

State AGs and “Junk” Fees: NAAG Consumer Protection Conference Fall 2025

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Last week, state attorneys general and their staff, legal practitioners, and industry participants met in Washington D.C. for the National Association of Attorneys General (NAAG) Fall Consumer Protection Conference. In this first of two posts overviewing the conference, we break down (i) the “attorney general” panel consisting of remarks by various AGs; and (ii) the “price transparency” panel featuring Kelley Drye’s Beth Chun.

Attorney General Panel

The panel consisted of D.C. Attorney General Brian Schwalb, New Hampshire Attorney General John Formella, and Pennsylvania Attorney General Dave Sunday. The panel began with a discussion of bipartisanship, with NAAG Center of Consumer Protection Director Todd Leatherman remarking that consumer protection issues have historically and continue to see broad bipartisan support. AG Formella responded that this is due in part to the close relationships in the consumer protection community, including between consumer divisions from different offices. He stressed the importance of continuing these relationships in the face of a changing economy and business models, increased foreign intervention, and new sciences and technologies. AG Schwalb echoed some of these sentiments, explaining that “when people spend their money and do not get what they think they are getting,” this is “separate from the noise of politics.” AG Schwalb also noted AGs’ roles in filling gaps in the federal enforcement regime, and that he expects to see “more and more state AG enforcement and multistate cooperation” where the FTC, DOJ, or CFPB move away from enforcement.

The panel continued with a discussion of notable actions and areas of enforcement for the AGs. AG Sunday commented that artificial intelligence will continue to be an area of enforcement for Pennsylvania, commenting that the number of sophisticated AI-driven scams is accelerating, often to the detriment of older Americans. He also noted the potential adverse effects of AI on children. AG Formella mirrored these thoughts and also stated that he is focusing on e-commerce platforms’ collection of consumers data (discussed on another panel, as we will describe on our forthcoming Part Two post) and consolidation in the healthcare industry.

Next, the panelists discussed common misunderstandings in consumer protection. AG Formella remarked that while consumer complaints are relevant, they are not dispositive as to whether an AG will take enforcement action or as to how seriously an AG is taking a particular issue. He continued by explaining there are many ways that businesses take advantage of consumers that consumers may not be aware of and thus may not complain about.

In discussing communications with AG offices, AG Formella noted that businesses should not go over the heads of staff and directly to an AG, particularly where they have not made an effort to engage with staff. AG Schwalb echoed this and separately mentioned that while some have a perception that enforcers are anti-business, they are really anti- “bad” business — i.e., business that takes advantage of consumers. He further observed that AGs will aim to be responsive to business constituencies, describing that in some instances written alerts or letters to businesses are a better first step than an enforcement action or CID.

The panelists then discussed what AGs are looking for in terms of a business’ compliance with consumer protection laws. AG Sunday said when assessing compliance, he and his staff will look at the facts and the law but will also monitor whether the business made a good faith effort to correct its actions and engaged in an open dialogue with the office. General Sunday also expressed concern about small businesses being disproportionately impacted, and said his office wants to hear about these concerns. AG Schwalb explained that his office looks at whether it is likely that any other office or agency will address the issue, and, if so, whether the DC AGO should still use its scarce resources on the matter. AG Formella remarked that reasonable solutions are always better as they bring relief to consumers quicker, but he recognized sometimes that isn’t an option. General Formella further stated he values proactive and good faith communications with staff, and if a business acknowledges issues it has and expresses a willingness to work through them, it is a sign of good faith.

Price Transparency Panel

The panel was moderated by Jessica Whitney (Deputy Attorney General, Minnesota Attorney General’s Office) and panelists included Nick Akers (Senior Assistant Attorney General, Consumer Protection Division, California Department of Justice); Douglas Crapo (Deputy Attorney General, Consumer Protection Department, Utah Attorney General’s Office); Jason Pleggenkuhle (Manager, Consumer Protection Division, Minnesota), and Kelley Drye’s Beth Chun.

Nick Akers began with an explanation of [California’s hidden fee law](#), effective as of July 1, 2024, which requires the price advertised to consumers to be the full price the consumer is required to pay, excluding taxes and/or fees imposed by the government and shipping costs. Akers explained that, unlike some other states and the FTC’s rule, California’s law is not sector-specific. He said that the law embodies the principle of “the price you see is the price you should pay.” Akers also commented that California has multiple active investigations into violations of the statute. Jason Pleggenkuhle then described Minnesota’s law (H.F. 3438), effective as of January 1, 2025, which he called “an extension of” the state’s existing UDAP authority — i.e., deceptive fees have always been deceptive but now, through the new law, there is more guidance. Like California’s law, H.F. 3438 is not sector specific. Pleggenkuhle explained that Minnesota’s law requires that all “mandatory” fees be included in the total price of a good or service being offered. Mandatory fees, in turn, he said are fees that consumers cannot reasonably avoid. He further explained how this applies to restaurants that charge things like automatic gratuities and “health and wellness” fees — while automatic gratuities are likely compliant so long as they are clearly and conspicuously disclosed, health and wellness fees must be included in the total price. Douglas Crapo then explained the FTC’s narrow rule and recent Ticketmaster enforcement action, which we previously detailed [here](#) and [here](#).

Providing the industry perspective, Kelley Drye special counsel Beth Chun gave an overview of the nuances of other states’ price transparency laws, and noted how there are differences between the states in yet another new “patchwork” that may pose compliance challenges despite the best intentions. She opined that these challenges may cause businesses operating nationwide to choose the most restrictive approach, whereas smaller actors who operate only within one state may not be

confined in that way. She explained that this could result in increased consumer confusion when comparison shopping, a problem the laws purport to address. Chun also remarked that getting the right balance of placement and length of disclosures and the information required to substantiate the use of individual fees may be challenging for businesses.

We continue to see pricing transparency as a consumer protection priority for AGs, and given the bipartisan remarks of the attorneys general in the first panel expect this to be an area where we may see additional multistate enforcement similar to the Ticketmaster case.

Read part two [here](#).