to all other members of the public. Although the administrator is instructed to refrain from utilizing the interrogatory power in connection with a "pending federal agency proceeding", nothing prevents the administrator from using information so obtained in any subsequent proceeding. Hence, CPA is accorded a substantial advantage over other persons appearing and advocating positions to whom interrogatory powers are not available. The interrogatory power is a clear break from the concept of granting CPA the same powers possessed by other parties in a proceeding and is contrary to the objective of balancing the rights of various interests.



CONSUMER PROTECTION AGENCY

TO H.R. 13163

AMENDMENT SUBJECTING CPA TO
THE FREEDOM OF INFORMATION ACT
AND 18 U.S.C. §1905

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On pages 19 - 21, strike section 10(b) and insert,

(b) Upon written request by the Administrator, each Federal agency is authorized and directed to furnish or allow access to all documents, papers, and records in its possession which the Administrator deems necessary for the performance of his functions and to furnish at cost copies of specified documents, papers, and records. Notwithstanding this subsection, a Federal agency may deny the Administrator access, and copies to information described in subsection 552(b) of Title 5 of the United States Code.

On page 22, insert after subsection 10(c) the following new subsection,

(d) The Federal agency shall also deny the Administrator access to any copies of information concerning or relating to trade secrets, processes, operations, style of work, or apparatus or disclosing any confidential or privileged statistical data, amount or source of any income, profits, losses or expenditures of any person, firm, partnership, corporation or association.

EXPLANATION

Section 10(b) would require each Federal agency to allow the Administrator access to virtually all documents, papers and records in its possession. The proposed amendment would restrict the information which is available to the CPA from other agency files. The disclosure exceptions



under the Freedom of Information Act and the provisions of 18 U.S.C. §1905 would be made applicable to CPA under the suggested amendments.

Substantial differences between H.R. 13163 and the proposed amendments concern release of trade secrets and commercial information. Under section 10(b) (6)(A) and (B) of H.R. 13163, the Administrator could be denied trade secret information only when a Federal agency "has agreed in writing as a condition of receipt to treat such information as privileged or confidential." Unless this condition is met, disclosure is mandatory. Although the agency must notify the person who submitted the confidential information of the Administrator's request, once notified, the person must proceed in U.S. District Court for an injunction against release. The proposed amendments subject the CPA to the same limitations under the Freedom of Information Act as applied to any other person.

The disclosure of trade secret and other information to the CPA is highly discriminatory in favor of the CPA and has the potential for substantial abuse. The provisions of H.R. 13163 would accord the Administrator a clear cut advantage in all agency proceedings and activities over other parties. The Freedom of Information Act which applies to persons outside the agency should apply equally to the Consumer Protection Agency.



CONSUMER PROTECTION AGENCY

Amendment to H.R. 13163 providing for limitation on the disclosure of information.

Strike section 11(a)(1) and (a) and insert,

(1) any information from any source which is within the exceptions stated under section 552 of Title 5 United States Code or is exempt from disclosure under any other provision of law.

(2) If a Federal agency has furnished information to the administrator and has prescribed a particular form or manner of disclosure, the administrator shall comply with the form and manner so described in disclosing such information.

Explanation

Section 11(a) of H.R. 13163 prohibits the CPA from disclosing confidential or privileged information except in the form of a consumer complaint. The proposed amendments are intended to tighten this language to guarantee that the CPA will not disclose trade secrets or confidential or privileged information received from any source.

This amendment is suggested for two reasons. First, it is likely that there will be more information forthcoming on a voluntary basis to Federal agencies in pursuit of their statutory functions, if the firms possessing such information can be assured of the non-disclosure of confidential and proprietary information. Moreover, it is well to ponder that the principal beneficiaries of the disclosure of trade secrets



and confidential data (particularly cost information) may well not be the consumer groups for whom the Consumer Protection Agency would ostensibly be seeking the information but foreign competitors, who being able to ascertain sensitive cost and production information of U.S. firms, and with the benefit of lower wage rates, may choose to use the economic leverage gained by disclosure to the competitive disadvantage of U.S. firms, production and employment. Finally, no purpose would be served by allowing the CPA disclosure authority not conferred upon other Federal agencies.



SECTION 17

PROPOSED AMENDMENT - Providing for the exemption of certain Federal agencies from the application of the Act

On page 28, lines 13 and 14, strike the words "or the national security or intelligence functions (including related procurement) of"

EXPLANATION

H.R. 13163 provides for the exemption of certain agencies and the "national security or intelligence functions (including related procurement) of the Departments of State and Defense (including the Departments of the Army, Navy and Air Force) and the Atomic Energy Commission." The proposed amendment would eliminate the words "or the national security or intelligence functions." Since the activities of each of these agencies are not regulatory in nature and are intimately involved in national security and/or foreign policy matters, the public interest does not warrant the involvement of the CPA. For example, H.R. 13163 could ostensibly allow the CPA to become involved in the letting of foreign construction contracts to U. S. companies by the Agency for International Development if the Administrator "determines that the result . . . may substantially affect an interest of consumers." The unspecified "result" is entirely discretionary with the Administrator and could be based upon his suppositions regarding the final disposition of goods to be produced in the newly constructed foreign facility, or any other reason, real or imagined. No useful purpose will be served by CPA intervention in the activities of the aforementioned agencies and the effective conduct of foreign affairs and matters pertaining to national security could be compromised.

SECTION 17

PROPOSED AMENDMENT - Providing for the inclusion of labor disputes within the application of the Act.

On page 28, line 17, strike everything after the word "Commission."

EXPLANATION

H.R. 13163 prohibits the CPA from intervening or participating in any agency or court proceeding which involves labor disputes. The proposed amendment would remove this prohibition and leave the CPA free to intervene or participate in agency or court proceedings involving labor disputes if the CPA determines that such activities would be in the interests of consumers.

While it is true that many labor agreements and disputes will not affect the interests of consumers, some will. For example, a secondary boycott would directly affect the costs and availability of consumer goods and, therefore, should fall within the purview of the CPA. There is no logical reason to exempt from the reach of the CPA an NLRB proceeding relating to alleged illegal secondary activity by a union or any other labor dispute which may affect the interests of consumers.

SECTION 17

PROPOSED AMENDMENT - Providing for a limited exemption relating to labor disputes

On page 28, line 23, insert the words "or disputes" after the words labor agreement.

On page 28, line 25, at the end of the sentence insert the words "except for disputes arising under the secondary boycott provisions thereof (29 U.S.C. § 158(b)(4)(B))."

EXPLANATION

H.R. 13163 would bar the CPA from involvement in certain aspects of labor-management relations governed by the Labor Management Relations Act, 1947 (29 U.S.C. 185) and the anti-injunction provisions of 29 U.S.C. 113. The proposed amendment would proscribe the CPA from participation in labor "disputes" as well as "agreements" within the meaning of the LMRA, as amended, except for illegal secondary boycott activity as defined in Section 8(b)(4)(B) of the Act (29 U.S.C.A. §158(b)(4)(B)). Such illegal activity on the part of unions bears a direct relationship to the interests of consumers. Participation by the CPA in agency procedures designed to counteract secondary boycotts is in the public interest and should be provided for.

As amended, the last sentence of Section 17 would include the words "or dispute" immediately following the words "labor agreement" and at the end of the sentence, the words "except for disputes arising under the secondary boycott provisions thereof (29 U.S.C. §158(b)(4)(B))."

H. R. 13163

FEBRUARY 28, 1974

A BILL

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Consumer Protection Act
4 of 1974".

6 SEC. 2. The Congress finds that the interests of con-
7 sumers are inadequately represented and protected within
8 the Federal Government; and that vigorous representation



1 and protection of the interests of consumers are essential to
2 the fair and efficient functioning of a free market economy.

3 ESTABLISHMENT

4 SEC. 3. (a) There is hereby established as an inde-
5 pendent agency within the executive branch of the Govern-
6 ment the Consumer Protection Agency. The Agency shall
7 be headed by an Administrator who shall be appointed by
8 the President, by and with the advice and consent of the
9 Senate. The Administrator shall be a person who by reason
10 of training, experience, and attainments is exceptionally
11 qualified to represent the interests of consumers. There shall
12 be in the Agency a Deputy Administrator who shall be
13 appointed by the President, by and with the advice and
14 consent of the Senate. The Deputy Administrator shall per-
15 form such functions, powers, and duties as may be pre-
16 scribed from time to time by the Administrator and shall
17 act for, and exercise the powers of, the Administrator during
18 the absence or disability of, or in the event of a vacancy in
19 the office of, the Administrator.

20 (b) No employee of the Agency while serving in such
21 position may engage in any business, vocation, or other em-
22 ployment or have other interests which are inconsistent with
23 his official responsibilities.

24 POWERS AND DUTIES OF THE ADMINISTRATOR

25 SEC. 4. (a) The Administrator shall be responsible

1 for the exercise of the powers and the discharge of the duties
2 of the Agency, and shall have the authority to direct and
3 supervise all personnel and activities thereof.

4 (b) In addition to any other authority conferred upon
5 him by this Act, the Administrator is authorized, in carrying
6 out his functions under this Act, to—

7 (1) subject to the civil service and classification
8 laws, select, appoint, employ, and fix the compensation
9 of such officers and employees as are necessary to carry
10 out the provisions of this Act and to prescribe their
11 authority and duties;

12 (2) employ experts and consultants in accordance
13 with section 3109 of title 5, United States Code, and
14 compensate individuals so employed for each day (in-
15 cluding traveltime) at rates not in excess of the maxi-
16 mum rate of pay for grade GS-18 as provided in section
17 5332 of title 5, United States Code, and while such
18 experts and consultants are so serving away from their
19 homes or regular place of business, pay such em-
20 ployees travel expenses and per diem in lieu of subsist-
21 ence at rates authorized by section 5703 of title 5, United
22 States Code, for persons in Government service employed
23 intermittently;

24 (3) appoint advisory committees composed of such
25 private citizens and officials of the Federal, State, and

1 local governments as he deems desirable to advise him
 2 with respect to his functions under this Act, and pay
 3 such members (other than those regularly employed by
 4 the Federal Government) while attending meetings of
 5 such committees or otherwise serving at the request of
 6 the Administrator compensation and travel expenses at
 7 the rate provided for in paragraph (2) of this subsection
 8 with respect to experts and consultants;

9 (4) promulgate such rules as may be necessary to
 10 carry out the functions vested in him or in the Agency,
 11 and delegate authority for the performance of any func-
 12 tion to any officer or employee under his direction and
 13 supervision;

14 (5) utilize, with their consent, the services, person-
 15 nel, and facilities of other Federal agencies and of State
 16 and private agencies and instrumentalities;

17 (6) enter into and perform such contracts, leases,
 18 cooperative agreements, or other transactions as may be
 19 necessary in the conduct of the work of the Agency and
 20 on such terms as the Administrator may deem appropri-
 21 ate, with any agency or instrumentality of the United
 22 States, or with any State, territory, or possession, or any
 23 political subdivision thereof, or with any public or pri-
 24 vate person, firm, association, corporation, or institution;

25 (7) accept voluntary and uncompensated services,

1 notwithstanding the provisions of section 3679(b) of
 2 the Revised Statutes (31 U.S.C. 665(b));

3 (8) adopt an official seal, which shall be judicially
 4 noticed; and

5 (9) encourage the development of informal dispute
 6 settlement procedures involving consumers.

7 (c) Upon request made by the Administrator, each
 8 Federal agency is authorized and directed to make its serv-
 9 ices, personnel, and facilities available to the greatest prac-
 10 ticable extent within its capability to the Agency in the per-
 11 formance of its functions.

12 (d) The Administrator shall transmit to the Congress
 13 and the President in January of each year a report which
 14 shall include a comprehensive statement of the activities
 15 and accomplishments of the Agency during the preceding
 16 calendar year including a summary of consumer complaints
 17 received and actions taken thereon and such recommenda-
 18 tions for additional legislation as he may determine to be
 19 necessary or desirable to protect the interests of consumers
 20 within the United States. Each such report shall include a
 21 summary and evaluation of selected major consumer pro-
 22 grams of each Federal agency, including, but not limited to,
 23 comment with respect to the effectiveness and efficiency of
 24 such programs as well as deficiencies noted in the coordina-
 25 tion, administration, or enforcement of such programs.

FUNCTIONS OF THE AGENCY

SEC. 5. (a) The Agency shall, in the performance of its functions, advise the Congress and the President as to matters affecting the interests of consumers; and protect and promote the interests of the people of the United States as consumers of goods and services made available to them through the trade and commerce of the United States.

(b) The functions of the Agency shall be to—

(1) represent the interests of consumers before Federal agencies and courts to the extent authorized by this Act;

(2) encourage and support research, studies, and testing leading to a better understanding of consumer products and improved products, services, and consumer information, to the extent authorized in section 9 of this Act;

(3) submit recommendations annually to the Congress and the President on measures to improve the operation of the Federal Government in the protection and promotion of the interests of consumers;

(4) publish and distribute material developed pursuant to carrying out its responsibilities under this Act which will inform consumers of matters of interest to them, to the extent authorized in section 8 of this Act;

(5) conduct conferences, surveys, and investiga-

tions, including economic surveys, concerning the needs, interests, and problems of consumers which are not duplicative in significant degree of similar activities conducted by other Federal agencies;

(6) cooperate with State and local governments and private enterprise in the promotion and protection of the interests of consumers; and

(7) keep the appropriate committees of Congress fully and currently informed of all its activities, except that this paragraph is not authority to withhold information requested by individual Members of Congress.

REPRESENTATION OF CONSUMERS

SEC. 6. (a) Whenever the Administrator determines that the result of any Federal agency proceeding or activity may substantially affect an interest of consumers, he may as of right intervene as a party or otherwise participate for the purpose of representing the interests of consumers, as provided in paragraph (1) or (2) of this subsection. In any proceeding, the Administrator shall refrain from intervening as a party, unless he determines that such intervention is necessary to represent adequately the interest of consumers. The Administrator shall comply with Federal agency statutes and rules of procedure of general applicability governing the timing of intervention or participation in such proceeding or activity and, upon intervening or participating therein, shall

1 comply with Federal agency statutes and rules of procedure
2 of general applicability governing the conduct thereof. The
3 intervention or participation of the Administrator in any
4 Federal agency proceeding or activity shall not affect the
5 obligation of the Federal agency conducting such proceeding
6 or activity to assure procedural fairness to all participants.

7 (1) Except as provided in subsection (c), the Ad-
8 ministrator may intervene as a party or otherwise par-
9 ticipate in any Federal agency proceeding which is sub-
10 ject to section 553, 554, 556, or 557 of title 5, United
11 States Code, or to any other statute or regulation au-
12 thorizing a hearing, or which is conducted on the record
13 after opportunity for an agency hearing.

14 (2) Except as provided in subsection (c), in any
15 Federal agency proceeding not covered by paragraph
16 (1), or any other Federal agency activity, the Adminis-
17 trator may participate or communicate in any manner
18 that any person may participate or communicate under
19 Federal agency statutes, rules, or practices. The Federal
20 agency shall give consideration to the written or oral
21 submission of the Administrator. Such submission shall
22 be presented in an orderly manner and without causing
23 undue delay.

24 (b) At such time as the Administrator determines to
25 intervene or participate in a Federal agency proceeding

1 under subsection (a) (1) of this section, he shall issue
2 publicly a written statement setting forth his findings under
3 subsection (a), stating concisely the specific interests of
4 consumers to be protected. Upon intervening or participat-
5 ing he shall file a copy of his statement in the proceeding.

6 (c) In—

7 (1) any Federal agency proceeding seeking pri-
8 marily to impose a fine or forfeiture which the
9 agency may impose under its own authority for an
10 alleged violation of a statute of the United States or
11 of a rule, order, or decree promulgated thereunder, or

12 (2) any action in any court of the United States
13 to which the United States or any Federal agency is
14 a party,

15 and which in the opinion of the Administrator may substan-
16 tially affect the interests of consumers, the Administrator
17 upon his own motion, or upon written request made by the
18 officer or employee who is charged with the duty of present-
19 ing the case for the United States or the Federal agency in
20 the proceeding or action, may transmit to such officer or
21 employee all evidence and information in the possession of
22 the Administrator relevant to the proceeding or action and
23 may, in the discretion of the Federal agency or court, appear
24 as amicus curiae and present written or oral argument to
25 such agency or court.

1 (d) To the extent that any person, if aggrieved, would
 2 have a right of judicial review by law, the Administrator
 3 may institute, or intervene as a party, in a proceeding in a
 4 court of the United States involving judicial review of any
 5 Federal agency action which the Administrator determines
 6 substantially affects the interests of consumers, unless, where
 7 the Administrator did not intervene or participate in the
 8 Federal agency proceeding or activity involved, the court
 9 determines that the Administrator's institution of or inter-
 10 vention in the judicial proceeding would be detrimental to
 11 the interests of justice. Before instituting a proceeding to
 12 obtain judicial review in a case where the Administrator did
 13 not intervene or participate in the Federal agency proceeding
 14 or activity, the Administrator shall petition the Federal
 15 agency for rehearing or reconsideration of its action if the
 16 Federal agency statutes or rules specifically authorize re-
 17 hearing or reconsideration. The petition shall be filed within
 18 sixty days after the Federal agency action or within such
 19 longer time as may be allowed by Federal agency proce-
 20 dures. If the Federal agency does not act finally upon such
 21 petition within sixty days after filing thereof, or within any
 22 shorter time, less five days, as may be provided by law for
 23 the initiation of judicial review, the Administrator may in-
 24 stitute a proceeding for judicial review immediately. The
 25 participation of the Administrator in a proceeding for judi-

1 cial review of a Federal agency action shall not alter or
 2 affect the scope of review otherwise applicable to such
 3 agency action.

4 (e) When the Administrator determines it to be in the
 5 interests of consumers, he may request the Federal agency
 6 concerned to initiate such proceeding or to take such other
 7 action as may be authorized by law with respect to such
 8 agency. If the Federal agency fails to take the action re-
 9 quested, it shall promptly notify the Agency of the reasons
 10 for its failure and such notification shall be a matter of
 11 public record. To the extent that any person, if aggrieved,
 12 would have a right of judicial review by law, the Agency
 13 may institute a proceeding in a court of the United States
 14 to secure review of the action of a Federal agency or its
 15 refusal to act.

16 (f) Appearances by the Agency under this section shall
 17 be in its own name and shall be made by qualified represent-
 18 atives designated by the Administrator.

19 (g) In any Federal agency proceeding to which the
 20 Agency is a party, the Agency is authorized to request
 21 the Federal agency to issue, and the Federal agency shall,
 22 on a statement or showing (if such statement or showing
 23 is required by the Federal agency's rules of procedure) of
 24 general relevance and reasonable scope of the evidence
 25 sought, issue such orders, as are authorized by the Federal

1 agency's statutory powers, for the copying of documents,
2 papers, and records, summoning of witnesses, production of
3 books and papers, and submission of information in writing.

4 (h) The Agency is not authorized to intervene in pro-
5 ceedings or actions before State or local agencies and courts.

6 (i) Nothing in this section shall be construed to prohibit
7 the Agency from communicating with Federal, State, or
8 local agencies at times and in manners not inconsistent with
9 law or agency rules.

10 CONSUMER COMPLAINTS

11 SEC. 7. (a) The Agency shall receive, evaluate, de-
12 velop, act on, and transmit complaints to the appropriate
13 Federal or non-Federal entities concerning actions or prac-
14 tices which may be detrimental to the interests of consumers.

15 (b) Whenever the Agency receives from any source, or
16 develops on its own initiative, any complaint or other infor-
17 mation affecting the interests of consumers and disclosing a
18 probable violation of—

19 (1) a law of the United States,

20 (2) a rule or order of a Federal agency or officer,

21 or

22 (3) a judgment, decree, or order of any court of the
23 United States involving a matter of Federal law,

24 it shall take such action within its authority as may be
25 desirable, including the proposal of legislation, or shall

1 promptly transmit such complaint or other information to
2 the Federal agency or officer charged with the duty of
3 enforcing such law, rule, order, judgment, or decree, for
4 appropriate action.

5 (c) The Agency shall ascertain the nature and extent of
6 action taken with regard to respective complaints and other
7 information transmitted under subsection (b) of this section.

8 (d) The Agency shall promptly notify producers, dis-
9 tributors, retailers or suppliers of goods and services of all
10 complaints of any significance concerning them received
11 or developed under this section.

12 (e) The Agency shall maintain a public document room
13 containing an up-to-date listing of all signed consumer com-
14 plaints of any significance for public inspection and copying
15 which the Agency has received, arranged in meaningful and
16 useful categories, together with annotations of actions taken
17 by it. Complaints shall be listed and made available for pub-
18 lic inspection and copying only if—

19 (1) the complainant's identity is protected when he
20 has requested confidentiality;

21 (2) the party complained against has had sixty
22 days to comment on such complaint and such comment,
23 when received, is displayed together with the complaint;
24 and

(3) the entity to which the complaint has been referred has had sixty days to notify the Agency what action, if any, it intends to take with respect to the complaint.

CONSUMER INFORMATION AND SERVICES

SEC. 8. (a) The Agency shall develop on its own initiative, and, subject to the other provisions of this Act, gather from other Federal agencies and non-Federal sources, and disseminate to the public in such manner, at such times, and in such form as it determines to be most effective, information, statistics, and other data concerning—

(1) the functions and duties of the Agency;

(2) consumer products and services;

(3) problems encountered by consumers generally, including annual reports on interest rates and commercial and trade practices which adversely affect consumers; and

(4) notices of Federal hearings, proposed and final rules and orders, and other pertinent activities of Federal agencies that affect consumers.

(b) All Federal agencies which, in the judgment of the Administrator, possess information which would be useful to consumers are authorized and directed to cooperate with the Agency in making such information available to the public.

TESTING AND RESEARCH

SEC. 9. (a) The Agency shall, in the exercise of its functions—

(1) encourage and support through both public and private entities the development and application of methods and techniques for testing materials, mechanisms, components, structures, and processes used in consumer products and for improving consumer services;

(2) make recommendations to other Federal agencies with respect to research, studies, analyses, and other information within their authority which would be useful and beneficial to consumers; and

(3) investigate and report to Congress on the desirability and feasibility of establishing a National Consumer Information Foundation which would administer a voluntary, self-supporting, information tag program (similar to the "Tel-Tag" program of Great Britain) under which any manufacturer of a nonperishable consumer product to be sold at retail could be authorized to attach to each copy of such product a tag, standard in form, containing information, based on uniform standards relating to the performance, safety, durability, and care of the product.

(b) All Federal agencies which, in the judgment of the Administrator, possess testing facilities and staff relating to

1 the performance of consumer products and services, are
 2 authorized and directed to perform promptly, to the greatest
 3 practicable extent within their capability, such tests as the
 4 Administrator may request in the exercise of his functions
 5 under section 6 of this Act, regarding products, services, or
 6 any matter affecting the interests of consumers. Such tests
 7 shall, to the extent possible, be conducted in accordance
 8 with generally accepted methodologies and procedures, and
 9 in every case when test results are published, the method-
 10 ologies and procedures used shall be available along with
 11 the test results. The results of such tests may be used or
 12 published only in proceedings in which the Agency is par-
 13 ticipating or has intervened pursuant to section 6. In pro-
 14 viding facilities and staff upon request made in writing by
 15 the Administrator, Federal agencies—

16 (1) may perform functions under this section with-
 17 out regard to section 3648 of the Revised Statutes (31
 18 U.S.C. 529) ;

19 (2) may request any other Federal agency to sup-
 20 ply such statistics, data, progress reports, and other in-
 21 formation as the Administrator deems necessary to carry
 22 out his functions under this section and any such other
 23 agency is authorized and directed to cooperate to the
 24 extent permitted by law by furnishing such materials;
 25 and

1 (3) may, to the extent necessary and authorized,
 2 acquire or establish additional facilities and purchase
 3 additional equipment for the purpose of carrying out
 4 the purposes of this section.

5 (c) Neither a Federal agency engaged in testing prod-
 6 ucts under this Act nor the Administrator shall declare one
 7 product to be better, or a better buy, than any other product;
 8 however, the provisions of this subsection shall not prohibit
 9 the use or publication of test data as provided in subsection
 10 (b).

11 INFORMATION GATHERING

12 SEC. 10. (a) (1) To the extent required to protect the
 13 health or safety of consumers, or to discover consumer fraud
 14 or substantial economic injury to consumers, the Administra-
 15 tor is authorized to propose to any Federal agency, for sub-
 16 mission to specified persons, written interrogatories or re-
 17 quests for reports and other related information, within such
 18 agency's authority. Such proposal shall set forth with partic-
 19 ularity the consumer interest sought to be protected, and the
 20 purposes for which the information is sought. The Federal
 21 agency shall promptly transmit the interrogatories, or re-
 22 quests for reports and other related information, to the
 23 persons specified in the proposal, unless the agency de-
 24 termines that the interrogatories or requests—

(A) do not seek information that substantially affects the health or safety of consumers, or is necessary in the discovery of consumer fraud or substantial economic injury to consumers;

(B) are not relevant to the purposes for which the information is sought; and

(C) are unnecessarily or excessively burdensome to the Federal agency or the persons specified in the proposal.

If the Federal agency determines not to transmit the interrogatories or requests, it shall inform the Administrator promptly with a statement of the reasons therefor. Upon receipt of any responses to the interrogatories or requests, the agency shall promptly transmit them to the Administrator. When the Federal agency transmits the interrogatories or request, the recipient shall have not more than thirty days to petition the agency for reconsideration. If there is no response within a reasonable time, the agency shall initiate such action as may be necessary to compel response or otherwise obtain the information unless it determines in writing that such action would be unnecessarily burdensome to the Federal agency and would seriously impair its functions.

(2) Nothing in this subsection shall be construed to authorize the inspection or copying of documents, papers,

books, or records, or to compel the attendance of any person, or shall require the disclosure of information which would violate any relationship privileged according to law.

(3) The Administrator shall not exercise the authority under paragraph (1) of this subsection if the information sought—

(A) is available as a matter of public record;

(B) can be obtained from another Federal agency pursuant to subsection (b) of this section; or

(C) is for use in connection with his intervention in any pending Federal agency proceeding against the person to whom the interrogatories are addressed.

(4) In any judicial proceeding concerning requests or interrogatories issued under this section, the Federal agency may move to substitute the Administrator as plaintiff or defendant, and thereafter, if the court in its discretion grants such a motion, the Federal agency shall cease to be a party to such proceedings.

(b) Upon written request by the Administrator, each Federal agency is authorized and directed to furnish or allow access to all documents, papers, and records in its possession which the Administrator deems necessary for the performance of his functions and to furnish at cost copies of specified documents, papers, and records. Notwithstanding

1 this subsection, a Federal agency may deny the Adminis-
 2 trator access to and copies of—

3 (1) information classified in the interest of national
 4 defense or national security by an individual authorized
 5 to classify such information under applicable Executive
 6 order or statutes and restricted data whose dissemination
 7 is controlled pursuant to the Atomic Energy Act (42
 8 U.S.C. 2011 et seq.);

9 (2) policy recommendations by Federal agency
 10 personnel intended for internal agency use only;

11 (3) information concerning routine executive and
 12 administrative functions which is not otherwise a matter
 13 of public record;

14 (4) personnel and medical files and similar files the
 15 disclosure of which would constitute a clearly unwar-
 16 ranted invasion of personal privacy;

17 (5) information which such Federal agency is ex-
 18 pressly prohibited by law from disclosing to another
 19 Federal agency; and

20 (6) trade secrets and commercial or financial in-
 21 formation described in section 552 (b) (4) of title 5,
 22 United States Code—

23 (A) obtained prior to the effective date of this
 24 Act by a Federal agency, if the agency had agreed
 25 to treat and has treated such information as privi-

1 leged or confidential and states in writing to the
 2 Administrator that, taking into account the nature
 3 of the assurances given, the character of the in-
 4 formation requested, and the purpose, as stated by
 5 the Administrator, for which access is sought, to
 6 permit such access would constitute a breach of
 7 faith by the agency; or

8 (B) obtained subsequent to the effective date
 9 of this Act by a Federal agency, if the agency has
 10 agreed in writing as a condition of receipt to treat
 11 such information as privileged or confidential, on
 12 the basis of its determination set forth in writing
 13 that such information was not obtainable without
 14 such an agreement and that failure to obtain such
 15 information would seriously impair performance
 16 of the agency's function.

17 Before granting the Administrator access to trade secrets
 18 and commercial or financial information described in
 19 section 552 (b) (4) of title 5, United States Code, the agency
 20 shall notify the person who provided such information of its
 21 intention to do so and the reasons therefor, and shall afford
 22 him a reasonable opportunity to comment or seek injunc-
 23 tive relief. Where access to information is denied to the
 24 Administrator by a Federal agency pursuant to this subsec-
 25 tion, the head of the agency and the Administrator shall

1 seek to find a means of providing the information in such
 2 other form, or under such conditions, as will meet the
 3 agency's objections. The Administrator may file a complaint
 4 in court to enforce its rights under this subsection in the
 5 same manner and subject to the same conditions as a com-
 6 plainant under section 552 (a) (3) of title 5, United States
 7 Code.

8 (c) Consistent with the provisions of section 7213
 9 of the Internal Revenue Code of 1954 (26 U.S.C. 7213),
 10 nothing in this Act shall be construed as providing for or
 11 authorizing any Federal agency to divulge or to make
 12 known in any manner whatever to the Administrator, from
 13 an income tax return, the amount or source of income,
 14 profits, losses, expenditures, or any particular thereof, or
 15 to permit any Federal income tax return filed pursuant to
 16 the provisions of the Internal Revenue Code of 1954, or
 17 copy thereof or any book containing any abstracts or par-
 18 ticulars thereof to be seen or examined by the Administrator,
 19 except as provided by law.

20 LIMITATIONS ON DISCLOSURES

21 SEC. 11. (a) The Agency shall not disclose to the
 22 public or to any State or local agency—

23 (1) any information (other than complaints pub-
 24 lished pursuant to section 7 of this Act) in a form
 25 which would reveal trade secrets and commercial or

1 financial information as described in section 552 (b) (4)
 2 of title 5, United States Code, obtained from a person
 3 and privileged or confidential; or

4 (2) any information which was received solely
 5 from a Federal agency when such agency has notified the
 6 Agency that the information is within the exceptions
 7 stated in section 552 (b) of title 5, United States Code,
 8 and the Federal agency has determined that the infor-
 9 mation should not be made available to the public;
 10 except that if such Federal agency has specified that
 11 such information may be disclosed in a particular form
 12 or manner, the Agency may disclose such information in
 13 such form or manner.

14 (b) No authority conferred by this Act shall be deemed
 15 to require any Federal agency to release to any instrumen-
 16 tality, created by or under this Act, any information the
 17 disclosure of which is prohibited by law.

18 (c) In the release of information pursuant to the author-
 19 ity conferred in any section of this Act, except information
 20 released through the presentation of evidence in a Federal
 21 agency or court proceeding pursuant to section 6, the
 22 following additional provisions shall govern:

23 (1) The Administrator, in releasing information
 24 concerning consumer products and services, shall deter-
 25 mine that (A) such information, so far as practicable, is

accurate, and (B) no part of such information is prohibited from disclosure by law. The Administrator shall comply with any notice by a Federal agency pursuant to section 11 (a) (2) that the information should not be made available to the public or should be disclosed only in a particular form or manner.

(2) In the dissemination of any test results or other information which directly or indirectly disclose product names, it shall be made clear that (A) not all products of a competitive nature have been tested, if such is the case, and (B) there is no intent or purpose to rate products tested over those not tested or to imply that those tested are superior or preferable in quality over those not tested.

(3) Notice of all changes or additional information which would affect the fairness of information previously disseminated to the public shall be promptly disseminated in a similar manner.

(4) Where the release of information is likely to cause substantial injury to the reputation or good will of a person or company, the Agency shall notify such person or company of the information to be released and afford an opportunity for comment or injunctive relief. The district courts of the United States shall have juris-

diction over any action brought for injunctive relief under this subsection.

PROCEDURAL FAIRNESS

SEC. 12. In exercising the powers conferred in section 5 (b) (4) and section 7, the Agency shall act pursuant to rules issued, after notice and opportunity for comment by interested persons in accordance with the requirements of section 553 of title 5, United States Code, so as to assure fairness to all affected parties, and provide interested persons with a reasonable opportunity to comment on the proposed release of product test data, containing product names, prior to such release.

PROTECTION OF THE CONSUMER INTEREST IN

ADMINISTRATIVE PROCEEDINGS

SEC. 13. Every Federal agency in considering any Federal agency action which may substantially affect the interests of consumers including, but not limited to, the issuance or adoption of rules, regulations, guidelines, orders, standards, or formal policy decisions, shall—

(1) notify the Agency at such time as notice of the action is given to the public, or at such times and in such manner as may be fixed by agreement between the Administrator and each agency with respect to the consideration of specific actions, or when notification

1 of a specific action or proceeding is requested in writing
 2 by the Agency; and
 3 (2) consistent with its statutory responsibilities,
 4 take such action with due consideration to the interest
 5 of consumers.

6 In taking any action under paragraph (2), upon request of
 7 the Agency or in those cases where a public announcement
 8 would normally be made, the Federal agency concerned
 9 shall indicate concisely in a public announcement of such
 10 action the consideration given to the interests of consumers.
 11 This section shall be enforceable in a court of the United
 12 States only upon petition of the Agency.

13 SAVING PROVISIONS

14 SEC. 14. (a) Nothing contained in this Act shall be
 15 construed to alter, modify, or impair the statutory responsi-
 16 bility and authority contained in section 201 (a) (4) of the
 17 Federal Property and Administrative Services Act of 1949,
 18 as amended (40 U.S.C. 481 (a) (4)), or of any provision of
 19 the antitrust laws, or of any Act providing for the regulation
 20 of the trade or commerce of the United States, or to prevent
 21 or impair the administration or enforcement of any such
 22 provision of law.

23 (b) Nothing contained in this Act shall be construed as
 24 relieving any Federal agency of any authority or responsi-
 25 bility to protect and promote the interests of the consumer.

1 DEFINITIONS

2 SEC. 15. As used in this Act—

3 (1) The term "Agency" means the Consumer Pro-
 4 tection Agency.

5 (2) The words "agency", "agency action", "party",
 6 "person", "rulemaking", "adjudication", and "agency pro-
 7 ceeding" shall have the same meaning as set forth in section
 8 551 of title 5, United States Code.

9 (3) The term "consumer" means any person who
 10 uses for personal, family, or household purposes, goods and
 11 services offered or furnished for a consideration.

12 (4) The term "interests of consumers" means any
 13 concerns of consumers involving the cost, quality, purity,
 14 safety, durability, performance, effectiveness, dependability,
 15 and availability and adequacy of choice of goods and serv-
 16 ices offered or furnished to consumers; and the adequacy
 17 and accuracy of information relating to consumer goods and
 18 services (including labeling, packaging, and advertising of
 19 contents, qualities, and terms of sale).

20 (5) The term "State" includes any State or possession
 21 of the United States, the District of Columbia, the Com-
 22 monwealth of Puerto Rico, the Virgin Islands, Canal Zone,
 23 Guam, American Samoa, and the Trust Territories of the
 24 Pacific Islands.

CONFORMING AMENDMENT

SEC. 16. (a) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following:

"(62) Administrator, Consumer Protection Agency."

(b) Section 5315 of such title is amended by adding at the end thereof the following:

"(99) Deputy Administrator, Consumer Protection Agency."

EXEMPTIONS

SEC. 17. This Act shall not apply to the Central Intelligence Agency, the Federal Bureau of Investigation, or the National Security Agency, or the national security or intelligence functions (including related procurement) of the Departments of State and Defense (including the Departments of the Army, Navy, and Air Force) and the Atomic Energy Commission, or to a labor dispute within the meaning of section 13 of the Act entitled "An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes", approved March 23, 1932 (29 U.S.C. 113) or of section 2 of the Labor Management Relations Act (29 U.S.C. 152), or to a labor agreement within the meaning of section 201 of the Labor Management Relations Act, 1947 (29 U.S.C.

25, 171).

APPROPRIATIONS

SEC. 18. There are hereby authorized to be appropriated such sums as may be required to carry out the provisions of this Act.

EFFECTIVE DATE

SEC. 19. (a) This Act shall take effect ninety calendar days following the date on which this Act is approved, or on such earlier date as the President shall prescribe and publish in the Federal Register.

(b) Any of the officers provided for in this Act may (notwithstanding subsection (a)) be appointed in the manner provided for in this Act at any time after the date of the enactment of this Act. Such officers shall be compensated from the date they first take office at the rates provided for in this Act.

SEPARABILITY

SEC. 20. If any provision of this Act is declared unconstitutional or the applicability thereof to any person or circumstance is held invalid, the constitutionality and effectiveness of the remainder of this Act and the applicability thereof to any persons and circumstances shall not be affected thereby.

Series of Questions on Agency for Consumer Protection
versus Consumer Representation Plans

How is this ACP going to set priorities for its involvement among the hundreds of actions taken annually by 36 or more Executive Branch Agencies?

Where is it going to get the resources necessary to participate in an expert fashion before such diverse agencies as EPA (environment), FEA (energy), ICC (transportation rates and routes), FDA (food and drugs), CPSC (product safety), etc., plus the lawyers to sue if it doesn't like the outcome?

Won't this agency really end up needing and asking for thousands of people rather than hundreds, requiring hundreds rather than tens of millions of dollars a year?

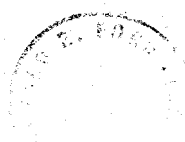
And how are we ever going to get any resolution to problems if every decision is litigated?

And what confidence will the average citizen have that he or she is being listened to and/or represented by this new agency any more than by any of the existing agencies -- that you seem not to want sensitized to the concerns of consumers?



Analogy -- If you have a polluted stream is it not better to go to the source of the pollution and stop that, rather than divert some clean water into the polluted stream on the rationale that it will improve the situation?

I agree with you that we need to increase "consumer responsiveness" in the flow of government decisions, but just adding a "clean," new agent into the existing flow is a totally inadequate response. It is essential that we go to the source of the problem, i.e. "the insensitive bureaucrat" and properly "clean up" or sensitize him or her -- and then and only then will the flow of government decisions improve. Only then will we see a truer reflection of consumer needs. Only then will the governed begin to realize and believe that the government cares. Only then will we be on the way to establishing credibility in our many and diverse governmental institutions that were originally founded to serve the American people. That is the underlying philosophy of the Consumer Representation Plans and the reasons why they are essential to good government. And that is why your arguments against this effort and for an agency -- especially at this time -- are structurally defective and philosophically cockeyed.



Personal Questions

What will keep ACP personnel from becoming "insensitive bureaucrats" or subject to special interest pressures just as the existing institutions, and then what new agency will you sponsor to get government moving again?

Conferences in the field have been criticized for spending too much money. Total costs for 9 regional conferences and all mailings were about \$300,000. Are you against bringing government to the people to allow them to participate in the decision making process? How can you criticize conferences as unimportant when they are attended by over 12,000 people from hundreds of organizations?

Question for Carol Foreman -- You are Executive Director of the Consumer Federation of America. How many times have you subjected your own plans or opinions on consumer issues to the scrutiny of your constituency. What public meetings have been held, on what issues, when, where and how many attended? How many diverse interests were represented?

How do you know you represent "the consumer interest?"

Is "the consumer interest" a monolithic voice on all issues?

Isn't the articulation of various opinions what really shapes public policy?

Carol Foreman

Would you support ACP legislation if labor wasn't exempted?

Would you work to remove such an exemption if an ACP bill were passed containing the labor exemption?

Question for Nader

Why was your participation in the regional White House conferences on Consumer Representation negative harrassment instead of positive contribution? Instead of spending your time organizing baloney and crumbs luncheons couldn't your efforts have been more constructive and worthwhile?

Background -- Nader's employee, Andy Feinstein, went to several White House Conferences and spent significant amounts of time passing out the same pro-ACP materials and organizing crumbs and baloney demonstrations. In addition, he prompted his local colleagues to harrangue about ACP and also passed out questions to the reporters for use at White House press conferences.

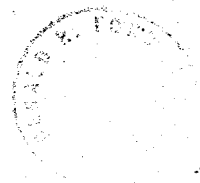
Question to Each Consumer Representative, especially Foreman

Have you read the Consumer Representation Plans?

Have you met with officials of any of these departments and agencies to discuss consumer representation in the decision-making process?

Have you submitted any written comments or recommendations to any of the Executive Departments regarding their proposed plans?

Background -- All of these people have had plenty of opportunity to participate and most have refused to do so -- especially Carol Foreman (See Knauer/Foreman correspondence). Only Congress Watch (Joan Claybrook) and Consumers Union provided early material for consideration.



Question to Each Consumer Representative

Which of the Agency and Departmental hearings do you plan to participate in this week?

Would you please supply for the record a copy of your testimony before such hearings?

Background -- Almost none of the consumer organizations -- including Nader, CFA (Foreman), National Consumer League, National Consumer Congress or Consumer Union -- have contributed anything substantive to the development of the plans or recommended any improvements at any of the nine Regional Hearings. They have been hollering for years about consumer representation, and then when they get some -- if it is not to their specifications -- they yell sham! "Baloney and crumbs" is indicative of their efforts.

Question to Each Consumer Representative, especially
Nader and Foreman.

You spend a lot of time up here testifying and lobbying --
yet where were you on the Milk Price Support Bill?

How can you claim to represent consumers when you are
silent on an issue that will cost consumers more than
1.5 billion dollars?

Is this the kind of priority setting you would recommend
to an ACP administrator? Why?

Background -- All these groups were silent and absent in
the veto battle on this issue -- in line with the
exemption of most agriculture and labor issues under ACP.
Fortunately, on the Milk issue the President, who is
ultimately the consumer advocate of all the people, was
looking after the general consumer's interest. This
exemplifies the kind of problem that could occur if an
ACP were headed by the professional consumerists with
their selective priorities, who apparently dismissed
one and one half billion dollar increase in costs to the
consumers as unimportant or unappealing.



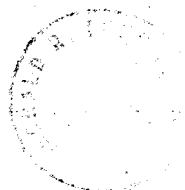
CPA versus the President's Consumer Representation Plans:

The advocates of CPA are arguing that an independent agency will be more effective because its personnel will not be accountable to an agency and that CPA will give the consumer the legal right to intervene on key issues. They are also charging that Virginia Knauer has changed her position on the legislation and sold out the consumer.

Facts are these:

1. The President has asked Congress to delay passing the consumer agency legislation until he has had an opportunity to attempt to open up the government from within so that it will be more responsive to the consumer. And that is why Consumer Representation Plan conferences were held around the country and are being held in D.C.
2. The President's plans result in getting consumer input into the decision-making process right from the start; and continuing throughout the process. Like an assembly line there would be opportunities all along the way to listen, understand and respond.
3. The President's plans are a more economical and efficient means of accomplishing the same goal.
4. Mrs. Knauer has always advocated the need for consumer representation. When legislation was the only means, she gave it her support. When the President asked for an opportunity to reform from within, she supported both the request and the concept. This is not a sellout but rather Presidential support for a long sought consumer objective.

In summary, it should be stressed that these plans are not a final product; that conferences were held to receive suggestions as how they can be improved.



CONSUMER REPRESENTATION PLANS

On April 17, 1975, President Ford directed the Federal departments and agencies to review Executive Branch procedures to make certain that consumer interests receive full consideration in all Government actions. In reviewing their then-present procedures, department and agency heads were asked to follow two guidelines:

- (1) All consumer interests should receive a fair chance to be heard in the Government decision-making process; and
- (2) That costs and administrative requirements of Federal rules and regulations on the private sector should be held to a minimum.

Virginia Knauer and Jim Lynn

worked with the heads of 17 different agencies on this Presidential directive for more than six months. On November 26, 1975, the Federal Register published Consumer Representation Plans proposed by those 17 agencies which went into effect on that date. While the agencies were instructed to implement those plans immediately, they are still subject to change based on public comments received at regional hearings.

Nine White House Conferences on Consumer Representation Plans were held around the country from January 13, 1976 to January 30, 1976. The meetings were well attended and produced diverse and active dialogues from all sectors of the regions where the conferences were held. The balance of the public hearings will be held in Washington, D.C. during the week of February 23, 1976.

The Regional Hearings commenced with an Administration presentation of the plans, followed by audience questions and Government officials' answers. An afternoon workshop session was then conducted on an agency-by-agency basis, in an attempt to get more meaningful input.

However, this format was dominated many times by various consumer activists who felt the Consumer Representation Plans were simply a charade to draw attention away from President Ford's expected veto of legislation to create the proposed Agency for Consumer Protection. At each Regional Hearing, the same rhetorical phrases were espoused by the same activists. Unfortunately, the public could not always address

the specific plans with the Government representatives due to the confrontation atmosphere created by activists over the proposed Agency for Consumer Protection.

As a result, requests have been received from various elements of the public, including consumer organizations, for a more formal hearing structure during which detailed presentation could be made. Accordingly, the Washington meetings will be in the format of a formal hearing, held in each agency's hearing room and chaired by an Assistant Secretary.

While reports in the press have oftentimes reflected the attitude that consumers have rejected the Representation Plans in favor of a better concept, namely the proposed Agency for Consumer Protection, it is important to illustrate several facts.

While legislation for this purpose has passed both chambers of the 94th Congress, its support has dramatically waned. Of the 435 members of the House of Representatives, only 71 opposed this legislation in the 93rd Congress. The most recent vote of 208 in favor to 199 opposed on November 6, 1975 is a more accurate barometer of the desires of the American consumer. In a Congress where Democrats outnumber Republicans by more than 2 to 1, had five more Congressmen changed their minds on this issue after hearing from their constituents, the legislation would have failed.

Secondly, those activists who attempted to disrupt the Regional Hearings in favor of an independent agency never mentioned to the audience the numerous segments of our society that are exempt from this legislation. Labor questions; farmers and their products and their effect upon the marketplace; gun control; the Alaskan oil fields; the FBI; CIA; these are all areas the Agency cannot involve itself in. In addition, partial exemptions exist for broadcasters, small business, and several other Government agencies. The Administration's Consumer Representation Plans insure consumer input into all of these areas.

Finally, the Consumer Representation Plans are better than the proposed Agency because they set in motion a mechanism open to all consumers around the country, and insure input to those agencies which make policy decisions affecting those consumers. This seems to me far more desirable than adding a new, unwanted layer of

bureaucracy which is riddled with special interest exemptions.

It is my hope that the Washington hearings will provide the opportunity for meaningful comment from all who are interested in this subject. The deadline for submitting comments has been extended to March 1, 1976. On the basis of those constructive suggestions, the Plans will be amended to insure that the avenues of consumer participation in the processes of Government are substantially improved.

THE WHITE HOUSE
WASHINGTON

File

ACTION

June 13, 1973

MEMORANDUM FOR: THE PRESIDENT
FROM: ROY L. ASH
SUBJECT: Consumer Protection
Agency Legislation

After a great deal of discussion about our position on consumer legislation, I have come to the position advocated by Bill Baroody that before choosing among the three options in the attached decision paper we should call in the Republican leadership to discuss the three options. Their counsel may provide information of great importance in this decision. Bill Timmons and Ken Cole concur.

Approve _____

See Me _____

Attachment



THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR

THE PRESIDENT

FROM:

ROY L. ASH

SUBJECT:

Consumer Protection Agency
Legislation

The attached memorandum describes in more detail your options with respect to pending Consumer Protection Agency legislation. Essentially, they are as follows:

Option I

Continue your support of the Holifield/Horton proposal modified to remove its more liberal provisions and leaving the Office of Consumer Affairs in HEW. You proposed such a program in 1969 and in 1971, and there is substantial support in Congress for a Bill.

Option II

Oppose any legislation. This avoids potential for Federal harassment of business, but this would be a reversal of your earlier position, and you would be portrayed as being anti-consumer.

Option III

Oppose any legislation but take administrative action to expand the role of the Office of Consumer Affairs. This has the same pros and cons as Option II but might soften somewhat the anti-consumer image.

RECOMMENDATION:

Virginia Knauer recommends Option I. (Attached at Tab A



are the reasons Virginia Knauer strongly recommends Option I.) Cap Weinberger, Fred Dent, Ken Cole and Bill Timmons recommend Option III.

On balance, I recommend Option I.

Option I	(Modified Holifield/Horton Bill)	_____
Option II	(No Bill)	_____
Option III	(Option II, plus administrative actions)	_____

Attachments



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 23, 1973

MEMORANDUM FOR THE PRESIDENT

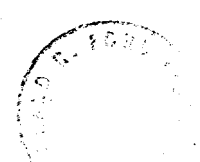
Subject: Consumer Protection Agency Legislation

I. BACKGROUND

Last Congress, a compromise bill (Holifield-Horton) to create an independent Consumer Protection Agency passed the House 344-44 with limited Administration support. A similar, more objectionable bill (Ribicoff) reached the Senate floor, but no vote was taken. Both bills have been reintroduced (H.R. 21, S. 707), and the Administration will probably testify in early June. Bill Timmons believes that some form of a Consumer Protection Agency bill will be passed during the 93rd Congress with or without Administration support.

In your October 30, 1969, message to Congress you proposed the Consumer Representation Act which would have created "a new Division of Consumer Protection in the Department of Justice, to act as a consumer advocate before Federal regulatory agencies in judicial proceedings and in government councils." Subsequently, the Advisory Council on Executive Reorganization (Ash Council) was established and you suggested in a February 24, 1971, message that Congress await recommendations you "consider necessary to provide effective representation of consumer interests in the regulatory process. If Congress feels it must proceed on the matter of consumer advocacy prior to receiving my recommendations, then I strongly urge and would support, as an interim measure, the placement of the advocacy function within the Federal Trade Commission." We did not submit a recommendation based on the Ash Council report.

When it became apparent that your organizational preferences were not being actively considered by Congress, the Administration focused upon the Holifield bill. Through discussions with representatives of OMB and the Office of Consumer Affairs, Chairman Holifield was persuaded to adopt many of the Administration's proposals while retaining a separate agency. The resulting bill proposed more limited advocacy powers than your earlier Consumer Representation Act and was reported favorably by Chairman Holifield's committee and passed by the House.



After the Holifield-Horton bill was reported by the committee, and again when it passed the House, Mrs. Knauer, speaking for the Administration, publicly endorsed the bill and later urged in testimony that the Senate enact the House-passed bill.

The House bill would create a separate Consumer Protection Agency which some feel would conflict with the role of other agencies. It would establish a federally funded consumer advocate which can participate or intervene in formal or informal proceedings of other agencies, can request proceedings to be initiated, and can initiate judicial review of formal agency proceedings and intervene in such cases.

The Senate bill contains these provisions and, in addition, would:

- provide an Administrator who would serve for a fixed term and would be removable only for cause.
- provide for advocate intervention in State and local proceedings.
- give independent "discovery" powers to obtain information from business and private persons by administrative order with recourse to the courts.
- require submissions directly to Congress on budget and legislative matters.
- establish a categorical grant program for consumer activities.

II. ACTION

OPTION I: Continue your support of the Holifield-Horton proposal modified as appropriate. Such modification could include (1) limiting the definition of consumer interests, e.g., to economic aspects and excluding environmental aspects; (2) limitations on advocate intervention powers, e.g., to formal proceedings; and (3) leaving the Office of Consumer Affairs in the Department of Health, Education, and Welfare.

Pros

1. The need for a consumer advocacy program is just as great now as it was when you proposed it in 1969 and 1971. Individual consumers have neither the resources nor the economic stake in particular proceedings to participate effectively in Federal agency proceedings. Though some suggest that one advocate cannot represent the individual interests of 200 million consumers, in practice different constituents of the "consumer interest" can be weighed just as now departments and agencies weigh competing factors to ascertain the "public interests."



2. There is substantial support in Congress for a consumer advocate bill. Thus, its enactment may be inevitable. This bill is the most moderate of those likely to be enacted. You would be in a leadership posture in the consumer area by supporting but attempting to constructively modify the bill.
3. Holifield and Horton have stated that they will not compromise in the direction of the Senate version if we support them. Thus, you may receive a relatively moderate bill (but one with an independent consumer agency with an advocate function) since the Senate would probably accept the House version if they are faced with a choice between the House bill and no bill at all.
4. This would avoid antagonizing Chairman Holifield, thereby maintaining or improving the prospects for your proposals to set up the Community Development and Natural Resources Departments and to extend Presidential reorganization authority.
5. This would be more consistent with your earlier position supporting a consumer advocate although you did not propose a separate agency.
6. A Federal consumer representation program would tend to forestall or mitigate development of private group advocacy which could obstruct government decisionmaking.

Cons

1. New consumer protection legislation is unnecessary. The consumer is already adequately represented by Federal agencies, private groups, advocacy lawyers, and State and local consumer units. Support for a consumer advocacy agency would imply that other government agencies are anticonsumer.
2. A consumer advocacy role along the lines of the proposed bills would disrupt other Federal agencies' functions because the advocacy function would encourage intervention in agency deliberations and hearings and throw administrative decisionmaking into the already over-burdened judicial system.
3. Consumer interests are often varied, and the Consumer Protection Agency would have to weigh competing consumer interests in forming its position on many issues.
4. Rather than represent varied consumer interests, it could tend to reduce the standing in the regulatory process of private groups whose interests are not consistent with those selected by the agency representing the consumer.



5. Creation of a new separate agency is inconsistent with your desire to curb the proliferation of agencies reporting directly to the President.

OPTION II: Oppose any consumer protection legislation.

Pros

1. Avoids creation of another independent agency whose activities might conflict and interfere with those of ongoing agencies.
2. Avoids the potential for additional and unnecessary Federal harrassment of business.
3. In the absence of our support, Holifield-Horton might compromise with the Senate, resulting in a worse bill which should improve further the chances of sustaining a veto. Bill Timmons feels that if business were united, a veto, even of the Holifield-Horton bill, could be sustained. (It is not clear whether business would be united)

Cons

1. You would appear to be opposed to consumer interests, and consumer advocates would shift their attack from Congress to the White House. This could be politically costly, when added to higher food prices, the domestic spending bills you will probably veto, and in view of the fact that the Administration supported this legislation in the last Congress.
2. Withdrawing our earlier public support would antagonize Chairman Holifield. This could severely jeopardize your organization proposals as discussed under Option I unless ameliorated by enlisting his participation in our energy planning.
3. There is a good chance that the bill would pass and a slight chance that a veto would be overridden.
4. The bill could be reintroduced next session, and the battle would have to be fought all over again in an election year.
5. This would be a reversal of your previous positions.

OPTION III: Oppose any consumer protection legislation but take action to:



- expand the role of the Office of Consumer Affairs in regard to handling complaints and advising Federal agencies on the consumer interests, and requesting regulatory agencies to insure that consumers have access to regulatory proceedings.

This is similar to Option II and has roughly the same pros and cons. Relative to Option II, however, this option would show some evidence of the Administration's concern for consumers and could weaken support for the Holifield-Horton bill. However, because it does not address the central issue of a consumer advocacy role, the Administration would be strongly criticized by consumer interest groups.

III. RECOMMENDATION"

Virginia Knauer recommends Option I. (Tab A contains Virginia Knauer's analysis.)

Cap Weinberger, Fred Dent, Ken Cole and Bill Timmons recommend Option III.

On balance, I recommend Option I, with the following implementation steps:

- Administration testimony should indicate support for the main thrust of the Holifield-Horton bill while pointing out the deficiencies.
- We should make it clear to key committee members that any liberalizations of the bill will make the bill unacceptable.

Option I	(Modified Holifield-Horton bill)	_____
Option II	(No bill)	_____
Option III	(Option II, plus administrative actions)	_____

Roy L. Ash
Director



A
B
A



THE WHITE HOUSE
WASHINGTON

May 31, 1973

MEMORANDUM FOR THE PRESIDENT

FROM: Virginia H. Knauer

RE: Consumer Protection Agency Legislation

In the attached option paper, some recommend that you abandon your support of a consumer representation program before Federal agencies. I dissent from this view and propose instead that you continue your Administration's support of the Holifield-Horton bill which passed the House last Congress by 344 to 44.

I make this recommendation for the following reasons:

Merits

- The Holifield-Horton bill, which the Administration supported publicly in the last Congress, is the most moderate of the consumer representation bills likely to receive serious consideration by the Congress.
- This legislation is publicly supported by the American Bar Association and by the current and prior Chairmen of the Administrative Conference of the United States.
- The necessity for a consumer advocacy program before Federal agencies, which you pointed out in two messages to the Congress, still exists and would aid the administrative process without overburdening it.
- A similar antitrust advocacy program has been conducted by the Antitrust Division of the Justice Department for several years, and those interventions in regulatory proceedings have not frustrated the administrative process.



MEMORANDUM FOR THE PRESIDENT

Page 2

Political

- The Administration publicly supported the Holifield-Horton bill in the last Congress, and a reversal of this position would be widely considered to be a concession of the public interest to bureaucratic convenience and certain business interests.
- You have consistently supported legislation establishing a consumer advocacy program at the Federal level, and selecting any of the options other than continued support of the Holifield-Horton bill would be an abandonment of your previous position.
- The Republican Platform adopted by our Party last year pledged that we "support the establishment of an independent Consumer Protection Agency to present the consumer's case in proceedings before Federal agencies."
- Consumer representation legislation is the most prominent consumer legislation pending in the 93rd Congress, and the Holifield-Horton bill has significant bipartisan support. Abandoning the Administration's support of the Holifield-Horton bill would simply not be worth the political costs, both with the public and with Chairman Holifield's committee.

The need for a consumer representation program is just as great now as when you proposed it in 1969 and 1971. The substantive provisions of the Holifield-Horton bill were drafted with active participation by the Administration to achieve a balanced and responsible measure. I must recommend, therefore, that you approve our continued support of the Holifield-Horton bill.



THE WHITE HOUSE

WASHINGTON

June 15, 1973

MEMORANDUM FOR: JAMES H. CAVANAUGH

THROUGH: WILLIAM E. TIMMONS
MAX L. FRIEDERSDORF M.J.

FROM: JAMES M. SPARLING O.S.

SUBJECT: House Leadership Comments on Administration Position on Consumer Protection Agency Legislation

Because of the urgency of the request for this report, it was not possible to submit a joint communication of House-Senate comments at this time.

JERRY FORD - "As far as I am concerned, we don't need the legislation. I am realistic enough to know we should have some position. My feeling is to support Holifield-Horton. If we can get the right kind of a bill, we could live with it. The President has a defensible position. If the Holifield-Horton bill is liberalized, he can veto it and I think we could sustain it. It wouldn't be easy."

"I think it would be a good idea for Republican leadership and Republican Members of Government Operations to meet with White House officials on this next week."

JOHN RHODES - "Absolutely important to keep Holifield-Horton on our side for future legislation that is going through the Committee. We should say, 'look fellas -- you go back to our bill and we'll support it.' It might be good to have Horton and Holifield down to the White House."

JOHN CONLAN - (Representing freshmen Member viewpoint) "No great push for it. In our discussions, no comments that we have to do something in this area. I don't think there would be hostility in our group if you did nothing. I am not prepared to give a vote feel, but I think some 'dollying up' and give us a fallback position would be workable."

SAM DEVINE - "I see the same dangers in this agency as in EPA. The Naders and Gardners have 'spooked' the country. It may be considered an inconsistent position for the President not to support Holifield-Horton, but let's not be for any bill. Let the legislative guys work at it."



"As to charges against the President, it has been said that 'consistency is the virtue of a hard head.' He can change his mind."

"But, I'm not sure we could sustain a veto."

LES ARENDS - "There is generally but half-hearted support. Let's watch developments in the Senate. But I would urge a meeting of the leadership -- particularly on the House side -- we are the ones who would have to sustain a veto."

JOE WAGGONER - "We are going to have to have a bill. I don't like it but we cannot leave Holifield-Horton out in the cold."

L.H. FOUNTAIN - "We cannot beat something with nothing. We are going to have to go with it. Administrative changes aren't going to mean a thing."

TOM BEVILL - "I am for doing nothing -- we don't want another agency."

JOHN BREAU - "We don't need more bureaucracy."

TRENT LOTT - "The setting up of another agency just won't 'wash' with conservatives."

SUMMARY: Strict conservative Members oppose any action as anticipated. Moderate-to-conservative Members recognize dilemma and are seriously concerned as to adverse reaction that would be created by Holifield-Horton.

RECOMMENDATION: Early next week, no later than Tuesday, bring Republican leadership and Republican Members of Government to the White House for a meeting. This should be arranged inasmuch as both Ford and Arends support it.

My personal recommendation, however, is that such a meeting isn't required.

Based on this information, I am convinced that:

1. A bill is going to be passed.
2. A veto could not be sustained.

In light of the President's past support, I think we would have to go along with the weakest possible Holifield-Horton measure. If it is liberalized, then the President would have justification for a veto. He has none now.

In addition, if we turn our backs on Holifield-Horton, we not only incur future legislative difficulties, but we most likely would end up with a bill that is a great deal worse and we could not defeat it.

We really don't have choices or options other than cooperating with Holifield-Horton and persuade them to sponsor a measure we can influence.



THE WHITE HOUSE

WASHINGTON

ACTION

June 13, 1973

MEMORANDUM FOR: THE PRESIDENT
FROM: ROY L. ASH
SUBJECT: Consumer Protection
Agency Legislation

After a great deal of discussion about our position on consumer legislation, I have come to the position advocated by Bill Baroody that before choosing among the three options in the attached decision paper we should call in the Republican leadership to discuss the three options. Their counsel may provide information of great importance in this decision. Bill Timmons and Ken Cole concur.

Approve _____ See Me _____

Attachment



THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR

THE PRESIDENT

FROM:

ROY L. ASH

SUBJECT:

Consumer Protection Agency
Legislation

The attached memorandum describes in more detail your options with respect to pending Consumer Protection Agency legislation. Essentially, they are as follows:

Option I

Continue your support of the Holifield/Horton proposal modified to remove its more liberal provisions and leaving the Office of Consumer Affairs in HEW. You proposed such a program in 1969 and in 1971, and there is substantial support in Congress for a Bill.

Option II

Oppose any legislation. This avoids potential for Federal harassment of business, but this would be a reversal of your earlier position, and you would be portrayed as being anti-consumer.

Option III

Oppose any legislation but take administrative action to expand the role of the Office of Consumer Affairs. This has the same pros and cons as Option II but might soften somewhat the anti-consumer image.

RECOMMENDATION:

Virginia Knauer recommends Option I. (Attached at Tab A

are the reasons Virginia Knauer strongly recommends Option I.) Cap Weinberger, Fred Dent, Ken Cole and Bill Timmons recommend Option III.

On balance, I recommend Option I.

Option I	(Modified Holifield/Horton Bill)	_____
Option II	(No Bill)	_____
Option III	(Option II, plus administrative actions)	_____

Attachments



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 23, 1973

MEMORANDUM FOR THE PRESIDENT

Subject: Consumer Protection Agency Legislation

I. BACKGROUND

Last Congress, a compromise bill (Holifield-Horton) to create an independent Consumer Protection Agency passed the House 344-44 with limited Administration support. A similar, more objectionable bill (Ribicoff) reached the Senate floor, but no vote was taken. Both bills have been reintroduced (H.R. 21, S. 707), and the Administration will probably testify in early June. Bill Timmons believes that some form of a Consumer Protection Agency bill will be passed during the 93rd Congress with or without Administration support.

In your October 30, 1969, message to Congress you proposed the Consumer Representation Act which would have created "a new Division of Consumer Protection in the Department of Justice, to act as a consumer advocate before Federal regulatory agencies in judicial proceedings and in government councils." Subsequently, the Advisory Council on Executive Reorganization (Ash Council) was established and you suggested in a February 24, 1971, message that Congress await recommendations you "consider necessary to provide effective representation of consumer interests in the regulatory process. If Congress feels it must proceed on the matter of consumer advocacy prior to receiving my recommendations, then I strongly urge and would support, as an interim measure, the placement of the advocacy function within the Federal Trade Commission." We did not submit a recommendation based on the Ash Council report.

When it became apparent that your organizational preferences were not being actively considered by Congress, the Administration focused upon the Holifield bill. Through discussions with representatives of OMB and the Office of Consumer Affairs, Chairman Holifield was persuaded to adopt many of the Administration's proposals while retaining a separate agency. The resulting bill proposed more limited advocacy powers than your earlier Consumer Representation Act and was reported favorably by Chairman Holifield's committee and passed by the House.

After the Holifield-Horton bill was reported by the committee, and again when it passed the House, Mrs. Knauer, speaking for the Administration, publicly endorsed the bill and later urged in testimony that the Senate enact the House-passed bill.

The House bill would create a separate Consumer Protection Agency which some feel would conflict with the role of other agencies. It would establish a federally funded consumer advocate which can participate or intervene in formal or informal proceedings of other agencies, can request proceedings to be initiated, and can initiate judicial review of formal agency proceedings and intervene in such cases.

The Senate bill contains these provisions and, in addition, would:

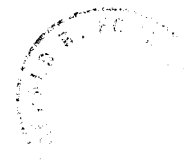
- provide an Administrator who would serve for a fixed term and would be removable only for cause.
- provide for advocate intervention in State and local proceedings.
- give independent "discovery" powers to obtain information from business and private persons by administrative order with recourse to the courts.
- require submissions directly to Congress on budget and legislative matters.
- establish a categorical grant program for consumer activities.

II. ACTION

OPTION I: Continue your support of the Holifield-Horton proposal modified as appropriate. Such modification could include (1) limiting the definition of consumer interests, e.g., to economic aspects and excluding environmental aspects; (2) limitations on advocate intervention powers, e.g., to formal proceedings; and (3) leaving the Office of Consumer Affairs in the Department of Health, Education, and Welfare.

Pros

1. The need for a consumer advocacy program is just as great now as it was when you proposed it in 1969 and 1971. Individual consumers have neither the resources nor the economic stake in particular proceedings to participate effectively in Federal agency proceedings. Though some suggest that one advocate cannot represent the individual interests of 200 million consumers, in practice different constituents of the "consumer interest" can be weighed just as now departments and agencies weigh competing factors to ascertain the "public interests."



2. There is substantial support in Congress for a consumer advocate bill. Thus, its enactment may be inevitable. This bill is the most moderate of those likely to be enacted. You would be in a leadership posture in the consumer area by supporting but attempting to constructively modify the bill.

3. Holifield and Horton have stated that they will not compromise in the direction of the Senate version if we support them. Thus, you may receive a relatively moderate bill (but one with an independent consumer agency with an advocate function) since the Senate would probably accept the House version if they are faced with a choice between the House bill and no bill at all.

4. This would avoid antagonizing Chairman Holifield, thereby maintaining or improving the prospects for your proposals to set up the Community Development and Natural Resources Departments and to extend Presidential reorganization authority.

5. This would be more consistent with your earlier position supporting a consumer advocate although you did not propose a separate agency.

6. A Federal consumer representation program would tend to forestall or mitigate development of private group advocacy which could obstruct government decisionmaking.

Cons

1. New consumer protection legislation is unnecessary. The consumer is already adequately represented by Federal agencies, private groups, advocacy lawyers, and State and local consumer units. Support for a consumer advocacy agency would imply that other government agencies are anticonsumer.

2. A consumer advocacy role along the lines of the proposed bills would disrupt other Federal agencies' functions because the advocacy function would encourage intervention in agency deliberations and hearings and throw administrative decisionmaking into the already over-burdened judicial system.

3. Consumer interests are often varied, and the Consumer Protection Agency would have to weigh competing consumer interests in forming its position on many issues.

4. Rather than represent varied consumer interests, it could tend to reduce the standing in the regulatory process of private groups whose interests are not consistent with those selected by the agency representing the consumer.

108-1080

5. Creation of a new separate agency is inconsistent with your desire to curb the proliferation of agencies reporting directly to the President.

OPTION II: Oppose any consumer protection legislation.

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1. Avoids creation of another independent agency whose activities might conflict and interfere with those of ongoing agencies.
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3. In the absence of our support, Holifield-Horton might compromise with the Senate, resulting in a worse bill which should improve further the chances of sustaining a veto. Bill Timmons feels that if business were united, a veto, even of the Holifield-Horton bill, could be sustained. (It is not clear whether business would be united)

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1. You would appear to be opposed to consumer interests, and consumer advocates would shift their attack from Congress to the White House. This could be politically costly, when added to higher food prices, the domestic spending bills you will probably veto, and in view of the fact that the Administration supported this legislation in the last Congress.
2. Withdrawing our earlier public support would antagonize Chairman Holifield. This could severely jeopardize your organization proposals as discussed under Option I unless ameliorated by enlisting his participation in our energy planning.
3. There is a good chance that the bill would pass and a slight chance that a veto would be overridden.
4. The bill could be reintroduced next session, and the battle would have to be fought all over again in an election year.
5. This would be a reversal of your previous positions.

OPTION III: Oppose any consumer protection legislation but take action to:

- expand the role of the Office of Consumer Affairs in regard to handling complaints and advising Federal agencies on the consumer interests, and requesting regulatory agencies to insure that consumers have access to regulatory proceedings.

This is similar to Option II and has roughly the same pros and cons. Relative to Option II, however, this option would show some evidence of the Administration's concern for consumers and could weaken support for the Holifield-Horton bill. However, because it does not address the central issue of a consumer advocacy role, the Administration would be strongly criticized by consumer interest groups.

III. RECOMMENDATION"

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Option I	(Modified Holifield-Horton bill)	_____
Option II	(No bill)	_____
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Roy L. Ash
Director

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A
B
A

THE WHITE HOUSE

WASHINGTON

May 31, 1973

MEMORANDUM FOR THE PRESIDENT

FROM: Virginia H. Knauer

RE: Consumer Protection Agency Legislation

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I make this recommendation for the following reasons:

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MEMORANDUM FOR THE PRESIDENT

Page 2

Political

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MEMORANDUM

THE WHITE HOUSE
WASHINGTON

HR 7197

Warranty..... Federal minimum standards... ^{interstate}

[Consumer Protection Agency.....]

52738

← Warren Buchler ~~xxxxxx~~ ~~xxxxxx~~ →

Source =

1971 - U.I. field used 6.71 though
U.I. had Ad. support...

← Senate filibustered it to death... →

1973 - U.I. field - W.R. 21.... → nothing S. likely
but in a week

Ribicoff S. 707 - hearing over,
in week up.

U.I. & U.I. field may be strong.
Admirable watching.

Set up Consumer Protection Agency
Consumer advocacy within Govt
Structure. An agency to do
research &

) how far
it can go
in intervention.

Present case to regulatory agency... Grants to

← will pass it; what kind



MEMORANDUM
OF CALL

TO:

Jim
☐ YOU WERE CALLED BY— ☐ YOU WERE VISITED BY—

Cong Devine
OF (Organization)

☐ PLEASE CALL → PHONE NO. *X 5355*
CODE/EXT. *X 5355*
☐ WILL CALL AGAIN ☐ IS WAITING TO SEE YOU
☒ RETURNED YOUR CALL ☐ WISHES AN APPOINTMENT

MESSAGE

*Ret. call at 11:00 am
In conference - will call
back..*

RECEIVED BY

DATE

TIME

STANDARD FORM 63

REVISED AUGUST 1967

GSA FPMR (41 CFR) 101-11.6

GPO : 1969-O-48-16-80341-1 332-380

63-108

6/15

10:20

THE WHITE HOUSE
WASHINGTON

Urgent -
Followup
with contact
to leadership

1- Recommend leadership
meeting..
—



Wagner -

He thought well
we will have hell.

But like to have
Hell filled - broken out in cold

C. H. Fountain

we can't beat nothing
until nothing to

we are going to
have to go with

1- Consult with Ambush.p..

Anderson...

Ford ...

Armed...

Rhodes...

Deane ..

Ainsworth and Sutter Day.

get visit

John Coulson.. (under)

~~Carl K. Cole~~

~~Ed. A. Smith~~

11th ~~Byron Popperine Slaton Senior~~

Friday!



MEMORANDUM

THE WHITE HOUSE
WASHINGTON

John Anderson ☒ on plane..... (tomorrow morning).

Jerry Ford ☒ on plane

Alton, ☒ home -
(338-4815)

(Get
See notes.)

Rhodes ☒

Absolute imperative to keep Hart & Holifield -
on our side for legislation going through Committee.
Look fellow - you go back to our bill., will support
it. Seem to me get Hart & Holifield down;
to White House..



MEMORANDUM

THE WHITE HOUSE
WASHINGTON

Devine - (Flying home) - tomorrow - 10:00 a.m. - Li. 11/11/61

Carlson: No great push for it. In our decision,
no comments we have to do something in this area. I
don't think there could be hostility to our
group if you did nothing. I am
not prepared to give you a feel..

Do some "dillying up" & give us
a "full back" position or say nothing
~~again~~ until Congress starts spending
We are going to do it; until.



MEMORANDUM

THE WHITE HOUSE
WASHINGTON

~~Set~~


Acends..... Monday or Tuesday..

Half hunter..... watch
developments in South. Uge a
meeting of leadership.. particularly -
House side. We would have to
sustain nets.



MEMORANDUM

THE WHITE HOUSE
WASHINGTON

STAN ANDERSON 

Some danger in E. P. A.
The Madras has sparked the
country; It may be considered
inconsistent position, but not be
for any bill. Let legislation work
around people are fed up. But
I am not a Madras + Gandhi.

It doesn't make..
'Counting is the virtue
of a hard head.'

I'm not sure we could sustain
note.



Rep. Tim Burrell - D-Ala - Optum III
"Did not have power"

Rep. John Breaux - D-La. " " "
"We did not have insurance"

Rep. Trent Lott - R-Miss " "
"Will work with congress &
Southern Rep."



as far as I am concerned,
Annie to know we should have
some position... I don't know.

my feeling is to support Hatcher ^{selfish}

If you support, Hatcher has a fair chance
position. We could sustain. If they
go beyond. It wouldn't be easy

Don't want - to get by. membership
of Govt Gen Operations -
+ by. -

