**UNITED STATES OF AMERICA**
**Federal Trade Commission**
WASHINGTON, D.C. 20580

STATEMENT OF COMMISSIONER REBECCA KELLY SLAUGHTER
*Regarding Criminal Referral and Partnership Process*
November 18, 2021

The Federal Trade Commission is a civil law enforcement agency that often confronts illegal conduct that not only crosses multiple moral, legal, and ethical lines but also inflicts serious and sometimes irreparable harm on consumers, workers and businesses. This category of conduct and our limited ability as civil enforcers to stop it has troubled me since joining the Commission. I am extremely proud of the effective work that our Criminal Liaison Unit has done to date, referring hundreds of cases to criminal partners that have resulted in successful prosecutions. And I am gratified to see the Commission coming together to build upon this successful model by committing to further efforts to refine our process, grow our partnerships, and increase transparency regarding how we do this important work.

There are two reasons why I believe so strongly that our criminal referral process is one of our most important enforcement tools. The first is maximizing our deterrent effect and the second is what I think of as a blunt stop-the-bleeding mechanism. Let me begin with deterrence.

For several years, I have spoken extensively about the need to ensure that our enforcement actions effectuate deterrence, both specific and general. We should keep up that focus. But, we should also recognize that there are limits to the deterrent effect of civil enforcement. For some companies and some leaders, particularly those with acute power, the prospect of fines, restrictions, audits, and even public disclosure of harmful unlawful activity does not incentivize compliance with the law. For these actors, the ris

criminal violations are prosecuted by the appropriate authorities will send a strong signal: if you thought the greatest c c