

Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Subcommittee on Consumer Protection and Commerce Chair Janice D. Schakowsky
Hearing on “Transforming the FTC: Legislation to Modernize Consumer Protection”

July 28, 2021

Today we will consider 16 pieces of legislation intended to modernize the Federal Trade Commission’s ability to pursue its consumer protection mission.

For over 100 years the FTC has been the premier federal consumer protection agency.

Despite its broad mandate to protect consumers and promote competition, the Commission has been for decades sorely under-resourced.

Today, it has a smaller staff and less funding than other consumer protection regulators.

However, it is a new era at the Federal Trade Commission.

In a breath of fresh air, the Commission held two open meetings this month.

These publicly accessible meetings increased transparency and public input on important topics like the Made in USA rule and right to repair.

It’s time to recommit to restoring a culture at the FTC of putting consumers first.

Many of the 16 bills we are considering today will help them live up to that commitment.

These include the Online Consumer Protection Act which I have introduced with Representative Castor.

This legislation will hold technology platforms accountable for failing to live up to the promises they make to consumers in their terms of service.

The 21st Century FTC Act, sponsored by my colleague Representative Castor and my own bill, the FTC Autonomy Act, will provide the Commission with additional enforcement tools, including notice and comment rulemaking, civil penalty, and independent litigating authorities.

Legislation from my colleagues Representatives Rush and McNerney will give the Commission authority over consumer protection violations by non-profit organizations and certain common carriers.

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A few of the bills we are considering today will allow the FTC to more efficiently police scams targeting vulnerable groups.

This includes bipartisan legislation from Representatives Rice and Upton focusing on fraud affecting military veterans and servicemembers, and legislation from Representative Kelly that would establish a task force to bolster the Commission's work on equity issues and would inform the public about scams targeting specific consumer groups.

Representative McNerney's legislation would create an office of technologists to provide additional technological expertise to keep the Commission up to date in an ever-changing consumer landscape.

Together, these bills will forge a new path forward for the Federal Trade Commission.

They strengthen the Commission's consumer protection capabilities and provide the tools necessary to regulate today's increasingly innovative and dynamic marketplace.

It is essential that the Commission have the tools it needs to hold technology platforms accountable.

The era of self-regulation is over.

Self-regulation has threatened our democracy and now threatens our health and our very lives as vaccine misinformation continues to spread indiscriminately across social media.

Consent tools have proven ineffective at improving the behavior of technology companies.

Violation after violation underscore that stronger enforcement tools are urgently needed.

The American people deserve a 21st century consumer protection agency that meets 21st century threats.

I am looking forward to hearing from the witnesses here today on how to modernize the Federal Trade Commission and protect consumers.

Thank you to the witnesses for joining us today. I now recognize Mr. Bilirakis for 5 minutes.