

Opening Statement of the Honorable Michael C. Burgess, M.D.
Subcommittee on Commerce, Manufacturing, and Trade
Markup of “Discussion Draft of
H.R. __, to amend the Federal Trade Commission Act”
June 8, 2016

Good afternoon and welcome to our subcommittee markup.

Two weeks ago, we held a legislative hearing that focused on a number of bills that flowed from our Disrupter series of hearings. We heard from witnesses who are experts in the Federal Trade Commission’s processes, and from industries most impacted. Clearly there is always room for improvement. Tomorrow, we will vote on several of the proposals we considered at that hearing.

Before we get to the bills we are moving forward on I would like to quickly touch on one that is not on the agenda. I sponsored HR 4460 because concussions in sports are such an important issue, especially for our children. There are issues that still need to be worked through before that bill is ready for a mark-up. But I am happy that for the first time there are significant discussions and that staff will continue that work. I also think it is important that we look at the standards process for safety equipment, particularly helmets, and ask if it is working and are new technologies being incorporated into the standards. There is a lot of research and innovation pouring into the space but if the standards don't change then the protection won't change either. As the FTC testified before this subcommittee in 2014, we should be “mindful of the need to tread carefully, so as to avoid inadvertently chilling research or impeding the development of new technologies and products that truly do provide concussion protection.” I applaud the FTC for their work in this space and I hope that these are concepts that staff can incorporate into their work.

We also appreciate the FTC’s engagement and testimony two weeks ago. We propose to adopt some of the FTC’s suggestions. For example, the FTC suggested clarifications that the Sunshine Act processes can still be used in certain circumstances. We are happy to address that change, as well as adopt former Commissioner Wright’s suggestion to lower the threshold number of Commissioners to two.

We also listened carefully to the FTC’s concerns with our other process and transparency bills. The FTC has argued that providing the additional clarity and transparency required in the bills may be a tall task for the agency. So we have tried to ensure that clerical errors don’t end investigations; that an annual policy agenda is a starting place, not an ending place; and we have lessened the burden associated with bringing the good work done by the FTC economists, who are regularly praised as the best in government, into the light.

On the whole, this set of reforms will increase transparency, improve Congressional oversight and thus better protect consumers. At the same time we are doing everything we can to encourage the areas of our economy that show the potential for job growth. Our constituents want to know where the jobs are. And when the FTC saddles a start-up company with a consent decree more than 4 times as long as what the FCC or CFPB does, that doesn’t help consumers – it only hurts jobs.

We may not reach consensus today. However, the debate underscores that we all seek the same balance: To ensure that consumers are protected from unfair or deceptive acts or practices, while safeguarding access to low-cost and innovative products and services.

Other bills we look at address specific concerns. The Reinforcing American Made Products Act recognizes the FTC's work on 'Made in the USA' labeling and establishes it as the nationwide standard. Differing standards among states as to what is an American product is not a helpful approach. This legislation would be especially impactful to a company in my district, Justin Boots, which makes handcrafted leather cowboy boots. The various patchwork state standards of "Made in America" regulations throughout the country have made it difficult for Justin Boots to sell its products in all 50 states, and I look forward to supporting legislation that will unburden this great company from the myriad of red tape imposed on it through these regulations.

We also address consumer reviews and event ticketing.

Innovation and transparency will be the hallmarks that help us realize the potential of all of the disruptive technology created in this country. These bills are a measured step forward and I am glad that we are taking the next step tomorrow at the markup.