

FTC Oversight Hearing: What Ferguson's Testimony Means for AI, Pricing, and Privacy Compliance

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On April 15, 2026, the Senate Commerce Committee held an oversight hearing with FTC Chairman Andrew Ferguson and Commissioner Mark Meador. The session opened with contrasting statements from Chairman Ted Cruz (R-Texas) and Ranking Member Maria Cantwell (D-Wash.) that framed the hearing's central tensions and previewed key themes for privacy and compliance teams to watch.

Opening Statements

Senator Cruz opened by acknowledging the FTC's recent enforcement wins, including \$3.2 billion returned to consumers in a single year, but quickly pivoted to institutional restraint. He flagged [consent decree reform](#) as a priority, noting that the FTC has "saddled companies and their workers with multi-decade orders that go far beyond correcting for any alleged misdeed." For Cruz, reform is an opportunity to "lower prices" and "eliminate red tape on small businesses." He also cautioned against expanding the FTC's mandate into AI regulation, urging the Agency to stay within its "core competencies in competition and traditional consumer protection."

Ranking Member Cantwell took a sharper tone, calling the administration's [firing of Democratic Commissioners](#) an act that "eviscerated" FTC independence. But her main focus was affordability, noting grocery prices and restrictive land covenants that suppress grocery competition, and [surveillance pricing practices](#) that charge consumers different prices based on data profiles. She pressed for restoration of Section 13(b) authority, pointing out that since the [Supreme Court's AMG decision](#) stripped the FTC of equitable monetary relief, consumer recoveries have dropped significantly. Following the hearing, Sen. Cantwell re-introduced legislation ([S. 4311](#)) to restore the FTC's power to provide equitable monetary relief under Section 13(b).

Commissioner Testimony

Chairman Ferguson's testimony highlighted the FTC's enforcement record under the current administration: COPPA cases, BOTS Act litigation, preparation for Take It Down Act enforcement, and healthcare-focused antitrust actions. He stressed that the FTC is "not a general economic regulator" but a "law enforcer" charged with keeping markets competitive and policing deception. On privacy, Ferguson acknowledged that Section 5 remains a workhorse for data security and deception cases, but called it "not the ideally suited tool" for the modern data economy, urging Congress to keep pushing for a national privacy framework.

Commissioner Meador zeroed in on "kitchen table issues," discussing corporate misconduct that

drives up costs in healthcare, energy, housing, and food. But his strongest message was about Section 13(b). He called restoring it “one of the highest returns on investment Congress could make,” citing a recent case involving nonconsensual intimate imagery distribution where the FTC secured injunctive relief but couldn’t obtain what “would have been millions of dollars in compensation for exploited victims.” Both commissioners pressed Congress to act, with Ferguson noting he’s been “imploping the Senate and the House to do this since my confirmation hearing in 2023.”

AI regulation and the limits of FTC authority: Senator Cruz opened questioning by pressing Chairman Ferguson on AI regulation costs. Ferguson disclosed that the FTC’s preliminary economic analysis of a Biden administration AI/algorithmic-pricing rulemaking would have created “staggering” compliance costs and criticized the EU AI Act as “a recipe for killing innovation.” The hearing made clear that the FTC’s current AI approach is two-fold: enforcing existing statutes against fraud, misrepresentation, and child harms, while explicitly disclaiming any role as a “general AI regulator” without congressional authorization. [As we recently detailed](#), AI chatbots are now attracting sustained regulatory and legislative scrutiny at both the federal and state levels. Companies marketing AI-enabled features should continue to expect heightened scrutiny of performance claims and disclosures regarding AI capabilities, limitations, and data practices.

Affordability and surveillance pricing: Senator Cantwell’s questioning pivoted to affordability, pressing on restrictive land covenants that suppress grocery competition and surveillance pricing practices. Ferguson flagged the Agency’s ongoing work on personalized pricing, including an [Advance Notice of Proposed Rulemaking on fee transparency](#) for online delivery and groceries. He also disclosed work toward a potential policy statement clarifying when disclosing the use of personal data to set individualized prices can become a Section 5 issue. This aligns with broader “surveillance pricing” transparency trends at the state level. New York’s algorithmic pricing disclosure statute is now in effect, and more than 60 currently pending state bills would either prohibit or require disclosures for personalized pricing.

Origin claims: “Made in USA” and country-of-origin labeling online. Senator Baldwin raised “Made in USA” enforcement and country-of-origin labeling for online marketplaces, noting bipartisan interest in her [COOL Online Act](#) (previously co-led by then-Senator Vance). Ferguson discussed recent origin-claims enforcement and signaled that affirmative statutory labeling requirements could sharpen the FTC’s ability to pursue failures to disclose origin information online. The Commission also acknowledged ongoing exploration of large marketplaces’ role in policing and verifying third-party country-of-origin disclosures.

What to Watch

Expect an FTC that enforces within its existing statutory authority, calibrates remedies to actual consumer harm, and looks to Congress on bigger-picture AI and privacy frameworks. For legal and compliance teams, the near-term playbook is straightforward: validate your price-transparency and algorithmic-pricing disclosures; stress-test AI marketing claims and safeguards for minors; recheck origin claims and marketplace oversight; and confirm data security representations.

Here’s what to watch for from the FTC:

- FTC policy statement on personalized pricing disclosures
- Continued BOTS Act litigation

- Results of 6(b) study on AI chatbots and children
- Potential consent decree reform
- Bipartisan push to restore Section 13(b) monetary relief

These developments don't exist in a vacuum. State-level momentum on privacy, children's online safety, and algorithmic pricing disclosure laws may effectively set baseline expectations while Congress debates national frameworks. Companies should track these converging federal and state tracks closely and align compliance strategies now, not later.