

November 16, 1973  
Washington, D. C.

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Approved For Release 2000/08/27 : CIA-RDP75B00380R000600130003-3

limit to \$480 billion rather than the House-passed figure of \$475.7 billion. Secretary Shultz said that the Treasury could live with the \$475.7 billion limit for several months but added that even if budget projections were met and no extraordinary debt transactions are necessary the Treasury would be operating under strong debt limit pressure by as early as March.

The Secretary also asked that the Committee remove the rate ceiling on Savings Bonds, currently at 5.5 percent. He said that due to interest rate pressures in the economy and the changes in ceiling rates on thrift and bank deposits in July, Savings Bonds rates are now out of line with other rates and as a result Savings Bonds sales have declined and redemptions have risen.

WARRANTY AND FTC IMPROVEMENTS

ACT ADVANCES

The House Commerce and Finance Subcommittee, after numerous mark up sessions stretching over a period of several months, has reached agreement on the text of H.R. 7917, the Consumer Product Warranties and Federal Trade Commission Improvements Act. The bill as approved reflects the diligent efforts of the subcommittee members to reach a compromise on the highly controversial bill. It will now be up to the full House Interstate and Foreign Commerce Committee to approve the bill before it can be considered by the House.

Briefly H.R. 7917 would: authorize the FTC to issue rules requiring consumer product warranties to be clear and understandable; require that warranties be designated either full or limited depending on its meeting of federal requirements; require that the minimum guarantee on products sold under full warranties be either repair or replacement within a reasonable time; broaden the FTC's jurisdiction over unfair and deceptive practices to matters in or "affecting" commerce; and, clarify the FTC's rulemaking authority and establish procedures for the issuance of FTC rules preventing unfair and deceptive practices.

FURTHER RESISTANCE TO  
PROCUREMENT OFFICE

Defense Department and GSA spokesmen, last to testify on S. 2510, a bill to establish an Office of Federal Procurement Policy (OFPP), agreed with earlier executive branch witnesses that action on the measure should

Testifying before the Ad Hoc Government Procurement Subcommittee of the Senate Government Operations Committee, Assistant Secretary of Defense Arthur I. Mendolia repeated the Administration's position that it is unnecessary to create a new statutory agency "simply to provide leadership" in procurement affairs. GSA Administrator Arthur F. Sampson warned against hastily-considered decisions, and promised the Subcommittee he would return with "specific recommendations" on the OFPP and other procurement issues in the spring.

In contrast, Comptroller General Elmer B. Staats asserted the GAO's position that beyond executive branch "revitalization", a statutory OFPP "appears essential to obtain adequate action". Subcommittee Chairman Lawton Chiles said he expected no final action on S. 2510 until the spring.

VOLCKER OPTIMISTIC ON INTERNATIONAL  
MONETARY REFORM

Under Secretary of the Treasury for Monetary Affairs Paul A. Volcker reported to a joint meeting of subcommittees of the House Banking Committee and the Joint Economic Committee on the status of international monetary reform. He stated that the commitment made at the recent Annual Meeting of the IMF in Nairobi for completion of a basic agreement on reform by the Committee of Twenty by July 31, 1974 reflects the sense of urgency, dedication and determination of the ministers to meet this goal. He countered claims that the negotiations are stalemated and said that decisions by a number of nations to permit their currencies to float will not be recognized as a satisfactory substitute for organized reform.

BRIEFS

The House Rules Committee ordered reported H.R. 7130, the Budget Control Act, which is designed to restore the balance between the legislative and executive branch's control over federal spending. ... The House by a vote of 272 to 139 agreed to a motion to recommit H.R. 8877, the Labor-HEW appropriations bill. The House Education and Labor Committee approved H.R. 11010, the comprehensive Manpower

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