FEDERAL TRADE COMMISSION (FTC)

Statement of Regulatory Priorities (2024)

The Federal Trade Commission is an independent agency charged with rooting out unfair methods of competition and unfair or deceptive acts or practices. Its mission is vital to the national interest because, when markets are fair and competitive, honest businesses and the public all benefit. The Commission also protects people who cannot protect themselves—from powerful corporate interests looking to squeeze out, trick, erode the wealth of, or otherwise undermine the economic autonomy of consumers. The Commission works to ensure well-functioning markets that protect people's economic freedom, choice, and liberty. The agency's vision is of "a vibrant economy fueled by fair competition and an empowered, informed public."

The Commission has a unique set of tools to carry out its mission, such as its market study tool, as well as traditions like public workshops and open comment dockets, to receive a wide breadth of information about a topic on which it is considering making policy.² A tool most relevant to this Regulatory Plan is the ability to issue rules.³ The Commission is committed to deploying all its tools, including issuing new rules and updating old ones, to achieve its mission.

I. The Commission Is Using All Available Tools To Advance Its Missions

a. Rulemakings

The Administrative Procedure Act rulemaking process creates significant opportunity for public participation to ensure that the agency is making well-considered policy decisions.⁴ The rulemaking process for rules issued under section 18 of the FTC Act creates additional procedures to ensure participation.⁵ Pursuant to these statutes, the Commission has been actively engaging members of the

¹ Fed. Trade Comm'n, Strategic Plan for Fiscal Years 2022-2026, at 13 (Aug. 26, 2022), https://www.ftc.gov/system/files/ftc_gov/pdf/fy-2022-2026-ftc-strategic-plan.pdf.

² See 15 U.S.C. 46(b); see also Fed. Trade Comm'n, A Brief Overview of the Federal Trade Commission's Investigative, Law Enforcement, and Rulemaking Authority (May 2021), https://www.ftc.gov/about-ftc/mission/enforcement-authority.

³ See 15 U.S.C. 46(g).

⁴ Fed. Trade Comm'n, Public Participation in the Rulemaking Process, https://www.ftc.gov/enforcement/rulemaking/public-participation-rulemaking-process.

public to solicit their input in the Commission's means of pursuing its mission to ensure fair and competitive markets. Accordingly, the Commission and its staff continue to study the problems that rules can address, publish rulemaking documents, and engage with stakeholders and the public.

The Commission is using every tool to fight Artificial Intelligence-related fraud.⁶ On March 1, 2024, the Commission published its final rule focusing on the impersonation of government and businesses (officially the Trade Regulation Rule on Impersonation of Government and Businesses), 16 CFR part 461, a type of fraud that generative AI can turbocharge, and which hurts not only consumers, including older Americans, but also small businesses. This Rule was effective on April 1, 2024.⁷ The Commission also published an SNPRM (supplemental notice of proposed rulemaking) proposing to revise the title of this Rule, add a prohibition on the impersonation of individuals, and extend liability for violations of the Rule to parties who provide goods and services with knowledge or reason to know that those goods or services will be used in impersonations of the kind that are themselves unlawful under the Rule. The Commission received 85 comments in response to this SNPRM. Staff is reviewing those comments.

On August 22, 2024, the Commission issued a final rule promulgating the Trade Regulation Rule on the Use of Consumer Reviews and Testimonials, 16 CFR part 465, that prohibits selling or purchasing fake consumer reviews or testimonials, buying positive or negative consumer reviews, certain insiders creating consumer reviews or testimonials without clearly disclosing their relationships, creating a company-controlled review website that falsely purports to provide independent reviews, certain review suppression practices, and selling or purchasing fake indicators of social media influence. The final rule was effective on October 21, 2024.

On January 4, 2024, the Commission issued a final rule, titled the Combating Auto Retail Scams Trade Regulation Rule (the CARS Rule), to be codified at 16 CFR part 463, related to the sale, financing, and leasing of covered motor vehicles by covered motor vehicle dealers. This final rule, among other

⁶ See for example, FTC Business Blog, Operation Al Comply: continuing the crackdown on overpromises and Al-related lies (Sept. 25, 2024), *available at* https://www.ftc.gov/business-guidance/blog/2024/09/operation-ai-comply-continuing-crackdown-overpromises-ai-related-lies: and FTC

Business Blog, Business Blog's Clear Eye on Al (April 10, 2024), available at

https://www.ftc.gov/business-guidance/blog/2024/business-blogs-clear-eye-ai. 7 89 FR 15017 (Mar. 1, 2024).

things, prohibits motor vehicle dealers from making certain misrepresentations in the course of selling, leasing, or arranging financing for motor vehicles, requires accurate pricing disclosures in dealers' advertising and sales communications, requires dealers to obtain consumers' express, informed consent for charges, prohibits the sale of any add-on product or service that confers no benefit to the consumer, and requires dealers to keep records of certain advertisements and customer transactions. This rule will help protect servicemembers, who are frequent targets of vehicle scams, from dishonest practices, including misrepresentations that dealers are affiliated with the military. The Commission estimates that the rule will save car-buying consumers an estimated \$3.4 billion dollars and 72 million hours each year. The final rule established July 30, 2024, as the effective date. However, on January 18, 2024, the Commission issued an order postponing this effective date while a legal challenge against the rule is pending. 89 FR 13267 (Feb. 22, 2024).

In November of 2022, the Commission published an ANPR (advance notice of proposed rulemaking) proposing to commence a rulemaking proceeding to address certain deceptive or unfair acts or practices relating to fees.⁸ Deceptive or unfair junk fees cost consumers up to an estimated \$90 billion a year. On November 9, 2023, the Commission published an NPRM (notice of proposed rulemaking) proposing to add part 464 to Title 16 of the Code of Federal Regulations, to prohibit unfair or deceptive practices relating to fees for goods or services, specifically, misrepresenting the total costs of goods and services by omitting mandatory fees from advertised prices and misrepresenting the nature and purpose of fees.⁹ This NPRM also announced the opportunity for interested persons to present their positions orally at an informal hearing.¹⁰ In response, eight commenters requested the opportunity to present their position orally or participate at an informal hearing, and others requested the opportunity to participate in a hearing if one were held.¹¹ The informal hearing was held on April 24, 2024. Staff is reviewing the

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⁸ 87 FR 67413 (Nov. 8, 2022).

⁹ 88 FR 77420 (Nov. 9, 2023).

¹⁰ This announcement complied with section 18(b)(1) of the FTC Act, 15 U.S.C. 57a(b)(1), which requires the Commission to provide the opportunity for an informal hearing in section 18 rulemaking proceedings. See 89 FR 21216 (Mar. 27, 2024).

¹¹ Id.

comments and other documentation received in the course of this rulemaking. Staff anticipates Commission action by Fall 2024.

Updating existing rules to meet new challenges is another important part of the Commission's rulemaking work. For example, after reviewing the Health Breach Notification Rule, 16 CFR part 318, as part of its regular review cycle, on May 30, 2024, the Commission issued a final rule that strengthens and modernizes the Health Breach Notification Rule by clarifying its applicability to health apps and other similar technologies and expanding the information that covered entities must provide to consumers when notifying them of a breach of their health data. The final rule became effective on July 29, 2024.

As part of the regulatory review of the Eyeglass Rule, 16 CFR part 456, ^{12,13} the Commission hosted a public workshop that explored several topics, such as the costs and benefits related to the proposals set out in the NPRM. On July 26, 2024, the Commission issued a final rule that amended the Eyeglass Rule by requiring prescribing eye care practitioners to obtain a signed confirmation after releasing an eyeglass prescription to a patient and maintain each such confirmation for a period of not less than three years. ¹⁴ The amendments were effective on September 24, 2024. The updates are designed to increase compliance with the rule's longstanding requirement that ophthalmologists and optometrists provide patients with a free copy of their prescription immediately following a refractive eye exam.

The Commission also continues its general consumer protection work. For example, problematic negative option practices continue to be a source of consumer harm. These practices, among other things, saddle shoppers with recurring payments for products and services they never intended to purchase or did not want to continue buying. To address these ongoing problems, the Commission proposed amending the current Negative Option Rule, 16 CFR part 425, with the objective of setting clear, enforceable performance-based requirements for all negative option features in all media.¹⁵ These

¹² 88 FR 18266 (Mar. 28, 2023).

¹³ 88 FR 248 (Jan. 3, 2023).

¹⁴ 89 FR 456 (July 26, 2024).

¹⁵ 88 FR 24716, 24726 (Apr. 24, 2023).

proposed changes are designed to ensure consumers understand what they are purchasing, to allow them to cancel their participation without undue burden or complication, and to address the most important issues related to negative option marketing, including misrepresentations, disclosures, consent, and cancellation. It should be as easy for a consumer to cancel a subscription as it is to sign up for one, ending the tax on people's time and money. At the request of commenters, the FTC held an informal hearing on the proposed amendments to this rule on January 16, 2024. On November 15, 2024, the Commission promulgated a final rule amending the Negative Option Rule that will require sellers to make it as easy for consumers to cancel their enrollment as it was to sign up. The final rule's provisions will go into effect on January 14, 2025. Regulated entities have until May 14, 2025, to comply with sections 425.4 through 425.6 of the Rule.

As for its competition mission, the Commission continues to explore whether new rules that specify "unfair methods of competition" prohibited by section 5 of the FTC Act would help achieve the agency's mission. In its most recent strategic plan, the Commission observed that "[r]ules . . . inform businesses and their legal advisers about antitrust risks and can deter anticompetitive mergers and business practices" and that promoting competition can benefit all market participants, including workers. In January 2023, the Commission proposed a rule addressing non-compete clauses in the labor market. Based on the available evidence, the Commission estimated that approximately one in five American workers—or approximately 30 million workers—is subject to a non-compete clause. The comment period was extended until April 19, 2023, to provide commenters a total of 104 days from the public release of the NPRM to submit comments. To additionally ensure that all viewpoints were heard

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¹⁶ 88 FR 85525 (Dec. 8, 2023).

¹⁷ 89 FR 90476 (Nov. 15, 2024).

¹⁸ Fed. Trade Comm'n, FTC Strategic Plan for Fiscal Years 2022 to 2026, at 16 (Aug. 26, 2022), https://www.ftc.gov/system/files/ftc_gov/pdf/fy-2022-2026-ftc-strategic-plan.pdf. Other competition problems could also be addressed by new rules. *Cf.* Exec. Order No. 14036, section 5(h)(i)–(vii) (July 9, 2021), https://www.whitehouse.gov/briefing-room/presidential-actions/2021/07/09/executive-order-on-promoting-competition-in-the-american-economy/.

¹⁹ 88 FR 3482 (Jan. 19, 2023).

²⁰ 88 FR 20441 (Apr. 6, 2023).

during the public comment period before determining how to proceed, the Commission also hosted a public forum on February 16, 2023, which examined this proposed rule and provided an opportunity for interested parties to directly share their experiences with non-compete clauses. In total, the Commission received more than 21,000 public comments, including from nurses, doctors, fast food workers, and hairdressers. After considering the comments, the Commission's non-competes clause final rule, to be codified at 16 CFR part 910, provides that it is an unfair method of competition for persons to, among other things, enter into non-compete clauses with workers on or after the final rule's effective date. With respect to existing non-competes (non-competes entered into before the final rule's effective date), the Commission adopts a different approach for senior executives than for other workers. For senior executives, existing non-competes can remain in force, while existing non-competes with other workers are not enforceable after the effective date. The Commission estimates that the final rule will increase new firm formation by 2.7%—over 8,500 new businesses each year—and will lead to an average of 17,000-29,000 patents each year. Moreover, the Commission estimates that the final rule will increase workers' total earnings by an estimated \$400 billion to \$488 billion over ten years. The final rule's effective date was September 4, 2024, but several legal challenges against the rule are pending.

In furtherance of its competition mission, the Commission has been working with the Department of Justice (DOJ) to examine how the agencies can more readily detect potentially problematic mergers and acquisitions. Pursuant to the Hart-Scott-Rodino (HSR) Antitrust Improvements Act of 1976, the Commission, with the concurrence of the DOJ Assistant Attorney General, issues premerger notification rules found at 16 CFR parts 801–803 to ensure that the agencies receive the information needed to identify anticompetitive mergers and investigate them fully to determine whether to seek to block any effect of which may be substantially to lessen competition or to tend to create a monopoly. After conducting a comprehensive review of the information that market participants currently submit in premerger notification fillings, the Commission initiated a rulemaking to propose the collection of additional information that the agencies need to more effectively and efficiently identify transactions that warrant

²¹ 89 FR 38342 (May 7, 2024).

²² Id.

²³ Id

review.²⁴ This proposed rule would also implement certain provisions of the Merger Filing Fee Modernization Act of 2022 requiring companies to disclose information in their HSR filings about subsidies received from certain foreign governments and entities. The Commission received over 700 comments on this proposal.²⁵ On November 12, 2024, the Commission published a final rule amending the premerger notification filing requirements and accompanying HSR Form.²⁶ The final rule will be effective on February 10, 2025.

b. Service Delivery

The Commission also takes actions that improve service delivery and customer experience and that reduce administrative burdens for the public. For example, the Commission plans to issue a final rule by or before early 2026 to update the filing system for HSR filings to a new cloud-based e-filing system, which will eliminate paper filings. As part of this process, FTC staff engaged with internal and external customers, including usability testing of beta software processes for submitting electronic HSR filings.

The Commission is also engaging in initiatives to reach out to underserved or disadvantaged communities. One such initiative, Every Community Initiative (ECI), represents the agency's coordinated effort to help consumers avoid and report scams. This initiative provides historically underserved communities—including immigrant groups, older adults, lower-income communities, veterans and service members, and rural communities—with practical, language-appropriate, and user-friendly educational resources and information to help them spot, avoid and report fraud. ECI's education and outreach efforts are supported by ethnic media telebriefings, in-person roundtables, and paid media campaigns that have led to millions of impressions through print, radio, and digital media. In addition to this initiative, the FTC is undertaking an effort to provide access to consumer information in multiple languages. This effort translates, provides, and publicizes the FTC's in-language resources on how to spot, avoid, and report scams (currently available at consumer.ftc.gov/languages). The Commission plans to expand the availability of FTC print materials in Chinese (Simplified), Korean, and Vietnamese available to be ordered in print from the FTC's bulk order site. By translating key materials for consumers and small

²⁴ 88 FR 42178 (June 29, 2023).

²⁵ https://www.regulations.gov/document/FTC-2023-0040-0001.

²⁶ 89 FR 89216 (Nov. 12, 2024).

businesses into 12 languages,²⁷ the FTC is paralleling its effort to expand in-language reporting capabilities of the Consumer Sentinel Network, the agency's consumer complaint reporting mechanism. FTC resources in other languages include information on spotting and avoiding common scams, online safety for parents and children, identity theft, information for immigrants and refugees, as well as resources for small business owners.

In sum, the Commission continues seeking public input and learning from its law-enforcement, consumer-education, market-monitoring, and other work to identify additional opportunities for new or improved rules to complement its other tools and the vital work of partner agencies and the states.

Meaningful public engagement in rulemakings or for improvements to service delivery can deliver important benefits to the public and honest businesses, so the Commission will continue to seek the views of all affected communities.

II. Updates on Other Ongoing Rulemakings

a. Periodic Regulatory Review Program

In 1992, the Commission implemented a program to review its rules and guides on a regular basis. The Commission's review program is patterned after provisions in the Regulatory Flexibility Act, 5 U.S.C. sections 601–612, and complies with the Small Business Regulatory Enforcement Fairness Act of 1996. The Commission's review program is also consistent with section 5(a) of Executive Order 12866, which directs executive branch agencies to reevaluate periodically all their significant regulations. Under the Commission's program, rules and guides are typically reviewed on a ten-year schedule that results in more frequent reviews than are generally required by the Regulatory Flexibility Act. The public can obtain information on rules and guides under review and the Commission's regulatory review program generally at https://www.ftc.gov/enforcement/rules/retrospective-review-ftc-rules-guides.

The program provides an ongoing, systematic approach for obtaining information about the costs and benefits of rules and guides and whether there are changes that could minimize any adverse economic effects, not just a "significant economic impact upon a substantial number of small entities."²⁹

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²⁷ According to 2019 American Community Survey, U.S. Census, more than 27 million people in the United States speak languages other than English and Spanish.

²⁸ Exec. Order No. 12866, 58 FR 51735 (Sept. 30, 1993).

²⁹ 5 U.S.C. 610(a).

As part of each review, the Commission requests public comment on, among other things, the economic impact and benefits of the rule; possible conflict between the rule and state, local, or other federal laws or regulations; and the effect on the rule of any technological, economic, or other industry changes. Reviews may lead to the revision or rescission of rules and guides to ensure that the Commission's consumer protection and competition goals are achieved efficiently. Pursuant to this program, the Commission has rescinded 40 rules and guides promulgated under the FTC's general authority and updated dozens of other rules and guides since the program's inception.

(1) Newly Initiated and Upcoming Periodic Reviews of Rules and Guides

During Fall 2024, the Commission plans to issue an updated ten-year review schedule. The Commission plans to initiate periodic reviews of the following rules and guides:

Rules. By the end of 2024, the Commission plans to initiate periodic review of Rules and Regulations under the Wool Products Labeling Act of 1939, 16 CFR part 300; Rules and Regulations under the Fur Products Labeling Act, 16 CFR part 301; and Rules and Regulations under the Textile Fiber Products Identification Act, 16 CFR part 303. By July 2025, as part of the systematic review of all Commission rules, the Commission plans to initiate a periodic review of the Cooling-Off Rule, 16 CFR part 429, by publishing a notice seeking public comments on the effectiveness and impact of the Rule.

Guides. During 2025, the Commission plans to initiate periodic review of the Guides for Private Vocational and Distance Education Schools, 16 CFR part 254.

(2) Ongoing Periodic Reviews of Rules and Guides

The following proceedings for the retrospective review of Commission rules and guides described in the 2023 Regulatory Plan are ongoing:

Alternative Fuels Rule, 16 CFR part 309. On October 26, 2023, as part of the systematic review of all Commission rules, the Commission initiated a periodic review of the Alternative Fuels Rule (formally "Labeling Requirements for Alternative Fuels and Alternative-Fueled Vehicles") by publishing a notice seeking public comments on the effectiveness and impact of the Rule. 88 FR 73549 (Oct. 26, 2023). The public comment period closed on December 26, 2023, and staff is reviewing the 62 public comments. The Alternative Fuel Rule requires disclosure of appropriate cost and benefit information to enable consumers

to make reasonable purchasing choices and comparisons between nonliquid alternative fuels as well as alternative-fueled vehicles.

Business Opportunity Rule, 16 CFR part 437. On November 25, 2022, the Commission initiated a periodic review of the Business Opportunity Rule.³⁰ The Commission sought comments on, among other things, the economic impact, and benefits of this rule; possible conflict between the rule and State, local, or other Federal laws or regulations; and the effect on the rule of any technological, economic, or other industry changes. The comment period as extended closed on January 31, 2023. Staff is currently reviewing the public comments and anticipates sending the Commission a recommendation during the Fall of 2024. Effective in 2012, the Business Opportunity Rule requires business-opportunity sellers to furnish prospective purchasers with a disclosure document that provides information regarding the seller, the seller's business, and the nature of the proposed business opportunity, as well as additional information to substantiate any claims about actual or potential sales, income, or profits for a prospective business-opportunity purchaser. The seller must also preserve information that forms a reasonable basis for such claims.

Franchise Rule, 16 CFR part 436. On March 15, 2019, the Commission initiated a periodic review of the Franchise Rule (formally "Disclosure Requirements and Prohibitions Concerning Franchising"). 31 The comment period closed on April 21, 2019. The Commission then held a public workshop on November 10, 2020. The closing date for written comments related to the issues discussed at the workshop was December 17, 2020. 32 Staff continues to evaluate the record and review the public comments. The Franchise Rule is intended to give prospective purchasers of franchises the material information they need to weigh the risks and benefits of such an investment. The Rule requires franchisors to provide all potential franchisees with a disclosure document containing 23 specific items of information about the offered franchise, its officers, and other franchisees. Required disclosure topics include, for example, the franchise's litigation history; past and current franchisees and their contact

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³⁰ 87 FR 72428 (Nov. 25, 2022).

^{31 84} FR 9051 (Mar. 13, 2019).

³² 85 FR 55850 (Sept. 10, 2020).

information; any exclusive territory that comes with the franchise; assistance the franchisor provides franchisees; and the cost of purchasing and starting up a franchise.

Identity Theft Rules, 16 CFR part 681. In December 2018, the Commission initiated a periodic review of the Identity Theft Rules, which include the Red Flags Rule and the Card Issuer Rule.³³ FTC staff is reviewing the comments received. The Red Flags Rule requires financial institutions and creditors to develop and implement a written identity theft prevention program (a "Red Flags Program"). By identifying red flags for identity theft in advance, businesses can be better equipped to spot suspicious patterns that may arise and take steps to prevent potential problems from escalating into a costly episode of identity theft. The Card Issuer Rule requires credit and debit card issuers to implement reasonable policies and procedures to assess the validity of a change of address if they receive notification of a change of address for a consumer's debit or credit card account and, within a short period of time afterwards, also receive a request for an additional or replacement card for the same account.

b. Proposed Rules

Since the publication of the 2023 Regulatory Plan, the Commission has initiated or plans to take further steps as described below in the following rulemaking proceedings:

Children's Online Privacy Protection Rule, 16 CFR part 312. On July 25, 2019, the Commission issued a request for public comment on its Children's Online Privacy Protection Rule ("COPPA Rule"). 34 Although the Commission's last COPPA Rule review ended in 2013, the Commission initiated this review early in light of changes in the marketplace. Following an extension, the public comment period closed on December 9, 2019. 35 The FTC sought comment on all major provisions of the COPPA Rule, including its definitions, notice and parental-consent requirements, exceptions to verifiable parental consent, and safe-harbor provision. The FTC hosted a public workshop to address issues raised during the review of the COPPA Rule on October 7, 2019. After considering the public comments from the July 2019 periodic rule review, the 2022 Policy Statement, and recent enforcement actions brought under the COPPA Rule, on December 20, 2023, the Commission announced proposed changes to the Rule aimed at addressing

³³ 83 FR 63604 (Dec. 11, 2018).

^{34 84} FR 35842 (July 25, 2019).

^{35 84} FR 56391 (Oct. 22, 2019).

evolving ways in which personal information is being collected, used, and disclosed and at clarifying and streamlining the Rule. The NPRM was published in the Federal Register on January 11, 2024 (89 FR 2034), and the public comment period closed on March 11, 2024.

Energy Labeling Rule, 16 CFR part 305. The Energy Labeling Rule requires energy labeling for major home appliances and other consumer products to help consumers compare the energy usage and costs of competing models. On October 25, 2022, the Commission issued an advance notice of proposed rulemaking that sought public comment on potential amendments to the rule, including energy labels for several new consumer product categories, other possible amendments to improve the rule's effectiveness, and reducing unnecessary burdens.³⁶ The comment period as extended closed on January 31, 2023.37 On February 2, 2024, the Commission published an NPRM seeking public comments on potential changes to the rule, including: (1) labels for air cleaners, clothes dryers, miscellaneous refrigeration products, and portable electric spas; (2) modifications to existing labels for clothes washers, televisions, and several heating products; (3) revisions to the current requirements for affixing labels on showroom models; and (4) several minor amendments to improve the rule.³⁸ The comment period as extended ended on April 19, 2024. Staff are reviewing the public comments. One commenter, Dyson, Inc., requested an opportunity to present oral comments on proposed air cleaner labeling. On August 20, 2024, the Commission announced a virtual oral hearing for the requester to provide its comments on September 19, 2024.39

Telemarketing Sales Rule, 16 CFR part 310. On August 11, 2014, the Commission initiated a periodic review of the Telemarketing Sales Rule (TSR).⁴⁰ The comment period as extended closed on November 13, 2014.41 On June 3, 2022, the Commission issued an advance notice of proposed rulemaking seeking public comment on whether the TSR should continue to exempt telemarketing calls to businesses, whether the TSR should require a notice and cancellation mechanism with negative option sales, and whether to extend the TSR to apply to telemarketing calls that consumers initiate to a

³⁶ 87 FR 64399 (Oct. 25, 2022).

³⁷ 88 FR 4796 (Jan. 25, 2023).

³⁸ 89 FR 7566 (Feb. 2, 2024).

³⁹ 89 FR 67335 (Aug. 20, 2024).

⁴⁰ 79 FR 46732 (Aug. 11, 2014).

⁴¹ 79 FR 61267 (Oct. 10, 2014).

telemarketer (i.e., inbound telemarketing calls) regarding computer technical support services. ⁴² The comment period closed on August 2, 2022. Staff is reviewing the comments. On April 16, 2024, the Commission issued a proposal to amend the TSR to extend its coverage to inbound telemarketing calls that consumers place to telemarketers selling technical support services i.e., calls that consumers make in response to an advertisement through any medium or to a direct mail solicitation. ⁴³ The comment period closed on June 17, 2024, and staff are reviewing the comments.

Earnings Claims Trade Regulation Rule, proposed to be codified at 16 CFR part 462. On March 11, 2022, the Commission issued an advance notice of proposed rulemaking seeking public comment about a potential rule to address deceptive or unfair marketing using earnings claims.⁴⁴ The comment period closed on May 10, 2022. Staff is reviewing the comments and anticipates forwarding a recommendation to the Commission during the Fall of 2024.

Trade Regulation Rule on Commercial Surveillance, 16 CFR part undetermined. On August 22, 2022, the Commission issued an advance notice of proposed rulemaking under section 18 of the FTC Act to limit privacy abuses, curb lax security practices, and ensure that algorithmic decision-making does not result in unlawful discrimination. ⁴⁵ The Commission sought public comment on whether new rules are needed to protect people's privacy and information in the commercial surveillance economy. On September 8, 2022, the Commission hosted a public forum regarding its ANPR on commercial surveillance and data security practices that harm consumers and competition. The public forum included panel discussions, and members of the public provided remarks. The ANPR's extended public comment period closed on November 21, 2022. ⁴⁶ Staff is reviewing the public comments.

Funeral Rule, 16 CFR part 453. On February 14, 2020, the Commission initiated a periodic review of the Funeral Industry Practices Rule (Funeral Rule).⁴⁷ The comment period as extended closed on June 15, 2020.⁴⁸ The Funeral Rule, which became effective in 1984, requires sellers of funeral goods

⁴² 87 FR 33662 (June 3, 2022).

⁴³ 89 FR 26798 (April 16, 2024)

⁴⁴ 87 FR 13951 (Mar. 11, 2022).

⁴⁵ 87 FR 51273 (Aug. 22, 2022).

^{46 87} FR 63738 (Oct. 20, 2022).

⁴⁷ 85 FR 8490 (Feb. 14, 2020).

⁴⁸ 85 FR 20453 (Apr. 13, 2020).

and services to give price lists to consumers who visit or call a funeral home. On November 2, 2022, the Commission issued an advance notice of proposed rulemaking seeking comment on potential updates to modernize the Funeral Rule, including improvements to the public accessibility of funeral home price information.⁴⁹ The comment period closed on January 3, 2023. The Commission also issued a staff report that summarizes the results of staff's review of almost 200 funeral provider websites.⁵⁰ The Commission held a public workshop on September 7, 2023.⁵¹ The workshop explored issues relating to the Funeral Rule's General Price List requirements, including whether and how funeral providers should be required to provide price lists electronically or online, and other issues raised in the comments received in response to the 2022 ANPR. The comment period for any written comments related to the issues discussed at the workshop closed on October 10, 2023. Staff is reviewing the public comments.

c. Final Actions

Since the publication of the 2023 Regulatory Plan, the Commission has issued the following other final agency actions in rulemaking and guide proceedings:

Amplifier Rule, 16 CFR part 432. On June 12, 2024, the Commission issued final rule amendments that require sellers making power-related claims to calculate power output using uniform testing methods to allow consumers to easily compare amplifier sound quality; prescribe disclosure language that improves differentiation between power output claims that comply with the rule's testing methods and those that do not; and modernize as well as clarify the rule language considering the foregoing modifications.⁵² Additionally, the amendments formalize prior Commission guidance on applying the Amplifier Rule to multichannel amplifiers. The final rule was effective on August 12, 2024.

Telemarketing Sales Rule, 16 CFR part 310. On June 3, 2022, the Commission issued a Notice of Proposed Rulemaking (NPRM) seeking public comment on proposed amendments to the

⁴⁹ 87 FR 66096 (Nov. 2, 2022).

⁵⁰ See Fed. Trade Comm'n, FTC Seeks to Improve the American Public's Access to Funeral Service Prices Online (Oct. 20, 2022), https://www.ftc.gov/news-events/news/press-releases/2022/10/ftc-seeks-improve-american-publics-access-funeral-service-prices-online.

⁵¹ 88 FR 33011 (May 23, 2023).

⁵² 89 FR 49797 (June 12, 2024).

Telemarketing Sales Rule.⁵³ The proposed amendments would require telemarketers and sellers to maintain additional records of their telemarketing transactions, prohibit material misrepresentations and false or misleading statements in business to business (B2B) telemarketing transactions, and add a new definition for the term "previous donor." The comment period closed on August 2, 2022. On April 16, 2024, the Commission issued a final rule amending the TSR's recordkeeping provisions, adding "previous donor" as a new definition, and prohibiting misrepresentations in B2B telemarketing calls.⁵⁴ The Commission also made clear that that artificial intelligence robocalls are not exempt from the rule. The final rule was effective on May 16, 2024. However, compliance with 16 CFR 310.5(a)(2) was not required until October 15, 2024.

d. Significant Regulatory Actions

The Commission has three recently promulgated rules that would be a "significant regulatory action" under the definition in section 3(f) of Executive Order 12866: the Combating Auto Retail Scams Trade Regulation Rule, to be codified at 16 CFR part 463, the Non-Compete Clause Rule, which was codified at 16 CFR part 910 on September 4, 2024, and the Trade Regulation Rule on the Use of Consumer Reviews and Testimonials, which was codified at 16 CFR part 465 on October 21, 2024. On October 16, 2024, the Commission announced a final rule amendment to the Negative Option Rule, 16 CFR part 310, that would also be a "significant regulatory action". The amendment takes effect on January 14, 2025. Regulated entities have until May 14, 2025, to comply with sections 425.4 through 425.6 of the Rule, 2025.

The Commission has no proposed rule that would have significant international impacts or any international regulatory cooperation activities that are reasonably anticipated to lead to significant regulations, as defined in Executive Order 13609.

Summary

The actions under consideration advance the Commission's mission by informing and protecting consumers while minimizing burdens on honest businesses. The Commission continues to identify and weigh the costs and benefits of proposed regulatory actions and possible alternative actions.

⁵³ 87 FR 33677 (June 3, 2022).

⁵⁴ 89 FR 26760 (April 16, 2024).

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