

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

enabling robust innovation in the U.S. economy.

May. 24, 2016



PHOTO: JOHN BODNAR/CNN

While the U.S. Federal Trade Commission (FTC) has long provided valuable oversight and consumer protection, there is an opportunity for Congress to modernize the agency so that it better protects consumers from harm while minimizing regulatory costs and better enabling robust innovation in the U.S. economy.

That was part of testimony given Tuesday before the U.S. House Energy and Commerce Subcommittee on Commerce, Manufacturing, and Trade by Daniel Castro,

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

He also noted, “The FTC’s actions send important signals to the private sector about how it should allocate its resources. In theory, these signals should be encouraging businesses to take actions that protect consumers, while not discouraging them from taking risks that might produce innovation that will benefit consumers. But if the FTC brings enforcement actions against a company that makes an insignificant mistake where there was no evidence of actual consumer harm, it is signaling that companies should direct limited resources away from innovative activities toward corporate lawyers instead.”

Castro outlined actions Congress can take to make the FTC more innovation friendly and reduce unnecessary regulatory costs:

- Limit FTC enforcement to cases where there is concrete consumer harm;
- Require the FTC to use fair and consistent processes for rulemaking;
- Require the FTC to be more transparent about its priorities and investigations;
- Require the FTC to prioritize actions that result in actual consumer harm, including by requiring economic analyses; and
- Avoid lengthy investigations and consent decrees.

Castro also proposed policies that would give the FTC additional authority to protect consumer interests:

- Authorize the FTC to take action against companies that use non-disparagement clauses to unfairly silence consumers;
- Eliminate the common carrier exemption in the FTC Act; and
- Give the FTC authority to hold informal bipartisan meetings without triggering complex open meeting requirements.

“The FTC, through the leadership and dedication of its commissioners and staff, has achieved some important successes in recent years,” said Castro. “But Congress

should seize this opportunity to ensure that success continues in the 21st century.

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved