

May 26, 2010

U.S. House of Representatives
Washington, D.C. 20515

Dear Member of Congress:

As Congress moves closer to passage of legislation to reform our financial regulatory system, the undersigned trade associations and business groups – representing hundreds of thousands of U.S. companies from a wide array of industry segments – write to express our strong opposition to the inclusion of provisions that would significantly expand the Federal Trade Commission’s (FTC) rulemaking and enforcement authority over virtually every sector of the American economy.

These provisions have received very little attention during the legislative process, largely overshadowed by heated debate about the creation of a Consumer Financial Protection Agency (CFPA). Particularly in the House, there was no opportunity for affected industries to present their concerns about the far-reaching effects that these provisions would have on the American economy. A proposal for Congress to delegate such sweeping new regulatory authority deserves more thorough deliberation.

As outlined in the attached letter sent to the full House in December 2009, the proposed expansion of FTC authority passed in H.R. 4173 would reverse the considered decisions of two earlier Congresses, granting such sweeping powers that the Commission could essentially act as an unelected legislature, governing industries and sectors that had nothing to do with the financial crisis.

Granting the Federal Trade Commission broad new authority across all but a few sectors of the American economy is not a necessary or relevant response to the causes of the recent recession. The financial troubles of the past year have not been laid at the FTC’s doorstep, and provisions to expand the Commission’s authority are out of place in legislation to reform the financial system.

It is our strong belief that these FTC-related issues deserve their own due consideration and debate in the more appropriate context of an FTC reauthorization, as has been done in the past. We strongly urge the House to remove the FTC expansion provisions from the final Wall Street reform bill before it is sent to the President, rather than making changes to the FTC that would have a fundamental impact on a broad segment of the business community.

Sincerely,

Alliance of Automobile Manufacturers
American Advertising Federation
American Association of Advertising Agencies
American Bakers Association
American Business Media
American Financial Services Association
American Frozen Food Institute
Association of International Automobile Manufacturers, Inc.

Association of National Advertisers
Beer Institute
Consumer Data Industry Association
Consumer Electronics Association
Consumer Healthcare Products Association
Council for Responsible Nutrition
CTIA - The Wireless Association ®
Direct Marketing Association
Direct Selling Association
Electronic Retailing Association
Financial Services Institute, Inc.
Financial Services Roundtable
Food Marketing Institute
Interactive Advertising Bureau
International Franchise Association
Internet Commerce Coalition
Magazine Publishers of America
Marketing Research Association
National Association of Manufacturers
National Association of Mutual Insurance Companies
National Association of Professional Background Screeners
National Association of Realtors
National Association of Wholesaler-Distributors
National Automobile Dealers Association
National Business Coalition on E-Commerce and Privacy
National Council of Chain Restaurants
National Restaurant Association
National Retail Federation
Natural Products Association
NetChoice
Online Publishers Association
Retail Industry Leaders Association
Shop.org
Snack Food Association
Software & Information Industry Association
TechAmerica
United Natural Products Alliance
United States Organization for Bankruptcy Alternatives
U.S. Chamber of Commerce

Cc: Members of the U.S. House of Representatives