

FEDERAL TRADE COMMISSION GOVERNANCE REFORM ACT

Congress established the Federal Trade Commission (FTC) as a five-member body to ensure that major competition and consumer protection policies are developed through collective deliberation and careful consideration.

Despite this intentional structure, current law does not require a minimum number of serving commissioners, or quorum, to make major policy changes. If vacancies or other circumstances reduce the number of commissioners, policy decisions can be made by a diminished body—or even a single commissioner—without the deliberation Congress intended.

The *Federal Trade Commission Governance Reform Act* addresses this by requiring a quorum of three commissioners before the Commission may undertake rulemaking or policy actions. This reinforces the agency's character as a multi-member decision-making body and helps ensure that major policy decisions reflect the participation of multiple commissioners.

Long-term business investment depends on regulatory consistency. By promoting broad participation in policymaking, the bill works to reduce abrupt regulatory shifts and gives businesses greater confidence in the stability of FTC policy.

LEGISLATION SPECIFICS

The *Federal Trade Commission Governance Reform Act* would require a quorum of three commissioners for the FTC to:

- Initiate, advance, rescind, or complete a rulemaking proceeding;
- Adopt, amend, or rescind a policy statement, interpretive rule, industry guide, or enforcement policy statement; or
- Take any other formal action establishing, revising, or rescinding generally applicable Commission policy.

The quorum requirement does not apply to case-specific enforcement actions or other Commission activities that do not establish generally applicable policy. The legislation would take effect on January 20, 2029.
