

The FTC's Oversight of Practices Concerning Domestic Private Adoption

A Report to Congress

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FEDERAL TRADE COMMISSION

Andrew N. Ferguson, Chairman
Mark R. Meador, Commissioner

I. Introduction

The Federal Trade Commission (“FTC” or the “Commission”) respectfully submits this report as directed by the United States House of Representatives Committee on Appropriations Report via the FINANCIAL SERVICES AND GENERAL GOVERNMENT APPROPRIATIONS BILL, 2026. The Committee noted in the House Report that it “remains highly concerned by the proliferation of unlicensed adoption intermediaries increasingly engaging in fraudulent or deceptive practices concerning domestic private adoption.”¹ The Trump-Vance FTC is focused on promoting the flourishing of families in order to ensure a vibrant and healthy society. As part of that mission, the FTC is committed to ensuring that families are protected from unlawful practices when they seek to grow their families through adoption. The Commission thanks Congress for its support of the FTC’s activities in this area. This report summarizes the FTC’s oversight of and consumer education activities related to domestic private adoption.

II. The FTC’s Oversight of Practices Concerning Domestic Private Adoption

Becoming a parent is a life-changing event, and attempting to adopt a child or to place a child in adoption can be an emotional and stressful experience. Adoption intermediaries—sometimes referred to as adoption advertisers, facilitators, consultants, matchmakers, or brokers—are individuals or entities that act as middlemen between prospective adoptive parents and birth parents in private adoptions. These individuals or entities are not licensed adoption agencies.² In exchange for their services, they charge a fee, which often amounts to tens of thousands of dollars. Given the sensitive nature of the services offered, high costs, and uncertain outcomes, it is essential that adoption intermediaries are truthful about who they are and what they can do for prospective clients. To ensure compliance with this legal imperative, the FTC uses the authority given by Congress in Section 5 of the FTC Act (“Section 5”), 15 U.S.C. § 45, and the Consumer Review Fairness Act (“CRFA”), 15 U.S.C. § 45b.

Under Section 5, an advertisement is deceptive if it is likely to mislead consumers acting reasonably under the circumstances and if the advertisement is material—that is, if the ad is likely to affect a consumer’s conduct or decision with regard to a product or service.³ An ad violates Section 5 if it omits or fails to disclose information important to consumers, such as

¹ H.R. Rep. No. 119-236, at 55 (2025), <https://www.congress.gov/committee-report/119th-congress/house-report/236/1>.

² Press Release, FTC, “FTC Warns Adoption Intermediaries Against Misleading Parents” (Sept. 10, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/09/ftc-warns-adoption-intermediaries-against-misleading-parents>.

³ See *Federal Trade Commission Policy Statement on Deception, appended to Cliffdale Assocs.*, 103 F.T.C. 110, 175-76 (1984). To determine whether an advertising claim is deceptive, the FTC examines the entirety of the ad, not isolated excerpts, and considers the net impression the ad conveys from the perspective of the audience to whom it is directed. *Id.* at 179, n.32.

“qualifying information necessary to prevent a practice, claim, representation, or reasonable expectation or belief from being misleading.”⁴

Under the CRFA, it is illegal for a company to include standardized provisions in its agreements that penalize or threaten to penalize its customers for posting honest reviews of its goods or services.⁵ For example, it is illegal for an adoption intermediary to include a standardized contract provision that prevents or punishes negative reviews of its services by its customers. Companies that violate the CRFA may face civil penalties of over \$53,000 per violation.

A. The FTC Issued Warning Letters to 31 Adoption Intermediaries

In September 2024, following a review of consumer complaints, the FTC became concerned about potential unlawful practices by domestic adoption intermediaries. FTC staff sent letters to 31 adoption intermediaries warning them against using advertisements that mislead consumers with respect to placement rates or placement times, suppressing negative reviews, or engaging in other unfair or deceptive practices that can harm prospective adoptive parents and birth parents, in violation of Section 5 and the CRFA.⁶

The warning letters, which the FTC announced publicly the day they were issued,⁷ identified specific examples of practices by adoption intermediaries that could violate the FTC Act or the CRFA, including:

- Representing in paid Google ads that the company is an “adoption agency,” which may leave consumers with the false impression that it is a licensed, child-placing adoption agency, when it is not;
- Representing or advertising that an “open” adoption arrangement is an option without disclosing that an open adoption may not be legally enforceable depending on state law;
- Representing or advertising misleading (e.g., high) adoption placement rates;
- Representing or advertising misleading (e.g., fast or short) adoption placement times;
- Representing or advertising the availability of financial assistance or other aid to birth parents that is not representative of the services the typical birth parent receives; and

⁴ *Id.* A misleading omission violates the FTC Act where “the omitted information would be a material factor in the consumer’s decision to purchase the product.” *Id.* at 182, n.44.

⁵ See FTC, Consumer Review Fairness Act, <https://www.ftc.gov/legal-library/browse/statutes/consumer-review-fairness-act>.

⁶ See *supra* note 2.

⁷ FTC, Template Letter to Adoption Intermediaries from Serena Viswanathan, Associate Director, Division of Advertising Practices (Sept. 10, 2024), <https://www.ftc.gov/legal-library/browse/warning-letters/adoption-intermediaries>. The FTC did not disclose the identities of the 31 warning letter recipients when it announced its action.

- Preventing consumers from providing honest assessments, including negative reviews, of the services they received from the company through the use of standardized contract provisions.

The warning letters urged adoption intermediaries to conduct a comprehensive review of their advertising and business practices to ensure compliance with the FTC Act and the CRFA and to cease any practices that allow for or result in unfairness or deception.

B. The FTC Issued Guidance to Consumers Interested in Private Adoption

In addition to its law enforcement actions, the FTC's consumer protection mission includes providing consumer and business education. Consumer education aims to raise awareness of important issues and help consumers spot, avoid, and report harmful business practices. Business guidance provides clarity and certainty to businesses about their compliance obligations under the law.

In September 2024, in conjunction with issuing warning letters to adoption intermediaries, the FTC published a consumer alert announcing the agency's action and offering actionable advice and tips to consumers interested in pursuing private adoption.⁸ The consumer guidance includes the following:

- **Being aware that adoption intermediaries are not licensed adoption agencies.** Consumers looking for a licensed adoption agency should contact their state department of health and human services, which can be identified at <https://www.usa.gov/state-health>;
- **Consulting a lawyer or their state's adoption resources because adoption laws vary widely by state.** Even if an adoption provider is licensed in one state, it may not be allowed to work with birth parents or place children in other states; and
- **Researching the adoption provider that consumers plan to work with,** including understanding the services the company offers and what its fees cover, reviewing online complaints, asking for recent references, and checking with the state attorney general's office for information about any legal action against the company.

In addition, the FTC called on members of the public to report problematic business practices by adoption intermediaries or other providers to the FTC through [ReportFraud.ftc.gov](https://www.ftc.gov/report-fraud).

⁸ FTC, "What are adoption intermediaries telling you?" (Sept. 10, 2024), <https://consumer.ftc.gov/consumer-alerts/2024/09/what-are-adoption-intermediaries-telling-you>. The consumer alert also provided guidance to businesses regarding conduct to avoid: "Today, 31 adoption intermediaries...got letters from the FTC. These businesses may be breaking the law if they say they're a licensed adoption agency when they aren't, make promises they can't keep, or try to prevent people from posting honest reviews." *Id.*

III. The FTC's Continuing Efforts to Monitor Practices Concerning Domestic Private Adoption

Since taking the actions described above, the FTC has continued to monitor consumer complaints concerning adoption intermediaries. This ongoing monitoring ensures that the FTC can identify potential targets for law enforcement action and be alerted to emerging practices that might harm the families involved in an adoption.

The FTC continues to call on the public—both consumers and honest businesses—to file complaints and reports through [ReportFraud.ftc.gov](https://www.reportfraud.ftc.gov) so that Commission staff can continue to monitor, and make informed decisions on how to deploy the agency's resources in order to address, potentially illegal practices by adoption intermediaries and other adoption providers.

Protecting families and children is a top priority of the Trump-Vance FTC. The Commission is committed to using all of its tools to prevent unfair or deceptive practices that harm families seeking adoption services, including by offering guidance to consumers and outreach to providers, engaging in partnership with stakeholders, and where appropriate, taking enforcement action.