

Chair Khan Opening Statement
Committee on Energy and Commerce
Subcommittee on Innovation, Data, and Commerce
United States House of Representatives
Hearing on Fiscal Year 2021 Federal Trade Commission (and Members of the Subcommittee)

thank you for inviting me to testify today. It is an honor to be here with you alongside Commissioners Slaughter and Bedoya. I am grateful to have them as colleagues

I want to take a few minutes to share some of the Commission's accomplishments during this last year. None of this work would have been possible without the extraordinary efforts of the FTC staff, who day after day fight for American consumers, workers, and honest businesses—even when it means taking on some of the most powerful corporations in our economy. Although this oral testimony is mine alone, I know I speak for all of us when I say how lucky we are to work with the talented, dedicated professionals of the Federal Trade Commission.

The FTC is firing on all cylinders to fully execute on our mandate to promote fair competition and protect Americans from unfair or deceptive practices.

We are redoubling our efforts in traditional areas of enforcement like protecting Americans' privacy and combatting fraud—while also activating additional authorities that Congress has given us. In the last year alone, we've broken ground by bringing actions in a number of areas—including our first action under the Opioid Addiction Recovery Fraud Prevention Act; our first action under the Health Breach Notification Rule; our first action under the Military Lending Act; and our first action under the Made in USA Rule. In the mean time, we've also been racking up record monetary judgments—including the largest-ever judgment to

protect kids' privacy, the largest monetary judgment in a fair lending case, and the largest administrative judgment ever.

Privacy and data security remain a major focus for the FTC. I applaud this Committee's continued efforts to enact comprehensive federal privacy legislation. For our part, Commission staff have brought critical actions to protect Americans' data—including kids' data and sensitive information like health data.

We brought an action against Fortnite, the maker of Epic Games, for undermining children's privacy. We secured a record-breaking fine for the company's violation of the Children's Online Privacy Protection Act (COPPA) while also securing important changes in the company's privacy prac(c)4 ((c)4 DPt3 (a)-(c)2 Tw 1D4 Tc -0.¶J4 ((c)4 DPt1007(m)-2 (i)-2 (ni))4 ((c)4 DPta/3 T

Another major effort at the Commission this year has been stopping the scourge of junk fees, or the unwanted charges that can drain Americans' pocketbooks. The FTC brought enforcement actions against companies that trick consumers into spending money they didn't intend to spend, including through manipulative online interfaces. We also sued car dealers for sneaking on junk fees for made-up or unwanted services. And we brought enforcement actions against companies that trapped consumers into renewing payment plans through making cancellation intentionally difficult. Our \$100 million dollar settlement with internet phone provider Vonage, which we claimed created obstacles for consumers and small businesses trying to cancel their service, is a key example of this work. Beyond these enforcement actions, the Commission began several rulemaking proceedings to address unwanted charges made by companies, including seeking comment on a proposed junk fees rulemaking and proposing our "click to cancel" rule, which would require companies to make it as easy to cancel a subscription as they make it to sign up.

The FTC has also been working to preserve the integrity of the Made in USA label by halting companies from making false "Made in USA" claims. In 2021, the Commission finalized a rule that prohibits the misuse of the

caftcul msiclnithg

calu (n)w dlswhftic Tc 0.004 Tw -24.9 -2.3 Td1.1-4rui(224e t)-(s)-5 (c0 Tc 0e t)-6visiw -23.05

Thank you for the opportunity to appear before you today. I am happy to answer any questions.
