



U.S. SENATE COMMITTEE ON
COMMERCE, SCIENCE, & TRANSPORTATION

THE CONSUMER PROTECTION REMEDIES ACT OF 2022

Consumer fraud is growing in the United States. Each year, more and more Americans are victimized by frauds, scams, and deceptive practices that cost them their hard-earned money and erode their trust in the marketplace. In 2021, consumers reported losing more than \$5.8 billion to fraud, which is an increase of more than 70% over 2020. The number of consumer fraud reports filed with the Federal Trade Commission (“FTC”) has been growing steadily over the past 20 years.

Against this concerning trend, the Supreme Court in April 2021 overturned more than 40 years of precedent by voiding the FTC’s primary method of returning money that was taken from consumers. This decision hurts Americans as our economy continues to recover from the economic downturn caused by the COVID-19 pandemic and makes it harder for the FTC to address bipartisan concerns of abuses by large technology firms and pharmaceutical companies.

The **Consumer Protection Remedies Act of 2022** fully restores the FTC’s ability to obtain monetary and other equitable remedies in federal court for consumers.

RESTORING THE FTC’S AUTHORITY TO OBTAIN KEY RELIEF FOR CONSUMERS AND SMALL BUSINESSES

Under the bill, the FTC will once again be able to obtain monetary and other relief for consumers under Section 13(b) of the FTC Act by going directly to federal court. The bill protects consumers and fosters a fair marketplace by:

- Allowing the FTC to go to court and ask the judge to order scammers and law breakers to return the money they unlawfully took from consumers and give up their ill-gotten gains so that it is not profitable to break the law.
- Permitting the FTC to go to court to seek monetary remedies for consumers who were harmed because of anticompetitive conduct, unfair and deceptive practices or other unlawful conduct.
- Confirming that the FTC may sue for injunctions and consumer redress for prior conduct, not just ongoing conduct, to stop law breakers from reverting back to their unlawful conduct.

DUE PROCESS FOR CONSUMER RELIEF

The bill would restore the impartial redress process through Section 13(b) by:

- Ensuring that the FTC must argue its case in front of a neutral federal judge, with opportunity to appeal contested decisions through the federal judiciary.
- Requiring that refunds or other relief be “in the public interest,” as determined by the judge.