Prepared Statement of FTC Commissioner Mark R. Meador
Before the United States Senate Committee on the Judiciary
Subcommittee on Antitrust, Competition Policy and Consumer Rights
"Deregulation & Competition:
Reducing Regulatory Burdens to Unlock Innovation and Spur New Entry"
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Chairman Lee, Ranking Member Booker, and distinguished members of the Subcommittee, my name is Mark Meador, and I presently serve as a Commissioner on the Federal Trade Commission. These views are my own and do not necessarily reflect the views of the Commission or any other Commissioner.

It is a great honor to be testifying before you today. I previously spent several years serving as a staffer on this Subcommittee, in the office of Chairman Lee. I have the utmost regard for this Subcommittee and its critical work defending fair commerce, promoting healthy competition, and ensuring that consumers' rights are protected.

On April 9 of this year, President Trump issued the executive order "Reducing Anti-Competitive Regulatory Barriers."[1] That executive order drew attention to the stark reality: all too often, federal regulations supposedly implemented for the benefit of the American people don't actually serve their interests. Onerous regulations can prevent small businesses and creative entrepreneurs from entering contested markets, allowing established monopolists to dominate the field at the expense of both American consumers and smaller enterprises.

I am proud to affirm with President Trump that "[r]egulations that reduce competition, entrepreneurship, and innovation—as well as the benefits they create for American consumers—should be eliminated." The FTC is taking active steps to implement this Executive Order.

On April 14, in accordance with the Executive Order, the FTC launched a public inquiry into the impact of federal regulations on competition.[2] To that end, the FTC issued a Request for Comment on anticompetitive regulatory barriers, seeking to identify specific instances of federal regulations harming competition in the American economy. Consistent with the Executive Order, this Request for Comment aimed to identify what particular federal regulations have an anti-competitive effect to:

(a) Create, or facilitate the creation of, de facto or de jure monopolies;

(b) Create unnecessary barriers to entry for new market participants;

(c) Limit competition between competing entities or have the effect of limiting competition between competing entities;

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[1] Executive Order 14,267, "Reducing Anti-Competitive Regulatory Barriers," 90 Fed. Reg. 15,629 (Apr. 9, 2025), https://www.federalregister.gov/documents/2025/04/15/2025-06463/reducing-anti-competitive-regulatory-barriers.
[2] Office of Public Affairs, "FTC Launches Public Inquiry into Anti-Competitive Regulations," Federal Trade Commission (Apr. 14, 2025), https://www.ftc.gov/news-events/news/press-releases/2025/04/ftc-launches-public-inquiry-anti-competitive-regulations.

(d) Create or facilitate licensure or accreditation requirements that unduly limit competition;

(e) Unnecessarily burden the agency's procurement processes, thereby limiting companies' ability to compete for procurements; or

(f) Otherwise impose anti-competitive restraints or distortions on the operation of the free market.

I am deeply grateful to the American public for actively engaging with us in this effort over the past few months. While the industries and specific regulations varied in the comments we received, the overarching theme was consistent: Americans want a fair chance to compete. Again and again, commenters described how incumbent firms have exploited regulatory processes to entrench their market position, block new entry, and raise costs for small- and medium-sized businesses.

These comments highlight that several industry sectors have been particularly affected:

- **Healthcare** emerged as the most frequently cited sector, reflecting both its regulatory complexity and widespread frustration on issues of access, quality, and cost at all levels of the supply chain. Comment submissions alleged that:
    - Scope-of-practice laws limit the ability of nurse practitioners, CRNAs, and other non-physician providers to deliver care they are fully qualified to provide, especially in rural and underserved communities.
    - Insurers and PBMs use vertically integrated business models that take advantage of regulations at different points of the healthcare supply chain (including contracting obligations, coverage requirements, and reimbursement rules) to steer patients away from non-integrated options, limit product and provider choices, and reduce payments to support patient care.
    - Price opacity and non-compete clauses further limit choice, accountability, and mobility for both patients and providers.
    - Certificate-of-Need laws and other licensure and certification requirements erect barriers to entry and advantage incumbent hospital systems and large provider practices.
    - State-specific licensing prohibit access to telehealth and cross-border services while also impeding workforce mobility and the ability of qualified individuals to expand service options.
- **Energy and Utilities**: Small innovators and new entrants alleged that incumbent utilities leverage franchise restrictions, interconnection delays, smart meter data restrictions, and

regulatory asymmetries to block access to grids and customers—raising costs, impeding new entry, and stifling access to alternative energy solutions and providers.

- **Transportation**: Commenters cited regulatory barriers ranging from gate access restrictions in aviation, to inconsistent licensing in ridesharing, to uneven standards for electric vehicle infrastructure—all favoring incumbent players.

- **Digital Markets:** Commenters pointed to state-level licensing barriers, fragmented data privacy laws, and inconsistent telehealth and fintech regulations as inhibiting startups and raising costs for small tech companies. Some commenters also flagged access to restrictions on public datasets and uncertainty around content liability laws as barriers to innovation.

- **Real Estate**: Regulations banning broker rebates, restricting "For Sale by Owner" listings, or limiting access to Multiple Listing Services (MLS) were seen as insulating legacy brokers from competitive pressure.

- **Labor and Employment**: Several submissions alleged that labor-related regulations favor large, incumbent employers by driving up compliance costs for smaller firms.

- **Professional Licensing and Credentialing**: Beyond healthcare, commenters described how state-level occupational licensing delays and inconsistencies in credential recognition can restrict mobility across education, legal, and financial services.

- **Government Procurement**: Small firms raised concerns about procurement practices that lock in incumbent contractors through opaque eligibility criteria, compliance rules, or long-term exclusive relationships, which makes it difficult for new entrants to compete for public contracts.

- **Education and Childcare**: Community providers noted that childcare and early education regulations—such as staffing ratios, facility mandates, and zoning restrictions—disproportionately burden small and home-based operators, undermining affordability and access to private education.

- **Housing and Land Use**: Local zoning laws, permit backlogs, and land-use restrictions were cited by some commenters as significant barriers to new residential development, especially for infill housing or affordable units. Small developers and first-time builders face systemic disadvantage compared to institutional players.

In each of these cases, the pattern was clear: incumbents have proven adept in pushing for and using regulations to evade competition. In the days to come, the FTC will continue to carry out its review of anticompetitive regulations in order to better promote competition in American markets, in partnership with the White House and other appropriate stakeholders. We will also continue working with state partners to advocate against state regulations that impede competition.

Before I close, I want to stress an important point. The problem highlighted by the President's executive order is not merely a matter of individual *regulations*, plural. The President's executive order rightly identifies a deeper problem: the instinct to reach for *regulation as such* as a policy instrument. I quote: "Federal regulations should not predetermine economic winners and losers."[3] But all too often, that is what a top-down regulatory approach has accomplished.

Consider this. You have all seen representatives from a number of dominant firms in emerging sectors, especially the tech industry, come before this Committee and its various subcommittees. And they often have a familiar line. *Regulate us*, some of them ask. *Pass legislation or regulations to keep us all on the straight and narrow.* And this can seem very public-spirited.

But when powerful companies ask for regulation, what they are often asking for is entrenchment of their own monopoly power. They are asking you, legislators of the U.S. Congress, to impose a compliance regime with requirements that *they*, the dominant players, will be able to satisfy. But those compliance requirements are costly. Potential market entrants won't necessarily be able to pay those costs. In other words, when dominant firms request top-down regulation, they're requesting that *you*, the U.S. Congress, erect new barriers to competition that didn't already exist.

The picture gets even bleaker than that. Bad-faith requests for regulation are, in many cases, an attempt by incumbents to avoid the discipline of the marketplace and sidestep having to compete on the merits. When dominant firms call for regulation, it is often because genuine competition has already been suppressed. Rather than confront this fact, they divert attention by proposing regulation as the solution. But in doing do, they undercut two of the most powerful forms of corporate accountability: (1) consumers choosing to go with a different option, and (2) law enforcers holding them liable for deceptive or anticompetitive conduct. What they seek instead is a narrow, predictable regulatory regime—one that they can navigate, budget for, and, ultimately, capture. The goal is not compliance with the law, but insulation from market forces and the imposition of a system of arcane rules that replaces true accountability with nominal fines. This form of regulation does not deter illegal behavior; it normalizes it. It changes the calculus of misconduct from something to be avoided into something to be priced, managed, and repeated.

What's the alternative to misguided regulation? The answer is twofold: targeted consumer protection enforcement when companies harm consumers directly, and targeted antitrust enforcement in the event companies behave anticompetitively. This dual mandate is precisely why the Federal Trade Commission exists. The potential consequences for violating consumer protection and antitrust laws are far more powerful deterrents for corporate misbehavior than what static and slow-moving regulatory schemes permit. This approach motivates companies to avoid misconduct in the first place, rather than strategically violating regulations and paying any slap-on-the-wrist penalties. Through this work, the FTC is committed to preserving a competitive and healthy marketplace that serves the well-being of American consumers.

[3] Executive Order 14,267, "Reducing Anti-Competitive Regulatory Barriers."

Thank you. I look forward to your questions.