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By JOHN D. MORRIS special to The New York Times

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WASHINGTON, June 22—Ralph Nader accused Federal regulators today of permitting "rampant" violations of consumer credit laws by national banks.

The consumer advocate, testifying before the National Commission on Consumer Finance, said that the power to enforce the laws should be taken away from the Treasury Department's Controller of the Currency, whose office regulates the 4,650 banks. He said it should be given to an independent Federal agency.

Representatives of the Controller, William B. Camp, are scheduled to testify tomorrow. A spokesman said there would be no comment in the meantime.

The nine-member commission, headed by Ira M. Millstein, a New York lawyer, was created by Congress in 1968 to conduct in-depth studies and investigations of consumer credit.

### Insuring Solvency

"The problem with the controller's office," Mr. Nader contended, "is that everything is subordinated to insuring solvency. The controller's overriding preoccupation with preventing bank failures induces the examiners to focus almost exclusively on solvency at the expense of evaluating compliance with the law."

He said that many national banks were still not in compliance with the Truth-in-lending Act, which became law nearly two years ago. He cited as two of the "most flagrant" examples the credit-card billing forms of New York's Chase Manhattan Bank and the First National Bank of Maryland.

Chase Manhattan corrected its forms last April, while "the violation of the Maryland bank still continues," he testified.

The forms, he said, over-emphasized the minimum payment and drew attention away from the total balance due, thus misleading consumers into paying only the minimum and subjecting the remaining balance to an 18 per cent annual interest charge.

An investigating team sponsored by Mr. Nader made a similar charge Sunday against the First National City Bank of

New York in a report that also accused the bank of helping to accelerate deterioration of the slums.

### Handbook Is Cited

Today, Mr. Nader pointed to the controller's handbook of instructions for bank examiners and to bank examination forms as evidence of a lack of emphasis on enforcement of either Federal or state laws to protect consumers against unfair credit practices. He said that insufficient space was allowed in the forms for reporting violations and that only three lines in the handbook were devoted to enforcement of usury laws.

The controller, he said, has refused to permit the state authorities to examine banks for possible violation of state law and has questioned whether some of the laws are applicable to national banks.

"If the controller will not enforce consumer credit protection laws through examination by its own examiners and inhibits state examination, how does he expect such laws to be enforced?" Mr. Nader asked.

"The available evidence," he said, "also indicates that the controller does not enforce state consumer protection laws even when complaints are received from the public."

In that connection, he quoted from what he described as the controller's "standard form letters" for answering consumer complaints.

### Civil Disputes

"Our jurisdiction and authority," the quoted passage said, "do not extend to the adjudication of disputes between a bank and its customers or other parties. These disputes are usually civil in nature and, in the absence of an agreement between the parties, can only be resolved through private legal action."

"This," Mr. Nader complained, "is a classic example of bureaucratic negligence. The controller does have jurisdiction over violations of law by national banks. Thus, to perform his regulatory functions properly, he must investigate all such violations.

"However, most consumer complaint letters are not legalistic enough to prove conclusively a violation, so the controller dismisses them as civil

disputes between the parties [even though] they usually indicate a dispute as to the legality or propriety of the bank's actions."

Mr. Nader called for the

transfer to an independent agency of authority to examine and police national banks and all other federally chartered institutions for violation of consumer credit laws. If Con-

gress does not establish an independent consumer protection agency, as provided by pending legislation, it should give the authority to the Federal Trade Commission, he said.