## April 27, 2023

Chairwoman Kay Granger House Appropriations Committee Washington, DC 20515

Ranking Member Rosa DeLauro House Appropriations Committee Washington, DC 20515

Chairman Steve Womack
House Appropriation on Financial
Services & Government Subcommittee
Washington, DC 20515

Ranking Member Steny Hoyer House Appropriation on Financial Services & Government Subcommittee Washington, DC 20515 Chairwoman Patty Murray Senate Appropriations Committee Washington, DC 20510

Vice Chairwoman Susan Collins Senate Appropriations Committee Washington, DC 20510

Chairman Chris Van Hollen Senate Appropriation on Financial Services & Government Subcommittee Washington, DC 20510

Ranking Member Bill Hagerty Senate Appropriation on Financial Services & Government Subcommittee Washington, DC 20510

Dear Chairs Granger, Murray, Womack, and Van Hollen, Vice Chair Collins, and Ranking Members DeLauro, Hoyer, and Hagerty,

As privacy, child, and consumer advocates, we write to strongly urge Congress to ensure that the Federal Trade Commission has the requisite budget to enforce the FTC Act and the 82 other statutes Congress has assigned it. By legislative design, the FTC is the only independent federal agency with dual missions: Protecting American consumers *and* promoting competitive markets across the economy. Yet, there has been a growing mismatch in congressional funding and the resources needed to carry out these responsibilities. We urge Congress to appropriate at least \$590 million for FY '24.<sup>1</sup>

There are ample justifications for this funding level.

Emerging technologies have become ubiquitous in our <u>daily lives</u>. At the same time, the rate of technological advancements has astounded even the tech industry. (On March 22, 2023, <u>tech leaders called on all AI labs to immediately pause</u> the training of AI systems that are more powerful than <u>ChatGPT-4</u>). Yet, emerging technologies have been deployed with <u>few, if any, safeguards</u> to Americans' privacy or security. Moreover, an <u>FTC study</u> shows that these technologies are controlled by a shrinking number of firms. Protecting consumers and promoting competition have never been more critical and more challenging.

From 2020 to 2022, fraud increased by over 150 percent resulting in \$5.3 billion in losses. During that same period, FTC conducted over 50 percent more premerger antitrust reviews (from 1.637)

<sup>&</sup>lt;sup>1</sup> This 37% increase from its current appropriation would help address the FTC's <u>chronic underfunding</u>, which has resulted in the FTC bringing fewer cases, freezing pay and hiring, and shrinking its staff.

to <u>2,496</u>). Yet, the Commission's budget went from <u>\$331 million to only \$376.5 million</u>, barely a 14 percent increase. The FTC cannot protect consumers and promote competition without the necessary funds to carry out such important functions. We strongly urge you to ensure the agency has the resources it needs to do its job by appropriating at least \$590 million for FY '24.

## Sincerely,

Common Sense Media

Center for Democracy and Technology

Center for Digital Democracy

Consumer Federation of America

**Demand Progress** 

Design It For Us

Dick Gephardt and Kerry Healy, Co-Chairs of the Council for Responsible Social Media

Electronic Privacy Information Center (EPIC)

Fairplay

Fight for the Future

Media Alliance

New America's Open Technology Institute

Oakland Privacy

Public Citizen

Public Knowledge

Vote for Freedom