

CONNECTICUT'S DEPARTMENT OF CONSUMER PROTECTION
Opportunities that an Administrative,
Inspectional and Enforcement Department Provides
by
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For a long time the consumer has been the "forgotten man" and I think you will agree that the trend, both in Washington D.C., and in our own state is being reversed, and finally the consumer is beginning to find his rightful place. The creation of the President's Consumer Advisory Council, of which Mrs. Lee is chairman, certainly is a step in the right direction. So is the appointment of Esther Peterson as special assistant to President Johnson for consumer affairs.

At the last two sessions of the Connecticut General Assembly, bills were likewise presented which, if passed, would have created a "Consumer Council" to assist the commissioner of consumer protection in consumer matters. Unfortunately, these bills were not acted on favorably, but we have high hopes that in the not too far distant future, favorable action may be taken and a State Consumer Advisory Council established.

The Connecticut Department of Consumer Protection is the only state department of its kind in the country at the present time. However, many states, we have been told, are thinking seriously of establishing similar departments, and a few states have created a "Consumer Bureau" within other departments in their state governments.

As to limitations, it appears that the lack of delegated authority or jurisdiction over specific acts or practices concerning the consumer hampers more efficient, administrative action in behalf of the consuming public. The rule of "Caveat Emptor," "Let the Purchaser Beware" (that is, he buys at his own risk), appears to relieve the retailer or merchandiser from all objectionable dealings with the consuming public, other than those acts actually constituting criminal fraud, or those in violation of some specific statute.

As evidenced by complaints received from the purchasing public, there are many acts or practices that appear to be unfair methods of competition, or unfair or unethical acts or practices perpetrated against the consuming public. Presently the only recourse to the persons who are the subjects or victims of unfair or unethical acts or practices is through the courts. Litigation is time-consuming and expensive. These civil actions do not have any bearing on the consuming public in general. In the absence of some remedial action, the public is left to the same circumstances that constituted the unfair or unethical act or practice.

The recent article in the Reader's Digest (February) entitled "You Can Get Your Money Back," although not entirely factual as to its statements concerning Connecticut, has very definitely brought to our attention the

need for legislation at the state level, to more fully protect consumers. This article said, among other things, that there was a "Consumer Fraud Bureau" operating within the Connecticut State Government to whom consumers could turn for assistance when they had complaints of a contractual nature. However, Connecticut, like many other states has no such bureau. Matters that concern dealings between a seller and a buyer can only be resolved by a court of competent jurisdiction. This brings to the forefront the definite need for legislation that will eliminate some of the limitations that we now have in the protection of the consumer.

Emphasis should be made of the great opportunity an administrative inspection enforcement department provides, particularly in the field of "Consumer Education." The important fact is that the consumer has an agency where he can "air his complaint" and have action taken on it if within our jurisdiction, or if not, be directed to the proper agency or be advised that his only recourse is to obtain competent legal counsel.

The opportunities for the Connecticut Department of Consumer Protection to further assist consumers would be greatly broadened, I believe, if a "Consumers Council" were to be created to represent the consumers and to confer with the Commissioner of Consumer Protection on matters of consumer interest.

We endeavor to maintain a close relationship with consumer groups, and to this end plans are presently being formulated for the first "Conference on Consumer Information," to be held some time this fall. Such conferences present us with an opportunity to be of great assistance in presenting a program of education. In the field of "Consumer Education," it has been the policy of the Department of Consumer Protection to endeavor to make the Connecticut consumer aware of his own responsibilities.

Another factor to be considered by an administrative inspection-enforcement agency is to reach the potential with the limited resources at its command. Close liaison with other agencies doing similar work and federal agencies, such as The Food and Drug Administration, and The Federal Trade Commission help us to more quickly and satisfactorily resolve problems in the consumers' interests.

We receive many complaints from consumers on matters that are not within our jurisdiction. Sometimes these are of inter-state nature, or they may be on problems concerning statutes not under our jurisdiction. In these cases, they are immediately referred to an agency who may be of assistance to them.

States are in a much better position than the federal government to achieve quick compliance of the laws and regulations under their jurisdiction. The budget of a state agency has, of course, much to do with the amount of consumer protection that is offered by an administrative agency. The budgets of state agencies engaged in consumer protection are very inadequate and therefore, the consumer suffers.

We have to do a little "education" in our legislatures, so that they will realize the great importance of our work, and so that an inadequate budget will not be a severe limitation to a program. An understaffed department is a severe handicap to the potential of any program.

I have read with interest and some satisfaction of the creation by President Johnson of a 15-member commission to determine why producers are receiving less and consumers are paying more for food products in the United States. Our department has in the past received complaints from consumers relative to high prices of meats, and I believe this investigation will serve a useful purpose in the interests of the consuming public.

Also, I have been keeping an eye on the bill before Congress making it mandatory for banks and other lending institutions to disclose the facts as to interest rates so that the consuming public will know exactly what they are in for when they take out a loan. I believe this is a good will.