

U.S. Sen. Baldwin: Urges Trade Commission to enforce “Made in the USA” labeling standard

Posted on Thursday, Oct 24, 2019

>> **WisPolitics is now on the State Affairs network. Get custom keyword notifications, bill tracking and all WisPolitics content. [Get the app or access via desktop.](#)**

WASHINGTON, D.C. – U.S. Senators Tammy Baldwin (D-WI), Sherrod Brown (D-OH), Richard Blumenthal (D-CT), and Christopher Murphy (D-CT) are urging the Federal Trade Commission (FTC) to use its existing statutory authority to issue and enforce Made in the USA labeling regulations. Although the FTC has the statutory authority to issue regulations, which would strengthen its enforcement efforts, it has not done so and instead has taken a weaker approach to enforcement.

The Senators are calling on FTC to issue a rule that cracks down on violators and sends a message that abusive mislabeling practices by defrauders will no longer be accepted.

“We urge the Commission to issue a rule as part of a strengthened enforcement of the Made in the USA standard. A rulemaking promulgated under the Administrative Procedure Act would allow the Commission to codify the current Made in the USA standard and, more importantly, clarify when violators will face civil penalties,” **the Senators wrote in a letter to FTC Commissioners.**

In October of 2018, the Senators [wrote to the FTC](#) and referenced instances where companies had fraudulently affixed “Made in America” labels to foreign-made products. The Senators said mislabeling products not only misleads consumers but

also harms American businesses. The Senators urged the FTC to consider monetary penalties as well as admission of guilt settlements for companies that import products from countries like China and then commit these label violations.

The Senators [followed-up](#) in February, demanding increased transparency and stronger enforcement against violators, in addition to requesting additional information regarding the FTC's enforcement actions against companies that commit "Made in the USA" labeling violations, since little information has been available to date.

Full text of the letter can be found [here](#) and below. An online version of this release is available [here](#).

Dear Commissioners:

We write to encourage the Federal Trade Commission to use its existing statutory authority to issue Made in the USA labeling regulations. A rulemaking will ensure the Commission is using its full authority to crack down on Made in the USA violators and protect American manufacturers and consumers from fraud.

The Commission's enforcement of Made in the USA labeling standards must be strengthened. To date, the Commission has relied largely on "no fault, no money" settlements and "closing letters" to respond to Made in the USA infractions. These settlements and letters do not penalize the perpetrators of the labeling fraud or even require them to admit guilt. This impunity leads to repeat offenders and undermines the significance of the Made in the USA label. There is broad, bipartisan concern that the Commission's enforcement is insufficient. As a result, the Senate Appropriations Committee included language in its report on the

Financial Services and General Government Fiscal Year 2020 bill recommending the Commission undertake a rulemaking in this area to make Made in the USA violations more likely to result in a disgorgement or admission of liability.

We urge the Commission to issue a rule as part of a strengthened enforcement of the Made in the USA standard. A rulemaking promulgated under the Administrative Procedure Act would allow the Commission to codify the current Made in the USA standard and, more importantly, clarify when violators will face civil penalties.

Thank you for your consideration of this request. We look forward to working with you to ensure goods stamped with Made in the USA are truly made here in the USA.

Sincerely,