

Nixon Threatens to Veto Senate Consumer Bill

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President Nixon, in a sharp blow to prospects for creating a Consumer Protection Agency, has declared that the Senate's bill is "unacceptable" and would be vetoed "if presented to me."

The president's position was made known yesterday in a letter to Sen. Carl T. Curtis (R-Neb.) as the Senate moved toward the start of its second week of debate on the bill, which is facing a filibuster from Sens. James B. Allen (D-Ala.) and Sam J. Ervin Jr. (D-N.C.).

Mr. Nixon's July 18 letter, his first clear personal statement on the issue, will make it much more difficult and perhaps impossible for sponsors to obtain the two-thirds vote needed to break the filibuster and send the bill to a conference with the House, which has already passed a slightly weaker version.

In 1970 a similar bill passed the Senate 74 to 4 but died in the House Rules Committee. A

1972 version was filibustered to death by Ervin with the backing of a huge pack of business organizations and the covert aid of the White House. It is supported by Ralph Nader, the AFL-CIO, and the Consumer Federation of America.

The independent protection agency would have no regulatory power of its own, but it could enter regulatory agency and court cases as a superlawyer advocate for the consumer point of view to see that the public was not bilked, gouged, cheated or poisoned by dirty foods and shoddy products.

It would have the power to call witnesses, make legal arguments, initiate appeals, present evidence and testimony as if it were a party in the proceedings. Final decisions on all these issues, however, would remain with the regulatory agencies and the courts.

Such groups as the Chamber See CONSUMER, A4, Col. 6

CONSUMER, From A1

of Commerce and the grocery manufacturers believe the new agency could pry into trade secrets and harass businesses with endless legal proceedings.

But chief sponsors Abraham A. Ribicoff (D-Conn.), Charles H. Percy (R-Ill.) and Jacob K. Javits (R-N.Y.) say the bill would merely give the consumer a voice in agency and court proceedings usually dominated by spokesmen for business.

Referring specifically to the Senate version of the bill, Mr. Nixon wrote to Sen. Curtis, "After a review of the provisions . . . I must inform you that it is unacceptable and if presented to me I would veto the legislation."

Although he didn't say so outright, Mr. Nixon implied that he might reconsider if the Senate made substantially softening changes, some of which already are in the House version. He did so by enclosing a May 15 letter to Ervin from Roy L. Ash, director of the office of management and Budget, listing changes that would represent "a positive step toward responsible legislation."

Among Ash's proposed changes: reducing CPA's proposed "sweeping and unbridled" power to compel businesses to answer questionnaires on their operations; adopting language making it easier for the President to fire the administrator of the new agency (most agency administrators simply serve at the President's pleasure and the White House apparently favors this formulation instead of the limited grounds for removal stated in the bill); removing language requiring CPA to submit its budget requests to Congress at the same time as it sends them to the OMB, a requirement that would enable Congress to ignore any cuts proposed by the OMB and thus reduce OMB control.

Other changes proposed by Ash: Limiting CPA's power to appeal regulatory decisions to the courts; limiting CPA acquisition of business trade secrets from other federal agencies which have obtained them from those businesses; requiring the CPA to use Justice Department attorneys to bring legal proceedings, instead of the CPA's own attorney, if the Justice Department decides it should handle the case; removing an exemption that would forbid the CPA to intervene in labor-relations cases and in FCC broadcast-renewal

cases. (The labor exemption was upheld by the Senate, 57 to 40, in a test vote last week.)

Although there were no votes on the bill yesterday, Senate GOP Whip Robert P. Griffin (Mich.) attacked the labor and FCC exemptions and said that in view of the large number of consumer bills passed in the last two years — including emission controls, a product safety commission, injunctions against unfair trade practices — he couldn't support the measure as he had in the past. Griffin voted for cloture when Ervin filibustered the 1972 version to death.