September 26, 2022

The Honorable Nancy Pelosi Speaker of the House U.S. House of Representatives Washington, DC 20515 The Honorable Kevin McCarthy Minority Leader U.S. House of Representatives Washington, DC 20515

The Honorable Steny Hoyer Majority Leader U.S. House of Representatives Washington, DC 20515

Dear Speaker Pelosi, Leader McCarthy, and Leader Hoyer:

State enforcement of antitrust law plays a key role in protecting consumer welfare in the face of corporate monopolies. However, the national nature of our economy means that, in many cases, consumers across state lines are buying the same products and services. H.R.3460, the State Antitrust Enforcement Venue Act, retreats from the national nature of many markets by attempting to refocus antitrust law on a state-by-state basis. It makes this shift by preventing venue transfers for antitrust cases brought by state attorneys general in favor of a system where states can bring antitrust claims against companies with more control over the venue in which these cases are carried out. A major change such as this will have unforeseen consequences in a variety of antitrust situations. It is for this and the following reasons we urge you to oppose H.R.3460, which is incorporated in the House Rules Committee notice hearing for the modified version of HR 3843, the Merger Filing Fee Modernization Act.

A <u>July 2021 letter</u> from the Director of the Administrative Office of the U.S. Courts explains the ways in which the bill would reduce efficiency in the American judicial system. It highlights that currently under 28 U.S. Code § 1407 similar civil cases in different districts are consolidated by the Judicial Panel on Multi-District Litigation, which then transfers the case to a single district. This can be requested by the defendant and the intent is to minimize duplicative processes and prevent inconsistent rulings.

By discarding this means for centralization through the passage of H.R.3460, the processes through which states approach antitrust cases is fundamentally changed. As is pointed out by the Administrative Office of the U.S. Courts, efficiency is compromised, as courts will need to separately engage in similar discovery and pretrial proceedings in different venues, even in cases where it would conserve the time of the court and taxpayer money to carry out in a single district.

Additional concerns lie in the potential for politically motivated judicial consequences associated with the bill. The bill's elimination of the consolidation process for antitrust cases brought under 15 U.S.C. § 15c will give rise to a reality where different states could simultaneously pursue their own separate antitrust actions against the same companies across various federal courts. As such, state attorneys generals may harass companies that are politically unpopular in a particular state or region.

Creating a fragmented and inefficient antitrust system is not the optimal remedy for potential corporate antitrust violations. We urge you to oppose H.R.3460, the State Antitrust Enforcement Venue Act, and avoid the unintended consequences that may come with it.

Sincerely,

Progressive Policy Institute (PPI)

Center for New Liberalism (CNL)

Computer & Communications Industry Association (CCIA)

Blackstone Valley Chamber of Commerce

South Shore Chamber of Commerce

Council Bluffs Chamber of Commerce

Lawsuit Reform Alliance of New York

Florida State Hispanic Chamber of Commerce