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Commissioner Slaughter Opening Statement
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Chairman Guthrie, Ranking Member Pallone, Chairman Bilirakis, Ranking Member Schakowsky, and members of the Subcommittee. I have been honored to serve the American people as a Commissioner on the Federal Trade Commission for nearly seven years. Thank you for your invitation to testify today about the FTC’s vital consumer-protection work, including protecting kids from online harms, and to explain how that work is undermined by President Trump’s attempt to fire me and Commissioner Bedoya, in direct violation of Section 1 of the FTC Act, which Congress passed in 1914, and binding Supreme Court precedent upholding that statute.¹

Congress created the FTC to protect Americans from unfair methods of competition and unfair or deceptive business practices. To ensure that this mission is carried out without the corrupting influences of partisanship or favoritism toward any politician’s friends or donors, Congress structured the FTC as a five-member board, with no more than three members from the same political party, serving staggered seven-year terms, whose members may only be “removed by the President for inefficiency, neglect of duty, or malfeasance in office.” The FTC’s structure emphasizes accountability to the people’s representatives—that’s you—and shields it from undue influence or political interference. This design Congress chose ensures that the FTC can do its work and protect American consumers, workers, and honest businesses without fear or favor.

At the end of the day on March 18, just eight days ago, I received an email from the White House stating that I was terminated effective immediately, violating the FTC Act and ninety years of clear Supreme Court precedent. Commissioner Bedoya got the same email. These emails offered no reason or cause for attempting to remove us. Indeed, there is no cause. In the seven years since President Trump first appointed me as Commissioner, I have given my all to advancing our vital mission, always seeking to build bipartisan consensus around issues such as children’s privacy, the right to repair, and affordable pharmaceuticals, and always supporting the FTC staff who do all the heavy lifting. Commissioner Bedoya has worked just as hard if not harder. Yet last week, we became the first Commissioners any President has purported to fire since FDR unlawfully removed Commissioner Humphrey in 1933, a step which the Supreme Court unanimously rejected in a decision that has served as the foundation of independence not

¹ See 15 U.S.C. § 41; *Humphrey’s Ex’r v. United States*, 295 U.S. 602, 628–32 (1935).

only at the FTC but also at the many other multimember commissions and boards Congress has set up over the last century.²

So why did the President try to fire me and Commissioner Bedoya last week? I can only assume that the President is—or his advisors are—afraid of our voices. My colleague, Commissioner Andrew Ferguson, was named Chairman of the FTC on Inauguration Day, and he has his key staff in place, all of whose appointments I voted for. He is running the FTC as he sees fit. Some of his decisions have cheered me greatly, while others have been disappointments. He and I were respectfully discussing FTC matters up until the moment that the White House tried to fire me. As a minority Commissioner, I have no real power other than the ability to speak out and provide accountability before Congress and the public. Removing me and Commissioner Bedoya doesn't change the FTC's overall direction or the Chairman's broad powers, but silencing opposition voices inside the FTC means that you and the public will remain in the dark if the President orders Chairman Ferguson to treat the most powerful corporations and their executives, such as those who flanked the President at his inauguration, with kid gloves.

In its wisdom, Congress created removal protections for the public servants leading the FTC, and similarly structured agencies such as the Federal Reserve, to ensure that we would serve the public without the pressure to do favors for powerful business interests or the fear of retribution over good faith policy disagreements. Many of the corporate billionaires standing behind the President at his inauguration have business at the Federal Trade Commission—or rather we have business with them. We have numerous suits against Bezos's Amazon, we are in litigation against Zuckerberg's Meta, and Musk owns a company under order from the agency. With no opposition voices on the Commission, I fear for what will happen to everyday people and honest businesses and what corporate lawbreakers will be allowed to get away with.

Commissioner Bedoya and I will be challenging our illegal removals and working to vindicate the law passed by Congress and upheld by the Supreme Court because we care deeply about the honesty and integrity of the Commission's work and how it affects the American people. Although only Commissioner Bedoya and I are directly affected by the President's violation of the FTC Act, the action also sent a clear message to the FTC's two majority Commissioners: You now work under the shadow of arbitrary removal by the President. Today's oligarchs are also on notice that it is not independent experts at the FTC or federal judges, operating within the law's guardrails, who will decide their fate—but the President himself.

Turning specifically to the world of online harms, the FTC has done extraordinary work, much of it on a bipartisan basis, especially to combat harms to children. I worry about both the effects of a one-party FTC as well as the threat of arbitrary firings. Consider a few recent matters:

² See *Humphrey's Ex'r*, 295 U.S. at 602. See also Marshall J. Breger & Gary J. Edles, *Independent Agencies in United States: Law, Structure, and Politics* 324 (2015) (canvassing broad array of agencies designed to remove rank politics from decisionmaking including the Federal Reserve Board of Governors, National Labor Relations Board, Federal Communications Commission, Securities and Exchange Commission, Commodity Futures Trading Commission, Consumer Product Safety Commission, Federal Deposit Insurance Corporation, Federal Election Commission, and National Credit Union Administration).

- First, early this year, we referred to the Department of Justice a case about the harms that Snapchat’s AI chatbot cause to kids.³ Aside from me and Commissioner Bedoya, no other sitting Commissioner voted to support that case. Will the FTC still protect kids from AI harms when the perspective of only one party matters?
- Second, the FTC voted 5–0 to update the rules for the Children’s Online Privacy Protection Act, or COPPA.⁴ An executive order sought to prevent the publication and legal effect of those rules.⁵ What if those rules are never issued or are watered down with loopholes that get exploited by data brokers?
- Third, the FTC stopped the makers of Genshin Impact, a hugely popular video game, from selling loot boxes to kids without their parent’s permission. That company made unfathomable profits by enticing kids into gambling with their parent’s money.⁶ Then-Commissioner Ferguson and I had a respectful disagreement about the unfairness of this practice; I commend both of our statements to you. Our work was informed by calls from Members of Congress to address these practices. I believe that our open disagreement in this matter, and in so many others, can meaningfully inform Congress, state legislatures, and courts about different approaches to address these harms. What good does it serve to censor these policy disagreements?
- Fourth, in another bipartisan vote, informed by vigorous debate and statements by Commissioners on both sides of the aisle, the Commission approved a staff study on the privacy practices of social-media and video-streaming services. The study exposed the data-collection activities of nine tech companies; underscored the need for Congress to pass privacy legislation; and uncovered the many ways these companies purposely evade COPPA’s requirements and undermine children’s privacy. Protecting children’s privacy has always been a bipartisan endeavor at the FTC.⁷

I could go on about kids’ safety, but I have the same worry about the entirety of the FTC’s work. We’ve saved consumers millions by shutting down fake “business opportunities”

³ See Press Release, Fed. Trade Comm’n, Statement of Commission Regarding Snap Complaint Referral to DOJ (Jan. 16, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/01/statement-commission-regarding-snap-complaint-referral-doj>.

⁴ See Press Release, Fed. Trade Comm’n, FTC Finalizes Changes to Children’s Privacy Rule Limiting Companies’ Ability to Monetize Kids’ Data (Jan. 16, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/01/ftc-finalizes-changes-childrens-privacy-rule-limiting-companies-ability-monetize-kids-data>.

⁵ See Executive Order, Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Regulatory Initiative (Feb. 19, 2025), <https://www.whitehouse.gov/presidential-actions/2025/02/ensuring-lawful-governance-and-implementing-the-presidents-department-of-government-efficiency-regulatory-initiative/>.

⁶ See Press Release, Fed. Trade Comm’n, Genshin Impact Game Developer Will be Banned from Selling Lootboxes to Teens Under 16 without Parental Consent, Pay a \$20 Million Fine to Settle FTC Charges (Jan. 17, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/01/genshin-impact-game-developer-will-be-banned-selling-lootboxes-teens-under-16-without-parental>.

⁷ See Press Release, Fed. Trade Comm’n, FTC Staff Report Finds Large Social Media and Video Streaming Companies Have Engaged in Vast Surveillance of Users with Lax Privacy Controls and Inadequate Safeguards for Kids and Teens (Sept. 19, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/09/ftc-staff-report-finds-large-social-media-video-streaming-companies-have-engaged-vast-surveillance>.

that prey on retirees; we've returned additional millions to consumers enticed by fake job sites; and we're suing data brokers for selling Americans' super-precise location data. We launched an inquiry into surveillance pricing, the idea of using data collected about different individuals to charge them higher prices. We've issued a rule banning junk fees for tickets and short-term lodging, which will save Americans billions of dollars through up-front prices, and another rule tackling subscription traps, which will save Americans billions of dollars when they can click to cancel. We issued another rule to crack down on AI-fueled impersonation scams and still another banning fake reviews, both banes of modern life. I want to keep working to bring tough enforcement against the companies who profit by breaking these rules. But Chairman Ferguson has not even committed to enforcing the ban on junk fees, which he voted against, even though it was a monumental bipartisan achievement informed by the comments of tens of thousands of Americans.

There is one special matter that I worry about most immediately. This committee knows as well as I do that Americans are outraged about the outsized profits and political power of the pharmaceutical industry. The FTC tackles this problem on a number of fronts, including, alone among federal agencies, confronting pharmacy benefit managers, or PBMs. In 2022, I voted to launch an inquiry into the PBMs, and we have already published two installments of a detailed report about PBMs and their impact on prices and competition in pharmaceuticals. That report is not yet finished. The FTC staff also initiated a lawsuit, which is pending before the FTC's administrative court, against the big three PBMs, who stand accused of illegally inflating the price of insulin, a drug that diabetics need to live. That case is not yet decided. Distressingly, aside from me and Commissioner Bedoya, no other sitting Commissioner can participate in that case.⁸ I don't know what will happen next. Do you?

The FTC's staff and work are profoundly efficient. Last year, we returned \$337 million,⁹ directly to American consumers' pockets. Since I joined the Commission, in 2018, our total return to consumers is more than \$3 billion, substantially more than taxpayers have invested in our work. And that doesn't count the untold savings the public receives when we block a megamerger or stop scammers in their tracks or force a landlord to stop padding the bill with junk fees. The FTC is an incredible value to the American people. As the longest-tenured sitting Commissioner, I want to share, under oath, two additional truths about efficiency: First, bipartisan leadership at the FTC, although it involves more debate, compromise, and even dissent, delivers far more efficient outcomes than one-party leadership, and, second, the civil servants at the FTC do more with less than any fancy law firm and are second to none when it comes to productivity, creativity, and professionalism.

I need to take a moment to address the FTC staff directly. Thank you. I see you. I see your hard work. I deeply appreciate that work. My message to you is to keep it up. Stay at your post, as long as you can. Take care of each other. And do every day what you do best: the right thing, in the right way, for the right reason. I'll see you soon.

⁸ Both remaining members of the Commission, Chairman Ferguson and Commissioner Holyoak, are recused from this matter.

⁹ See Press Release, Fed. Trade Comm'n, New Report Shows FTC Returned \$337.3 Million to Consumers in 2024 (Mar. 14, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/03/new-report-shows-ftc-returned-3373-million-consumers-2024>.

Members of this Subcommittee on both sides of the aisle share my concern that the FTC must do its work for the American people powerfully and efficiently. But the current administration's arbitrary, unjustified, and blatantly illegal firings of civil servants across the government and silencing of bipartisan voices in fact undermine its stated goal of efficiency, as do its other efforts to inflict trauma on civil servants. Case in point: An FTC lawyer in our ongoing suit to end Amazon Prime's subscription trap recently informed the court that, due to personnel cuts, the cancelling of the agency's purchase cards used to order transcripts, the cancelling of our building's lease, and other unnecessary hardships, the FTC would have difficulty meeting the planned court deadlines. The agency later walked it back, even though every obstacle that lawyer identified was real. I know that FTC staff have been doing their jobs valiantly despite these counter-efficient policies changes. But it's clear that the winners of these policies that undermine our work are the people profiting off unfair or deceptive practices, in this case billionaire Jeff Bezos, a VIP guest at this year's Inauguration. The rest of those billionaire guests have their hands out, too.

As this Subcommittee well knows, Elon Musk's DOGE has been infiltrating government agencies and exfiltrating sensitive data, including sensitive personal information about American citizens. I am alarmed about what they will do at the FTC. We routinely receive incredibly sensitive business data from companies across the economy when they are under investigation for potential wrongdoing, when they are seeking to merge, for research, and for other congressionally mandated purposes. These data would be incredibly valuable to any active market participant. Sharing these data outside of the agency is a crime, and our staff take this responsibility very seriously. But, without opposition voices on the Commission, I fear that we may never know when DOGE accesses sensitive business data and what they do with it. If FTC databases are breached by DOGE, how will the FTC get companies to turn over their sensitive business information when we try to enforce the law or carry out other routine statutory functions in the future?

On these pressing issues and others, the presence of minority Commissioners at the FTC lets us provide you, our Congressional overseers, with views into our work. It is essential for accountability. This was true for the minority Commissioners in the last administration, whose views and dissents shaped our work for the better, just as Congress intended. As Chairman Ferguson said in an interview last week, "If you have an agency that is exceeding the law, abusing the companies that it purports to regulate, it's helpful for markets, for courts, for litigants, for government transparency to have people in the other party pointing this out and saying it in dissents. Like, you know, I wrote four-hundred-plus pages of dissents during my time as a minority commissioner."¹⁰ As my colleague, former Commissioner Christine Wilson, said, "The Commission is at its best when its actions reflect the unique experiences and perspectives

¹⁰ See @pdmcleod, Twitter (Mar. 18, 2025, 6:15 p.m.), <https://x.com/pdmcleod/status/1902136811398557898> ("There's also, I think, some benefits in certain circumstances to having multi-member agencies with people from both parties I mean, look, if you have an agency that is exceeding the law, abusing the companies that it purports to regulate, it's helpful for markets, for courts, for litigants, for government transparency, to have people in the other party pointing this out." (quoting Chairman Ferguson's appearance on Bloomberg's Odd Lots podcast, "FTC Chief Andrew Ferguson on the Trump Vision for Antitrust" (Mar. 17, 2025), in which he concluded, "Like, you know, I wrote four-hundred-plus pages of dissents during my time as a minority commissioner," <https://podcasts.apple.com/us/podcast/odd-lots/id1056200096?i=1000699466923>).

of its five Commissioners and the skills and insights of its dedicated personnel.”¹¹ But now we face the prospect of a President who defies the will of Congress and unilaterally deconstructs the institution you designed. We will all be worse off for it.

I was appointed to the FTC by President Trump in his first term, and now he and I are both in our second terms. The Senate has confirmed me twice, both times unanimously. I have fostered collaborative dialogue and compromise with every Republican colleague with whom I’ve served. Now I am the second FTC Commissioner in 120 years that a President has purported to fire. I will not be the first to go down without a fight, and neither will Commissioner Bedoya. We swore an oath to serve the American people and our Constitution, and I believe that the law will vindicate our right to finish the job. Thank you.

¹¹ See Fed. Trade Comm’n, Ltr. of Comm’r Christine S. Wilson to Pres. Joseph R. Biden (Mar. 2, 2023), https://www.ftc.gov/system/files/ftc_gov/pdf/p180200wilsonresignationletter.pdf.