



Transition Memo on the Federal Trade Commission's *Consumer Protection Mission*

- **The President-Elect should nominate a new Chair as soon as possible.** The new Chair, in turn, should appoint new directors of the Bureau of Consumer Protection (BCP), Bureau of Economics (BE), Bureau of Competition (BC), and the Office of General Counsel (OGC).
- **Regaining support of the Senate Commerce Committee should be a top priority of the new FTC Chair.** This Committee has been heavily lobbied by the U.S. Chamber of Commerce, the American Advertising Federation, the National Association of Manufacturers, and other leaders of the business community. The Committee was controlled by the Democrats when it originally clipped the Agency's wings in 1980. The FTC will not be able to take on new initiatives without the support of the Senate Commerce Committee (House support should not be a problem).
- **Serious efforts should be made to pass the FTC reauthorization bill.** The bill should contain a specific directive for the Commission to issue regulations through notice and comment rulemaking under its authority to regulate "unfair" trade practices (thus signaling a Congressional reaffirmation of the use of such authority).
- **New enforcement actions should be portrayed as key elements of the President-Elect's economic recovery program.** When health factors are involved (e.g. actions to prohibit unfair or deceptive food, alcoholic beverage, or tobacco advertising), the initiatives should be portrayed as part of the President-Elect's prevention strategy to reduce health care costs.
- **The new Chair should prevent the Bureau of Economics from evaluating potential enforcement actions by the Bureau of Consumer Protection.** The BE should be assigned new responsibilities to undertake quantitative and qualitative analyses at the direction of the BCP.
- **Improving relationships with state attorneys general, who have often taken the lead on major consumer protection initiatives during the last eight years, should be made a top priority.** The Commission should recognize the states as peers, and coordinate consumer protection efforts closely with the state attorneys general. This would allow them to take the lead in particular matters where resources or other factors limit the ability of the FTC to act.
- **The new Chair should alter the ideology of the FTC's international affairs office** (which generally espouses free markets and self-regulatory approaches to consumer protection problems).