

# CFA NEWS



## CONSUMER FEDERATION OF AMERICA

WASHINGTON, DC

JULY/AUGUST, 1980

### CFA Urges Democratic Party:

# Reaffirm Consumer Commitments

The Consumer Federation of America has urged the Democratic Party to reaffirm its traditionally strong commitment to consumer politics. Testifying before the Democratic Platform Committee, Michael Podhorzer, CFA Legislative Director, said the Democratic Party stands at a crossroad. Either it "can choose to affirm the policies of the last four years which are policies endorsed by the Republican Party, or it can choose to reaffirm the principles of economic justice and social equity embodied in the 1976 platform and in the tradition of the Democratic Party."

As the party constructs its 1980 platform, the areas of greatest concern to consumers are government reform and accountability, the economy and energy. To guarantee the integrity of Congress and check corporate abuses, CFA called for vigorous support of such policies as: public financing of Congressional elections; opposition to a Congressional veto

over regulatory agencies; support for the Corporate Democracy Act; establishment of criminal penalties for corporate criminals; vigorous antitrust enforcement and prohibitions on conglomerate mergers; support for public participation funding, and opposition to denying judicial presumption in favor of agency rules and regulations.

On the economic front, CFA called for a comprehensive anti-inflation program that addresses structural inflationary problems. Attacking the Administration's current "see saw" policies which have disrupted our economic growth, Podhorzer said such a program should emphasize steady growth to insure a stable and flexible economy.

CFA's strongest criticism, however, was targeted at those Democrats in the Congress and White House who have repudiated the priorities and philosophy of the 1976 Party Platform in formulating national energy policy. "The Democratic

party has always recognized that allowing major oil companies to set the price of energy is a policy of desperation without hope or imagination," Podhorzer said. Yet the Democrats, succumbing to Republican illusions, did just that by decontrolling oil.

CFA urged a strong national commitment to conservation and the development of renewable energy resources as "a far more humane and effective program" for dealing with America's energy problems. Citing the recognized promise of solar energy and the proven cost-effectiveness of conservation, Podhorzer

criticized the Administration's ill-conceived commitment to a crash synthetic fuels program. Not only is such a program economically unsound, pushing energy costs even higher and draining needed capital from other sectors of the economy, but it will only serve to reaffirm the major oil companies' control over our energy future.

Podhorzer submitted CFA's Policy Resolutions to the Platform Committee, noting that the resolutions cover in greater detail the many issues that are of significant concern to consumers.

## Home Improvement Abuse Leading Consumer Fraud

The Consumer Federation of America called for a sweeping investigation by the Federal government into home improvement abuses, which it labeled as the nation's number one consumer fraud in a study it just released.

"Consumers are losing billions of dollars a year through the purchase of unneeded, defective or exorbitantly priced home repairs," said CFA Executive Director Stephen J. Brobeck. "Home improvement abuses are more in need of remedy than any other type of consumer fraud."

Brobeck and CFA researcher Edith Furst wrote the 20,000-word study, entitled *Home Improvement Frauds: A Preliminary Report*, under a grant from the Department of Housing and Urban Development. In addition to an overview of abuses and remedies associated with home repairs, it includes case-studies of lien-sale contracts, basement waterproofing, roofing repair and solar devices.

The report found that, with the exception of automobile problems, home repairs are the most prevalent source of consumer complaints. But in dollar terms, home improvement fraud represents a far more costly problem, typically involving more than \$1000, and ranging up to tens of thousands of dollars when home equity is lost.

Redress for home repair fraud is also often very limited. "Home improvement companies," states Brobeck, "are freer than most other businesses to avoid

sanctions by moving operations to a different city or state, or by declaring bankruptcy and reincorporating under a different name."

## Newswatch

### FDA Attacked On Valium Ruling

The FDA came under strong attack from consumer groups following the announcement of its physician labeling plan for Valium. Sandra Willett, National Consumers League Executive Vice President, criticized the action as "the mildest possible step [that could have been] taken by a government agency responsible for the health and safety of citizens."

Millions of Americans are estimated to suffer from adverse side effects or addiction to the tranquilizers Valium and Librium, yet the FDA's long-awaited action regarding Valium called only for drug-makers to tell doctors such pills should not be used for "everyday" stress.

Dr. Sidney Wolfe, head of the Health Research Group, said patients as well as doctors should be warned of the dangers of the drug and he joined with Willett and other consumerists in calling for a re-scheduling of the drug to a more restrictive category. This would not only limit the production of the drug, but also the number of permitted refills. A large proportion of the 39 million prescriptions for Valium in 1979 alone were refills.

### Sweeping Court Decision Hampers Information Release

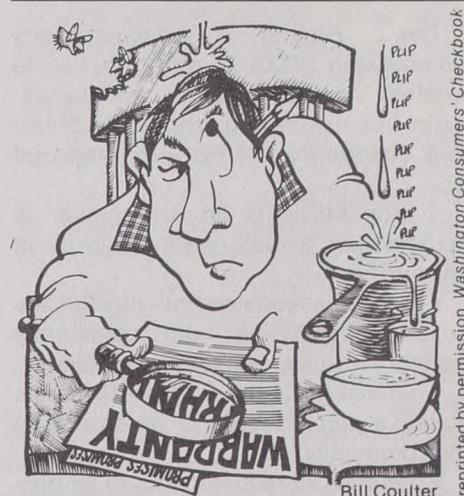
A unanimous Supreme Court dealt a severe blow to the Consumer Product Safety Commission in a ruling handed down June 9. In *CPSC v. GTE-Sylvania*, the Court held that before the CPSC responds to a Freedom of Information Act request by releasing documents concerning particular manufacturers and products, it must first provide the manufacturer with 30 days advance notice of the disclosure as well as an opportunity to submit its objections.

This sweeping decision, which covers virtually every type of information possessed by the CPSC, erects an additional obstacle to consumers seeking product safety information. However, the door was left open for Congress to effectively reverse this decision by enacting legislation to specifically exempt FOIA requests from such onerous advance disclosure requirements.

### Effectiveness of Consumer Offices Remains In Doubt

The Carter Administration announced in June the final establishment of consumer programs in thirty-five Federal

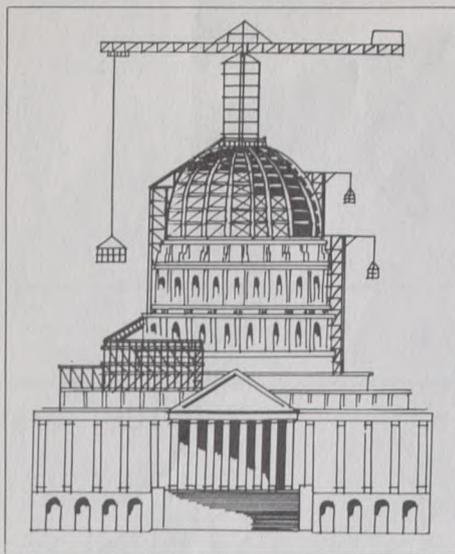
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The home improvement industry exists with little regulation, so it is not surprising that, according to the study, "it is more open than most industries to the incompetent and the dishonest. For many types of work little capital or expertise is needed."

Nor has the area of home improvement fraud received much investigative attention. So little information exists, in fact, that it is impossible to even estimate what proportion of the more than \$40 billion spent on home improvements in this country last year was lost through fraud or waste.

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During the 1980s inflation is likely to continue as the most pressing consumer problem and concern. This is the perception of the American public, according to opinion polls, and it is an apprehension that is almost certain to prove true.

For more than a decade rising prices and taxes have eaten away nearly all increases in the purchasing power of weekly paychecks. Family incomes have risen only because large numbers of women joined the labor force. Yet over the past two years double digit inflation and social security tax hikes have combined to erode even those incomes.

Simply because of the likelihood of a continued escalation in energy prices, there is every indication this trend will not be reversed. Despite cutbacks in oil consumption over the past year and a half, the near certainty of a decline in domestic production ensures that the rapidly rising price of foreign oil will drive up the cost of living substantially in the 1980s.

Now that the inflation rate has dipped from the 18 to the 10-13 percent level, pol-

## Washington Perspective: Challenge for the Eighties II. Fighting Inflation

by Stephen J. Brobeck, Executive Director

icy-makers appear less concerned with inflation than with other pressing problems. However, they should keep in mind that a 10 percent inflation rate depreciates the value of a dollar by one-half in a 8-9 year period and that when the economy begins to heat up, aided by an almost inevitable tax cut, inflation certainly will not abate and may worsen.

The destructive influence of inflation extends beyond the erosion of purchasing power. By aggravating economic insecurities, inflation drives individuals and families toward a selfish preoccupation with their own welfare and disregard of others. Citizens grow far more receptive to corporate propaganda that government spending and regulation are mainly responsible for the rising cost of living. Accordingly, inflation jeopardizes the efforts of government to assist the disadvantaged and protect the health and safety of consumers and workers.

Wildly fluctuating prices also erode the economic foundations of our society by promoting the transfer of capital from long-term investments, available for modernization and expansion, into speculations attempting to capitalize on short-term variations in the market prices of land, stocks, commodities, gold, collectibles, and other "investments." The shifting of capital from steel stocks and bonds to real estate, for example, deprives the steel industry of badly-needed capital for modernization at the same time it drives up housing prices. As steel loses ground to foreign manufacturers,

the flow of wealth out of the country adds to inflationary pressures.

Double digit inflation was precipitated by rising energy prices, but it has exposed the misuse of capital and human resources in our society. During the 1950s and 60s, the inflationary impacts of wasteful oil consumption, consumer fraud, growing obsolescence of our industrial plant and equipment, substantial defense spending, the huge corporate expenditures on the "sales effort" were masked by America's political and economic world dominance and by access to inexpensive natural resources, particularly oil and natural gas.

Now that the U.S. is facing stiff economic competition from other countries and is increasingly unable to sustain its "petroleum fix," such misuse and abuse of resources can be seen as major contributors to inflation and a deteriorating level of living: Energy waste and industrial obsolescence shift wealth out of the country; the unemployed and underemployed who could be creating wealth instead drain the society of resources; wasted defense spending deflates the value of money without strengthening our national security; and expenditures on puff advertising, fancy packaging, promotional gimmicks, shoddy repair work, built-in obsolescence, and outright consumer fraud all inflate the cost of consumer goods and services. When combined with an expanding money supply, such misallocation of resources forces up prices, which in turn promotes waste-

ful speculation and more inflation.

The response of the current Administration to this growing crisis has been mixed. Before the general public fully appreciated the grave political and economic consequences of oil depletion, it called for a wide variety of conservation measures including artificial domestic energy price hikes intended to reduce oil consumption. This was followed by a windfall profits tax proposal that was laudable in theory but was far too limited to ease the painful transition to an energy independence, based on renewable energy sources, that did not devastate lower and lower middle income families.

Recently it has aggravated the crisis by managing a recession that has increased welfare costs and discouraged the productive use of human and capital resources. In what, however, should be cause for great concern, these policies look sober and realistic compared to those contained in the platform of the Republican Party, which refuses to acknowledge the fact of rapid exhaustion of our oil and natural gas reserves.

A major challenge for the consumer movement in the 1980s is the development of a more creditable and effective response to inflation. We should develop and disseminate an analysis concretely linking inflation to waste and speculation. And we should propose and advocate specific measures to reallocate resources, currently being squandered, into the building of a safer, more productive society based to the maximum feasible extent on renewable energy sources. Without such measures we cannot hope to attain a moderate rate of inflation and increases in levels of living.

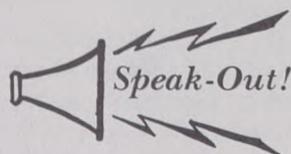
The above essay summarizes the preliminary results of a much lengthier analysis scheduled for completion in late August.

The Federal Communications Commission (FCC) is about to decide whether to "deregulate" commercial radio. In a rulemaking proceeding of historic importance, the FCC has proposed to:

- Drop its limits on the number of commercials a radio station can air in any one hour;
- Abolish ascertainment—the FCC-required consultation with community leaders about local needs and problems;
- Eliminate program logs—the radio station's public record of its service to the community;
- Remove all requirements to air non-entertainment programs such as news and public affairs.

If adopted, these proposals will disenfranchise the public from its rights in radio broadcasting. In the past, radio broadcasters have been regarded as public trustees of a valuable resource with obligations to serve the public interest in their home communities. Under the FCC plan, programming will be judged on the basis of advertising markets. It will be presumed that programs desired by advertisers serve the public interest.

The Commission's radical proposals are a threat to all local groups who use the radio to reach the public. Broadcasting is the most effective means for community-based groups to communicate on



## Radio Deregulation Proposals Disenfranchise the Public

by Samuel A. Simon, Executive Director, National Citizens Committee for Broadcasting

a broad scale. Currently, opportunities for local groups are very limited; if the FCC has its way, they will be nonexistent. Public affairs programming, in the words of FCC Commissioner Washburn, "will likely go by the boards." The number of commercials is likely to increase dramatically as broadcasters seize the opportunity to maximize profits at the audience's expense. Public service announcements will then become a thing of the past.

If program logs disappear, Fairness Doctrine and Equal Time standards will become virtually unenforceable, leaving citizens with no method of gauging broadcaster's performance at license renewal time or during competing applicant hearings. It will be impossible to determine if broadcasters are meeting public interest standards.

There has been a massive public outcry over these outrageous proposals. Over 25,000 comments from individuals and organizations have been filed with the FCC in this one proceeding. Local

groups, labor unions and public charities have all expressed their desire to have the public's right to access to the airwaves protected. True "deregulation", they argue, would free the airwaves for them to use, while the proper characterization of the FCC proposal is "radio monopolization".

These concerns, however, seem to fall on deaf ears. Chairman Charles Ferris has demonstrated a blind commitment

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agencies which would make the government more aware of consumer issues. Each agency is to appoint a high-level official to be responsible for consumer interests. This system was set up by the Administration after the defeat of a proposal for a separate consumer agency.

No sooner had the announcement been made than budgetary problems began cropping up. Already, Congress has prohibited some agencies from using existing funds to pay for public participation at agency hearings, and the

to seeing deregulation through, regardless of its impact on the public. The issue has become a political one: Can Ferris deliver radio deregulation to Carter in time for it to help in the general election?

The final date for comments to the FCC was June 25, 1980, but there are still things you can do to help keep radio responsive. Let others know what is happening. Ask them to write to the FCC, mentioning BC Docket No. 79-219. Although the formal record is closed, comments from the public will still have an impact. If your local radio station has not provided any coverage of radio deregulation, attempt to arrange for a public affairs program on this important issue. Write NCCB, PO Box 12038, Washington, D.C. 20005, for additional information on radio deregulation.

Senate Appropriations Committee is currently trying to slash the funding of an established consumer office.

It remains to be seen just how effective the newly-appointed consumer officials will be in influencing agency policy. According to CFA Executive Director Stephen J. Brobeck, "The programs will not work without the full and continuing support of the President. Only such backing will insure that agency heads recognize the need for consumer representation within their agencies."

# Legislative Wrap-Up

## Trucking Deregulation

Consumers scored a major victory as President Carter signed the trucking deregulation bill into law in early July. The legislation, which was overwhelmingly approved by Congress, will save consumers as much as \$8 billion a year. It ends nearly a half century of regulation of the trucking industry and will, according to chief sponsor Sen. Edward Kennedy (D-MA), "have a greater impact in dampening the fires of inflation" than any single piece of legislation.

CFA worked hard for passage of the bill which will make it easier for newcomers to enter the field thus promoting competition. The legislation will also allow individual truckers greater freedom to determine prices and will end antitrust immunity for some collective rate-making.

## Synfuels

President Carter signed the Energy Security Act on June 29, creating a federally-owned company to promote production of synthetic liquid fuels from coal and shale. The bulk of the initial \$20 billion in funding is intended for use as loans and loan guarantees for synfuel production, while only \$2.75 billion is earmarked for solar and conservation loan subsidies.

CFA supports government efforts to finance and spark the development of new energy sources, but this bill represents a dangerous skewing of national energy policy toward costly, capital-intensive and environmentally-detrimental energy sources. The emphasis should instead be on safe, cost-efficient conservation and solar energy.

## Energy Mobilization Board

The stunning defeat of the Energy Mobilization Board by an almost 2-1 House vote in late June was a major victory for consumers. The Carter Administration had proposed the board as part of its national energy package to give energy projects a "fast track" through the bureaucracy. CFA adamantly opposed the board creation as a threat to the health

and safety of consumers. By permitting the "cutting of red tape" it would have tampered with due process, allowing state and environmental laws to be overridden.

Because the House voted to send the EMB back to a joint Congressional conference, the measure technically isn't dead. But despite claims by some of the board's supporters that it will be revived, this seems unlikely.

## Home Mortgage Disclosure Act

A coalition of consumer groups, civil rights organizations and neighborhood groups scored a key victory by narrowly defeating a "sunset" amendment to the Home Mortgage Disclosure Act which was given permanent status by the Senate in a heated floor vote in late June.

The HMDA, which was scheduled to expire June 28, requires banks and savings and loan associations to disclose mortgage lending patterns by neighborhood. Since it was enacted in 1975, the Act has become a major tool in ending discriminatory lending practices or "red-lining," and in promoting reinvestment efforts. The Senate Banking Subcommittee that reported the bill, sponsored by Senator Max Baucus (D-MT) (see Speak-Out in February *CFA News*), recommended making the law permanent, but Senator Jake Garn (R-UT) added an amendment on the Senate floor to let the law expire in 1985.

Following heated floor debate the Garn amendment was rejected on a 37-37 vote. On a motion by Sen. Jacob Javits (R-NY), the vote was reconsidered and defeated 36-38.

The bill, which is part of a larger housing package, is scheduled to go before a House-Senate conference later this summer.

## Superfund

Superfund legislation, intended to provide money for liability, compensation and cleanup of hazardous chemical waste spills and dumpsites, has finally passed Congressional committees. The

two House bills (HR 7020 and HR 85) have moved from the Ways and Means Committee to the Rules Committee, and the Senate bill (S 1480) was reported by the Environment Committee on July 11 and will soon be scheduled for the floor. All three versions are aimed at preventing future tragedies like the one at the Love Canal tract in New York. The bills provide for a superfund, most of which would be paid for by the chemical companies, to help clean up 5700 potentially hazardous dumpsites around the country.

The stricter Senate version would impose fees on the sale of hazardous and polluting substances, requiring industry to contribute 87% of the \$800 million annual superfund. It would also hold companies liable for hazardous emissions whether or not negligence was involved. However, an amendment to the Senate bill by Senator Peter Domenici (R-NM), which was unanimously approved, would prohibit superfund monies from being used for damages occurring before enactment of the legislation.

CFA supports this legislation which would make chemical firms responsible for their hazardous emissions.

## Sunset Legislation

Legislation to automatically terminate federal programs unless Congress specifically extends their authority was approved with only minor changes by the Senate Governmental Affairs Committee June 17.

CFA vigorously opposes such "Sunset" proposals which would be most frequently targeted toward health and safety regulatory agencies. CFA believes federal agencies should be eliminated in the same manner in which they are created—by a deliberate Congressional process and a vote to abolish, not by simple inaction.

The current bill (S 2), would require Congress to review federal regulatory programs over a 10-year period. If Committees with jurisdiction over each program do not conduct a review and report out a resolution to either reauthorize or terminate the program, funding legislation could be blocked.

It is uncertain if the bill will ever reach the Senate floor, however, due to the glut of pending legislation and the efforts of opponents to hold off the bill's consideration in the hope it will get buried. Even if the bill does reach the floor, support for a Sunset bill has weakened dramatically.

## Metzenbaum Insurance Bill

Committee hearings were recently held on a bill introduced by Senator Howard Metzenbaum (D-Ohio) which would limit the broad antitrust immunity of the insurance industry. The bill encourages competition on the basis of price and service for auto and basic property insurance through deregulation. Proponents of the measure told the Senate Subcommittee on Antitrust, Monopoly and Business Rights that the Insurance Competition Improvement Act (S. 2474) would end discrimination to insurance buyers by encouraging firms to base rates on record

and performance rather than on such factors as sex or geographic location.

The proposed legislation would not only open up the markets for essential insurance and protect consumers from arbitrary surcharges and refusals to insure, but would also require published price information and plain language policies.

## Bottling Bill

The lobbying effort by the soft drink bottlers in securing passage of the bottling bill was described by Congressional committee members and staffers as one of the most intense and effective during the last year. Considering the fact that there is at least one bottler in most districts, it is no surprise that the industry easily pushed legislation through Congress to exempt itself from antitrust laws. According to one staff member: "A lot of people listened to the industry without even looking at the issue. Members were willing to go along with the amendments as long as the industry approved." President Carter signed the bill into law on July 16.

CFA strongly opposed the bottling bill which was put together after the FTC ruled that soft drink bottlers with exclusive territorial franchises were guilty of restraint of competition. This example of an industry obtaining special treatment under antitrust laws sets an extraordinarily dangerous precedent. It will invite other industries that want to exempt themselves from antitrust laws and dodge the authority of regulatory agencies to take their appeals to Congress.

## Stockman Amendment

Despite the proven effectiveness of passive restraint systems, it now seems likely they will not be required in new cars, and they may not even appear as an option.

The surprise addition of an amendment last December to the House authorization bill for the National Highway Traffic Safety Administration, which in effect kills NHTSA's hard-won passive restraint system, is likely to remain intact when House and Senate conferees meet in early August. The amendment, introduced by Rep. David Stockman (R-MI), purports to be a "freedom of choice" plan. It states only that a purchaser must be able to choose between an active (manual) belt system and whatever passive restraint system the manufacturer chooses to put in the car. In effect, however, it is merely a manual belt standard.

Furthermore, if passive restraint systems are not mandated, the price of one may become prohibitive to consumers, certainly economically pre-empting any "freedom of choice." The Stockman Amendment further defines the term "purchaser" to include retail auto dealers, which means that any "choice" would be in the hands of the auto dealer, not the consumer.

CFA has been strongly opposed to this amendment and encourages all consumers to write the conferees (addresses available from CFA or NHTSA).



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## Two Staff Members, Interns Join CFA

Joanne Weistling, of Silver Spring, Maryland, and Ruth Simon, of Beachwood, Ohio, have recently joined the CFA staff as Assistant to the Director and Information Officer.

Weistling, a 1980 magna cum laude graduate of the University of Maryland, is assisting Executive Director Stephen Brobeck with office management, finances, intern recruitment, special events, and grants and contracts.

Simon, who graduated cum laude in economics from Yale University this spring, will work on the State and Local Resource Center, publications, and public relations. In addition to editing the *Action Faction*, she will produce a new bi-weekly legislative report scheduled to appear early this fall.

While at the University of Maryland, Weistling served as president of the 22,000-member University Commuters' Association and this spring was named the "Outstanding Senior Woman" out of the 4000 women in her graduating class. Weistling also interned this spring on the national organizing staff of Big Business Day.

Simon brings to her position an extensive background in publications and consumer affairs. She served as editor and contributor to the *Yale Daily News Magazine*, and has freelanced for the *Cleveland Consumer Action's Bait and Switch*, and for the *Cleveland Plain Dealer*. Last summer Simon worked for Consumer News, Inc. where she wrote the "Help-Mate Action Line," covered Congressional hearings for the *Consumer News-weekly*, and contributed to the consumer



Ruth Simon is CFA's Information Officer and Joanne Weistling is Assistant to the Director.

information almanac, *Help 1980*.

A crew of six college interns is also hard at work at CFA this summer. Terry Arbit, a 1980 graduate of the University of Pennsylvania, is working on candidate endorsements and legislative affairs. He will enter the University of Chicago Law School this September. Sarah Austrian, a senior at Brown University, is working on guides to Federal funding and informational resources for consumer groups. Glen Daigon, a government major at Oberlin College, is also working on candidate endorsements and legislation. Brian Harding, a June graduate of Berkeley, is assisting with publications. He will attend a graduate program in the teaching of writing at Berkeley this fall. Reed Marill, a classmate of Arbit's at the University of Pennsylvania, is conducting research on inflation for CFA. He will enter Emory University Graduate School of Business in September. Amy Woolf, a senior in political science at Stanford, is doing research on energy.

## Getting Action



A petition filed by consumers in California resulted in lower milk prices and an annual savings to consumers in that state of over \$10 million in milk expenses. Another petition to a state department of education led to the department issuing new regulations extending rights to handicapped children.

The right to petition the government is among the most important rights guaranteed by the federal and state constitutions. A new publication from Consumers Union shows exactly how to petition most effectively. **Getting Action**, written by Carl Oshiro and Harry Snyder, is a comprehensive manual explaining the petitioning process and giving step by step instructions on how to actually file a petition. Also included in the book are quick reference checklists, worksheets and forms to guide readers through the process.

Mike Pertschuk stresses the importance of public participation in the book's preface. He cites examples of how vital citizen participation in rule-making has been during his tenure as chairman of the FTC, and assures consumers that "other agencies, at all levels of government, will listen, too—if your voice is strong and clear."

The book begins with a comprehensive overview of the administrative petitioning process presenting an easy reference chart of specific state petitioning laws and a flow chart of the petitioning

process. It also contains a nuts and bolts, nothing-left-to-chance, guide that addresses every aspect of the process from researching your problem and the state's laws, to actually writing the petition (including a section on your style and one on the cover letter), to launching the petition through a media effort, and how to prepare for an agency hearing. Another section advises on how to respond if the petition is rejected—or accepted.

The petitioning process, the authors note, can be a most effective tool since it can be a straightforward, fast and effective process without the costs and delays of court proceedings or the political implications of the legislative process. Once a petition is filed, the entire process can be completed in 60 to 180 days.

**Getting Action** demystifies the petitioning process and opens it up for more extensive use by consumer advocates. As Pertschuk notes: "You won't always win, but you *can't* win if you're silent."

For copies of **Getting Action**, mail \$7.50 plus 50¢ handling to: Consumers Union, c/o Publishers Services, P.O. Box 3914, San Rafael, CA 94902. CU also holds training workshops and consultations on petitioning state governments for interested citizen groups. Inquiries should be addressed to: Carl Oshiro, Consumers Union, 1535 Mission Street, San Francisco, CA 94103.

### Home Improvements Study

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Although the study offers no simple solutions, it does make several recommendations, including requiring home improvement companies to purchase bonds, buy insurance or place payments in escrow to deter "fly-by-night" operators.

"Insisting creditors go to court to obtain liens," said Brobeck, "would also help protect consumers against fast-buck artists who use home improvement contracts as a means of seizing home equity." But he added that for any consumer law to work, consumer education is absolutely essential. "A cooling-off

period is of no use to consumers who are ignorant of this right. And licensing is completely ineffective unless homeowners register complaints with regulatory agencies."

A Federal investigation of home improvement abuses is necessary, according to Brobeck, not only to clarify the

problem and the specific needs for corrective government action, but also to facilitate the exchange of information among state and local protection agencies.

The study may be purchased for \$5 from CFA, 1012 14th Street, N.W., Washington, D.C. 20005.

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FIGHTING INFLATION  
IN THE NECESSITIES

## CONSUMER FEDERATION OF AMERICA

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