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## **Messaging the Biden-Harris Administration's Competition Wins to Lower Costs**

Despite the economy's strength, [41% of consumers](#) name inflation and high cost of living as their top financial problem, and many remain frustrated by the increased prices of essential [goods](#).

The Biden-Harris administration has tackled key drivers of these high prices -- corporate greed, anti-competitive collusion, and hyper consolidation across essential sectors like gas, groceries, housing, healthcare, and banking. Below is a summary of the administration's wins and guidance on how to discuss them with constituents.

### **Gas Prices:**

In 2022, Americans spent twice as much money on gas compared to 2020. While much media coverage focused on volatile energy markets, a 2024 Federal Trade Commission (FTC) investigation revealed that Pioneer Natural Resources CEO Scott Sheffield engaged in price collusion with [OPEC to limit oil production](#) to keep prices high, costing American families of four an additional [\\$2,000-\\$4,000](#) annually, or an estimated [\\$158 billion total](#) since 2021. The FTC referred the case to the Department of Justice (DOJ), which could pursue criminal charges against Sheffield. Rep. Mark Pocan [called for the CEO to receive jail time](#) for robbing his constituents of millions of dollars.

- *Suggested talking points:*

- While American families battled financial shocks during the pandemic, big energy CEO, Scott Sheffield, colluded with foreign adversaries to raise oil prices.
- Sheffield's greed earned him over [\\$19 million](#) in compensation in 2022, while his collusion led American families to spend between \$2,000-\$4,000 more annually on gas.
- The Biden-Harris administration's FTC, led by Chair Lina Khan, uncovered this collusion, which could send Sheffield to prison.
- Donald Trump and Republicans are buddying up with greedy oil executives -- with Trump telling a [roomful of oil executives](#) this year they should "raise \$1 billion to return [Trump] to the White House" -- while President Biden is taking on Big Oil to lower gas prices.

## **Grocery Prices**

60% of likely voters [dissatisfied](#) with the economy cite grocery prices as their top concern. And no wonder; grocery prices have [increased 20%](#) since 2019, and the average family spends over \$5,000 annually on groceries. It's not just inflation., Big grocer price-gouging and algorithmic price-fixing upstream in the food ecosystem is also contributing to rising prices.

The Biden Administration is addressing both. The FTC sued to block Kroger's merger with Albertsons, which would create one of the country's largest grocers and give them even more pricing power. The DOJ is suing AgriStats for providing [competitor pricing information](#) to roughly 90% of all chicken, pork, and turkey meat processors and counseling them to restrict output, ultimately raising consumer prices.

- *Suggested talking points:*

- Consumers are now spending over \$5,000/year on groceries, a 20% increase from 2019.
- Inflation has contributed to these costs, but Big Grocers and Big Ag have price-gouged and price-fixed their way to higher profits at the expense of American consumers.
- Biden-Harris enforcers are fighting back to check Big Grocers' pricing power and illegal price-fixing that's raising food costs, potentially saving consumers hundreds of dollars every year.
- Many big grocery chains are caving to this pressure, with some companies like [Target, Walmart, and others](#), voluntarily lowering their prices on essentials like milk, meat, bread, fruit and vegetables, paper towels, and diapers.

## **Housing**

Last year was the one of the [most expensive on record for housing](#), with rent rising 11.3%. Young voters in particular consider it a top concern. High interest rates are a factor driving up costs, but software companies like RealPage utilizing algorithms to [steer corporate landlords](#) to coordinate high rents are also to blame. The DOJ is [backing tenants](#) suing RealPage and has likely launched [its own investigation](#). The FBI also [recently raided](#) the office of landlords using the software.

- *Suggested talking points*

- In 2023, housing was more expensive than ever with prices rising at a [greater rate](#) than most other sectors.
- The Biden-Harris administration is going after the companies and landlords illegally raising prices, which could save consumers thousands in rent.

## **Health Care**

The average American spends [almost \\$6,000 out of pocket annually](#) on healthcare and over 90% of Americans cite [health care affordability](#) as a big problem. Discussion around controlling costs often focuses on long-term reforms to the insurance system, but the Biden/Harris administration has implemented policies to lower prices immediately. The FTC has challenged more than [400 pharmaceutical patents abused to](#) block generics and keep prices high. In response, the four largest inhaler manufacturers lowered patient out-of-pocket costs to \$35 from over \$500 in certain cases. The Food and Drug Administration (FDA) also permitted hearing aid companies to sell units over-the-counter, lowering costs [by more than \\$3,000 to as little as \\$200/unit](#).

- *Suggested talking points:*
  - American families spend thousands on healthcare every year, and the Biden-Harris administration is finding concrete ways to lower costs.
  - The FTC pressured Big Pharma to lower inhaler prices to \$35 from as much as \$500.
  - Because of FDA action, consumers are saving thousands on hearing aids, now paying as little as \$200 in drug stores.

## **Junk Fees**

The average American household spends [\\$650/year](#) on junk fees, those mandatory and deceptive surcharges added to goods and services without any corresponding value for consumers, totaling over [\\$90 billion/year](#). The Biden/Harris administration has adopted a “whole-of-government” approach to crack down on these fees across the economy. The CFPB finalized a rule to

lower [credit card fees from over \\$32](#) to \$8. The Department of Transportation issued a rule to force airlines to disclose any fees upfront to combat the [\\$543 million in fees](#) passengers overpay each year to fly. And not only has the FTC proposed a rule to ban junk fees entirely, it also uncovered how Adobe and its executives charged consumers hundreds of dollars in early termination fees when they tried to cancel a subscription. The DOJ is now pursuing a federal case against Adobe.

- *Suggested talking points:*
  - Greedy corporations are raking in \$20 billion annually from charging consumers junk fees, costing Americans \$645/year.
  - The Biden-Harris administration is trying to implement a ban to eradicate these fees altogether.
  - In the meantime, the CFPB lowered credit card late fees from over \$32 to \$8, which will save consumers \$221/year, and DOT is tackling the \$500 million airline passengers overpay in fees every year.

## **Airlines**

With over [\\$95 billion spent](#) on US airline tickets in 2023 alone, air travel is a significant cost for working families -- and an essential means to connect with each other, conduct business, and build regional economies. With the airline industry more concentrated than ever, the big airlines took advantage of post-Covid demand to price gouge passengers and run roughshod over their rights to refunds and fair service. But the Biden/Harris Administration fought back, blocking the quasi-merger "[Northeast Alliance](#)" between American Airlines and JetBlue and the proposed [JetBlue-Spirit](#) merger, and codifying a new [DOT rule](#) that entitles passengers to automatic refunds. These efforts come alongside unprecedented enforcement actions, like the DOT's [\\$140 fine against Southwest airlines](#) after it left passengers stranded in 2022. Thanks to

these efforts, airfare prices have been falling for the past 3 months, with the index for airline fares [falling 5.0](#) percent in June 2024 alone.

- *Suggested talking points:*
  - Spurred on by years of consolidation, big airlines took advantage of the post-Covid demand to jack up prices and treat passengers like cattle.
  - By hitting airlines with unprecedented fines and setting crucial new refund rules, the Biden-Harris administration is sending a strong message that mistreatment of passengers will no longer be tolerated.
  - Antitrust enforcement works, which is why after big wins against harmful mergers, airfare prices are now falling dramatically -- by 5% in June 2024 alone.