Congress of the United States

Washington, DC 20515

October 21, 2024

The Honorable Lina Khan Chair Federal Trade Commission 600 Pennsylvania Ave., NW Washington, DC 20580

Dear Chair Khan:

As the Chairman of the House Committee on the Judiciary and Ranking Member of the Senate Committee on the Judiciary's Subcommittee on Competition Policy, Antitrust, and Consumer Rights, we are conducting oversight of the Federal Trade Commission (FTC). Recent reporting alleges that you toured the country to appear at several events with various Democrat congressional candidates during the election season. Your campaign-style tour raises the perception—at a minimum—that you violated ethical standards to advocate for the election of partisan political candidates. We expect your cooperation with our inquiry.

Federal law and FTC ethics rules prohibit you from participating in political events, and from using appropriated funds for any political activity.² To guard against abuse by agency officials, the Hatch Act and other government ethics rules create requirements for government employees, and impose limits on how government employees may participate in political activities.³ The FTC's Office of General Counsel's guidance specifies that FTC employees are prohibited from "us[ing] official authority. . . while engaged in political activity" or "engag[ing] in political activity while on duty, in the workplace, wearing a uniform or official insignia, or in a government vehicle."⁴ The Hatch Act not only prohibits such political activity, but the FTC's Office of General Counsel has explained that FTC employees are held to a higher standard, explaining that that FTC "[e]mployees shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards set forth in [the FTC's ethics guidance]."⁵

¹ See, e.g. Punchbowl News, Lina Khan Hits the Road with Democrats Ahead of Election (Oct. 2, 2024).

² See, e.g. 5 U.S.C §7323(a)(1) (The Hatch Act making clear that "an employee may not ... use [her] official authority or influence for the purpose of interfering with or affecting the result of an election...."); see also Federal Trade Commission, Office of General Counsel, Welcome to the FTC!: Let's Talk Ethics, 13-14, 23 (Sept. 2022) (The FTC's Office of General Counsel's instructions to employees detailing, among other things, the same Hatch Act prohibitions and explaining that "Commissioners (not their staffs) are authorized to engage in a de minimis amount of political activity while on duty or in the workplace, provided they do not use appropriated funds for such activities."), available at https://www.ftc.gov/system/files/ftc_gov/pdf/UD-ieo-for-new-ftc-employees.pdf.

³ 5 U.S.C §7323(a)(1).

⁴ See Welcome to the FTC!: Let's Talk Ethics, supra note 2.

⁵ See 5 U.S.C §7323(a)(1); see also Welcome to the FTC!: Let's Talk Ethics, supra note 2 at 11.

According to recent reports, you appeared at a series of events in Texas, Illinois, Wisconsin and Arizona with several candidates for elected office. 6 Media accounts described your tour as a "campaign gauntlet" with the timing of your events "so near the election . . . hard to ignore." These campaign-style events create the appearance that you are using your official position to advocate for the election of certain Democrat candidates.

This concern is particularly significant given your history of ignoring agency ethics advice concerning the appearance of partiality along with your subsequent dishonest testimony on the subject, 8 and the numerous complaints from FTC staff that your mismanagement has made you the bottleneck that has prevented the FTC from successfully protecting consumers and bringing successful cases. 9 To advance Congressional oversight and to inform potential legislative remedies with respect to your obligations under the Hatch Act and government ethics rules, ¹⁰ we require additional information about your use of FTC resources and involvement in events with political candidates.

To inform our oversight of the FTC, we write to request that you provide the following documents and information:

- 1. All documents and communications referring or relating to the scheduling of any public event you have done with a candidate for federal elected office for the period January 1, 2024, to the present;
- 2. All documents and communications referring or relating to the funding of travel and accommodations for any public event you have done with a candidate for federal elected office for the period January 1, 2024, to the present; and
- 3. All documents and communications referring or relating to any written or oral advice or guidance from the FTC's Designates Agency Ethics Official relating to any public event you have done with a candidate for federal elected office for the period January 1, 2024, to the present.

⁶ See Punchbowl News, supra note 1.

⁸ See, e.g. Letter from Rep. Jim Jordan, Chair, H. Comm. on the Judic. & Rep. Cathy McMorris Rodgers, Chair, H. Comm. on Energy and Com. to Hon. Lina Khan, Chair, Fed. Trade Comm'n (June 28, 2023) (discussing efforts to mislead Congress regarding your decision not to follow the guidance of the FTC's Designated Agency Ethics Official); See also Oversight of the Federal Trade Commission: Hearing Before the Comm. on the Judic., 118th Cong. (July 13, 2023) (Questions for the Record from Ms. Harriet Hageman, Member, H. Comm. on the Judic., Question No. 7 regarding the representation made to the House Committee on Energy and Commerce on April 18, 2023, regarding following the FTC's Designated Agency Ethics Official's (DAEO) advice)...

⁹ See, e.g. Abuse of Power, Waste of Resources, and Fear: What Internal Documents and Testimony FROM CAREER EMPLOYEES SHOW ABOUT THE FTC UNDER CHAIR LINA KHAN, INTERIM STAFF REPORT, COMM. ON THE JUDIC., U.S. HOUSE OF REPRESENTATIVES (Feb. 22, 2024).

¹⁰ See, e.g., H.R. 7737, the One Agency Act, 118th Cong. (2024).

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Please produce this material as soon as possible, but no later than 5:00 p.m. on November 4, 2024.

Both the House and Senate Committee on the Judiciary are authorized to conduct oversight of and legislate on matters relating to "[a]dministrative practice and procedure" and the "[p]rotection of trade and commerce against unlawful restraints and monopolies." If you have any questions about this matter, please ask your staff to contact House Committee staff at (202) 225-6906 and Senate Committee staff at (202) 579-8133.

Sincerely,

Jim Jordan

Chairman

House Committee on the Judiciary

Mike Lee

Ranking Member

Subcommittee on Competition Policy,

Antitrust, and Consumer Rights

Senate Committee on the Judiciary

¹¹ See Rules of the U.S. House of Representatives, R. X (2023); see also Rules of the U.S. Senate, XXV(m) (2013).