



COMMITTEE ON
ENERGY & COMMERCE
DEMOCRATS
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Pallone Criticizes GOP Bills to Gut the FTC

Energy and Commerce Ranking Member Frank Pallone, Jr. (D-NJ) today delivered the following remarks at a Commerce, Manufacturing, and Trade Subcommittee Hearing on “Legislative Hearing on 17 FTC Bills.”

Today the Subcommittee will attempt to review 17 bills. I say attempt because we cannot possibly expect a thorough review of each piece of legislation on the agenda. While I am pleased that the majority agreed to add six bills authored by Democrats, unfortunately, it was to an already too long list of 11 Republican bills. Mr. Chairman, as you know, I am a big proponent of regular order. To me that means engaging in real deliberation, not just having a “check-the-box” hearing.

Since I can’t possibly cover all of the bills being considered, I am going to focus my comments on those that are intended to inhibit the ability of the Federal Trade Commission from carrying out its mission of protecting consumers.

This attack on the FTC is notable in light of the majority’s recent praise of the FTC’s privacy and data security expertise, both recently in the Communications and Technology Subcommittee, and last year during this Subcommittee’s markup of data security legislation.

But the Republican process bills before us today just confirm the majority’s true intention—and that’s across the board deregulation. Republicans say privacy should be only in the purview of the FTC, yet they are simultaneously introducing bills to gut the FTC of even its limited authorities.

Among their many deficiencies, these bills would encourage stall tactics by bad actors, burden staff with unconstructive tasks, and effectively obstruct important information exchanges between Congress and the FTC. These initiatives also would limit the FTC’s ability to assist local, state, federal, and other countries’ governments in their efforts to help consumers. They would also undermine the FTC’s ability to be flexible and nimble in addressing emerging problems.

Republicans claim that these bills would promote innovation, but in reality they would actually hurt companies. For example, two of these bills could lead to confidential investigations being inadvertently revealed before the FTC has decided whether to take action or after the Commission has decided not to take any action. And businesses do not want the FTC being discouraged from providing guidance to help those companies ensure that they are complying with the law.

These eight bills put the FTC on the wrong track. If we want to help consumers, we should be giving the FTC additional tools, not raiding their toolshed. That is why I support the bill authored by Mr. Rush that would give the FTC authority over nonprofits. That bill would increase the ability of the FTC to protect consumers. For example, it would allow the FTC to pursue scammers that have formed fake veterans' charities to scam Americans who want to help veterans.

And I support Mr. McNerney's bill, the Protecting Consumers in Commerce Act of 2016, which would give the FTC the authority to bring enforcement actions against communications common carriers. Enforcement should be based on the activity, not the entity. If a company in the telecommunications industry acts unfairly or deceptively in advertising, marketing, or billing, the FTC should act to protect consumers. For example, if a wireless company promises unlimited data but deceptively slows the data speeds of high-usage customers, the FTC should be able to act.

Mr. Chairman, I would like to move several of the bills under discussion forward with the limited time we have left before the summer recess, but I would strongly urge that we only advance those bills that can garner true bipartisan support. Together I know we can move the ball forward for consumers.

Thank you, I yield back.

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