

# PUBLIC SUBMISSION

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**Docket:** FTC-2023-0064  
Trade Regulation Rule on Unfair or Deceptive Fees

**Comment On:** FTC-2023-0064-0001  
Trade Regulation Rule on Unfair or Deceptive Fees

**Document:** FTC-2023-0064-3208  
Comment from FreedomWorks

## Submitter Information

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**Organization:** FreedomWorks

## General Comment

February 7, 2024

United States Federal Trade Commission  
Office of the Secretary  
600 Pennsylvania Avenue, NW  
Ste CC-5610, Annex B  
Washington, D.C. 20580

Re: “Unfair or Deceptive Fees NPRM, R207011”

Dear Commissioners:

As a non-profit advocacy organization, FreedomWorks seeks to promote the values of limited government, social tolerance, and individual liberty within today’s political discourse. With the objective of restoring common sense and competence to public policy and American political life, FreedomWorks envisions a future where growth and prosperity result in opportunity for all Americans.

We respectfully oppose the “Rule on Unfair or Deceptive Fees” (NPRM R207011) proposed at the Federal Trade Commission. Given the Commission’s charter, we believe this proposed rule overreaches into an industry driving growth and opportunity within the American economy, and if adopted will harm workers, consumers, and small businesses.

Additionally, any proposed rule within the Commission has a duty to provide a cost-benefit analysis which in this case, has not shown to be sufficient. While the Commission has focused on several industries, namely Taylor Swift’s ticket sales, hotel and lodging, and restaurants, what it has not shown is that these industries are a fair and true sample of the economy and can be relied upon for sound data. In fact, the Commission has reported an understanding that these industries are not representative of the whole economy and that there are likely unrealized costs to industries yet unknown.

This is not, then, a cost-benefit analysis. Rather, it is merely a small sample of potential “benefits” as seen by the Commission, with no underpinning of the comparative costs, and no accommodation to consider tangential businesses that rely on their consumers having access to the services of these three industries. This is wholly inadequate and highlights the lack of concern that federal agencies, including the Commission, demonstrate when imposing new mandates on the private sector that may have a significant economic impact.

In addition to a failure to show this analysis, the proposed rule is sweeping and general. The nature of the technology-based economy demands that narrow and specific considerations be applied. Gone are the days when industries had similar management, marketing, and production/fulfillment practices. In this scenario, the supposed “junk fees” and the application of the proposed rule, would actually take away the customer’s ability to determine if end-use vendors that use these platforms are increasing their prices at the point of sale, if the companies in question are imposing fees, or if the amount they see includes things like state and local taxes. The proposed rule’s attempt to force one singular “all-in price,” would hinder customer transparency.

Last, FreedomWorks is concerned about a general proclivity to regulate practices within industries where the Commission and other government agencies may not yet have a full understanding of how the industry in question is affected by the outcome. While the Commission acknowledges there is the potential for unknown consequences, it also shows a lack of understanding even in their three example markets in which fees are applied variably and not flatly across services and companies.

In the end, this rule does not protect consumers—in fact, it goes far in the opposite direction and will hurt consumers— and likely aims to confuse or cloud true pricing. In order to create a regulatory environment where American businesses can flourish and innovate, FreedomWorks opposes this proposed rule and recommends maintaining low regulatory hurdles to benefit workers and customers alike.

Sincerely,

Adam Brandon  
President  
FreedomWorks

1 Apologies to Taylor Swift. She did not ask for this.

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## Attachments

FreedomWorks NPRM R207011

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