



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

## Concurring Statement of Commissioner Rebecca Kelly Slaughter

Regarding the Final Trade Regulation Rule on Fair Deceptive Fees  
Commission File No. R207011  
December 1, 2024

The Commission has voted to finalize a rule codifying the law’s prohibition on hidden and deceptive fees for live-events ticketing and short-term lodging. This final rule’s ambit will be far narrower than the rule that the Commission had proposed, which would have banded hidden fees and fee deception all industries under the Commission’s jurisdiction, including housing, restaurants, car rentals, loans, healthcare, and retail. Consistent with my willingness to support bipartisan compromise, I voted to finalize this rule, which earned the support of one of my Republican colleagues. I believe that finalizing this narrow rule is well supported by the law and the rulemaking record—and better than having no rule at all. But, to be clear, I believe that the Commission could have done more to protect all Americans.

It is clear that the law protects consumers across the economy from the unfair and deceptive practices of hidden and deceptive fees. It is also clear that the extensive rulemaking record before the Commission amply supported finding, including in industries like live-events ticketing and short-term lodging, that such practices are prevalent and that they plainly violate section 5 of the FTC Act. Perhaps I had anticipated that the more than 60,000 public comments in response to the Commission’s notice of proposed rulemaking would focus on the junk fees tacked on by ticket sellers and hotels, which are the subject of so much consumer angst. To be sure, many comments, especially from mass mailings, do address those two industries’ fee practices. But what is striking about the rulemaking record is the extent to which these practices have spread and now pervade other industries, especially rental housing.

Consider this comment from a mother in Kentucky:

My daughter is a low wage employee and we live in Kentucky. Six months ago she rented an apartment that she thought she could afford based on rent and projected utilities. Turns out she owes fees (most undisclosed in the lease) that add up to nearly 20% of the rent. That’s a heck of a jump. As of December there will be no way to pay the rent that doesn’t involve a transaction fee. Not one method.

<sup>1</sup> Section 5 of the FTC Act, 15 U.S.C. § 45, prohibits unfair or deceptive acts or practices throughout most of the economy, but codifying specific prohibitions in rules issued under section 18 allows the Commission to seek redress and civil penalties for violations of those rules and provides clearer guidance for regulated entities.

<sup>2</sup> See

Housing advocates' comments persuasively demonstrated that junk f

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As we know, when a company advertises a lower price, there is increased traffic to their website. Upon the realization that this strategy was being used, we at Contact Lens King stood firmly against applying such a practice. However, in spite of the fact that we offer the lowest bottom line prices, we experienced a decrease in traffic and total orders. Through re-evaluation, and despite our discomfort, we have made the tough decision to adopt the practice as well. Contact Lens King is firmly committed to offering the lowest bottom line prices online, and we want our customers to rest assured that through us, you will always see significant savings in your pocketbook – even with the fee.

I fear that this race-to-the-bottom dynamic will continue to proliferate across the economy, even if it is curbed in live-event ticketing and short-term lodging. The narrower final rule misses the opportunity to halt unlawful practices in other industries and to protect the consumers in these other industries from the reduced choices and higher prices that result.

Under Chair Khan's leadership, the Commission has been unafraid to take on powerful industry interests to vindicate the law's protections for all Americans, whether lowering the price of inhalers, banning noncompetes, challenging grocery mega-mergers, or ending subscription traps. I have strongly and proudly supported these efforts. But I am always mindful of limitations on Commission authority, so I have also supported final rules that are narrower than my personal policy preferences when the law or record so requires.<sup>10</sup> And, as here, I have voted for compromise positions when doing so broadens support for a Commission action.<sup>11</sup>

In this case, paring back the rule to protect only consumers of two types of services is not in my view required by the governing statute or the rulemaking record before the Commission. Because the narrower rule has garnered the support of one of my Republican colleagues, I voted yes to finalize rulemaking protections for Ameri

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