

April 1, 2026

The Honorable Chuck Grassley
Chairman
Committee on the Judiciary
United States Senate
Washington, DC 20510

The Honorable Dick Durbin
Ranking Member
Committee on the Judiciary
United States Senate
Washington, DC 20510

Dear Chairman Grassley and Ranking Member Durbin:

The undersigned organizations write to urge the Senate Judiciary Committee to reintroduce the American Innovation and Choice Online Act (“AICOA”).¹ Policymakers across the political spectrum are focused on making life more affordable for American families. Promoting competition, and enforcing and enhancing antitrust law, are critical to that effort. In recent years, we have seen strong bipartisan support at the antitrust agencies and on the relevant committees of Congress—across administrations—for addressing competition problems that drive up costs, including in prescription drugs and pharmacy benefit management,² healthcare consolidation,³ and grocery markets.⁴ AICOA directly addresses one of the most significant remaining gaps: the ability of dominant technology platforms to impose fees and pricing restrictions that raise costs not just on their own marketplaces, but across the entire economy.

The case of Amazon illustrates the problem. Amazon now collects fees totaling approximately 45 to 50 cents of every dollar earned by third-party sellers on its marketplace—up from 19 percent in 2014.⁵ Sellers cannot simply absorb these costs, so they raise prices. But Amazon also enforces “most favored nation” pricing policies that effectively require sellers to

¹ American Innovation and Choice Online Act, S. 2992, 117th Cong. (2022) (introduced by Senators Amy Klobuchar (D-MN) and Chuck Grassley (R-IA) and advanced by the Senate Judiciary Committee on January 20, 2022, by a bipartisan vote of 16 to 6).

² See, e.g., S. 526, Pharmacy Benefit Manager Transparency Act of 2025, 119th Cong. (2025) (introduced by Sens. Grassley (R-IA) and Cantwell (D-WA)); S. 5503, Patients Before Monopolies (PBM) Act, 118th Cong. (2024) (introduced by Sens. Warren (D-MA) and Hawley (R-MO)); PBM Reform Act, H.R. 4317, 119th Cong (2025).

³ See e.g., *Lowering Health Care Costs for All Americans: An Examination of Health Insurance Affordability Before the H. Comm. on Energy & Commerce*, 119th Cong. (2026) (bipartisan discussion of healthcare consolidation and costs); Break Up Big Medicine Act, S. 3822, 119th Cong. (2026) (introduced by Sens. Warren (D-MA) and Hawley (R-MO) targeting vertical integration among insurers, PBMs, and providers).

⁴ See *Fed. Trade Comm’n v. Kroger Co.*, No. 3:24-CV-00347-AN, 2024 WL 5053016, at *6 (D. Or. Dec. 10, 2024) (FTC action to block Kroger-Albertsons merger to protect grocery competition and consumer prices).

⁵ STACY MITCHELL, AMAZON’S MONOPOLY TOLLBOOTH, INST. FOR LOCAL SELF-RELIANCE (2023), <https://ilsr.org/articles/amazonmonopolytollbooth-2023/>; Juozas Kaziukėnas, *Amazon Takes a 50% Cut of Sellers’ Revenue*, MARKETPLACE PULSE (Feb. 13, 2023), <https://www.marketplacepulse.com/articles/amazon-takes-a-50-cut-of-sellers-revenue>.

raise their prices *everywhere*—at competing retailers, at independent stores, and on their own websites—not just on Amazon.⁶ The result is that Amazon’s fees function as a hidden tax on the entire retail economy, inflating prices for consumers whether or not they shop on Amazon. The California Attorney General’s ongoing price-fixing lawsuit has produced internal Amazon documents confirming this dynamic.⁷

AICOA would address this conduct directly. By prohibiting dominant platforms from engaging in self-preferencing and other discriminatory practices, AICOA would restore competitive pressure that keeps prices in check. When platforms must compete fairly, sellers can pass savings from lower-fee competitors on to consumers—rather than being locked into inflated pricing across every channel. The stakes extend well beyond any single company. Small businesses employ nearly half of America’s private-sector workforce—roughly 62 million workers—and account for 43.5 percent of the nation’s GDP.⁸ Many of these businesses depend on dominant technology platforms to reach customers. When those platforms exploit their gatekeeper power to extract excessive fees and suppress price competition, the costs are ultimately borne by consumers and by the small businesses that drive job creation in every state and congressional district. As Chairman Grassley noted when he first introduced the bill, “[e]nsuring that there are competitive and dynamic online markets is crucial to bringing more choices and *lower prices* to American consumers.”⁹

AICOA has a strong bipartisan track record. It was advanced by the Senate Judiciary Committee in the 117th Congress on a 16–6 bipartisan vote, with support from both Republican and Democratic members.¹⁰ More than 100 advocacy organizations, trade associations, and technology companies supported the legislation.¹¹ The core problems it was designed to solve—gatekeeper abuse, suppressed competition, and inflated consumer costs—have only grown worse

⁶ See, e.g., Complaint, *People v. Amazon.com, Inc.*, No. CGC-22-601826 (Cal. Super. Ct. Sept. 14, 2022); Complaint, *FTC v. Amazon.com, Inc.*, No. 2:23-cv-01495 (W.D. Wash. Sept. 26, 2023); see also Complaint, *District of Columbia v. Amazon.com, Inc.*, No. 2021 CA 001775 B (D.C. Super. Ct. May 25, 2021) (alleging Amazon’s “most favored nation” policies artificially inflated prices across the online retail market).

⁷ Press Release, Cal. Dep’t of Justice, Attorney General Bonta Exposes Amazon Price Fixing Scheme Driving Up Costs for Americans (2026), <https://oag.ca.gov/news/press-releases/attorney-general-bonta-exposes-amazon-price-fixing-scheme-driving-costs>.

⁸ U.S. SMALL BUS. ADMIN., OFFICE OF ADVOCACY, 2025 SMALL BUSINESS PROFILE (June 2025), <https://advocacy.sba.gov/2025/06/30/2025-small-business-profiles-for-the-states-territories-and-nation/>; U.S. BUREAU OF LABOR STATISTICS, SMALL BUSINESSES CONTRIBUTED 55 PERCENT OF THE TOTAL NET JOB CREATION FROM 2013 TO 2023 (2024), <https://www.bls.gov/opub/ted/2024/small-businesses-contributed-55-percent-of-the-total-net-job-creation-from-2013-to-2023.htm>.

⁹ The Hon. Charles Grassley, Op-Ed, *Bipartisan Innovation and Choice Online Act Would Boost Small Businesses on ‘Big Tech’*, DES MOINES REGISTER (Dec. 14, 2021), <https://www.desmoinesregister.com/story/opinion/columnists/iowa-view/2021/12/14/american-innovation-choice-online-act-boost-small-businesses-big-tech/6497340001/>.

¹⁰ *Executive Business Meeting of the S. Comm. on the Judiciary*, 117th Cong. (2022) (reporting S. 2992 favorably by a vote of 16 to 6).

¹¹ See, e.g., Letter from Consumer Reports et al. to Senate Judiciary Committee (May 8, 2024) (coalition of 19 organizations); Small Business Rising, Statement on Reintroduction of AICOA (June 15, 2023) (more than 25 member organizations); Fight for the Future, #AntitrustDay Coalition (Apr. 4, 2022) (more than 100 organizations and companies).

since the bill was first introduced. Today, with affordability at the top of voters' concerns, the case for action is stronger than ever.

AICOA would also complement other bipartisan legislation already before this Committee that addresses excessive fees imposed by dominant technology platforms. The Open App Markets Act ("OAMA") would provide consumers with alternatives to the excessive fees charged on mobile apps and digital subscriptions by Apple and Google.¹² The AMERICA Act would address monopolistic fees on digital advertising that get passed on to consumers in the form of higher prices and make it harder for small businesses to market their products and services.¹³ Together, these three bills represent a comprehensive, bipartisan approach to restoring competition in the digital economy and reducing costs that are ultimately shouldered by American families and businesses.

We respectfully urge the Committee to reintroduce AICOA and move it to markup without delay. Pro-competitive reforms that lower costs for consumers and protect small businesses should not be a partisan issue. They are an economic necessity.

Respectfully,

Digital Progress Institute
Public Knowledge
American Principles Project
Article III Project
Bull Moose Project
Citizens for Renewing America
Demand Progress
Economic Security Project Action
Fight for the Future
Future of Music Coalition
Institute for Local Self-Reliance
Internet Accountability Project
John Hammer, The Josh Hammer Show
Open Markets Institute
P Street
Public Citizen

¹² Open App Markets Act, S. 2710, 117th Cong. (2022) (introduced by Sens. Blumenthal (D-CT), Blackburn (R-TN), and Klobuchar (D-MN) and advanced by the Senate Judiciary Committee on a bipartisan 20 to 2 vote).

¹³ Advertising Middlemen Endangering Rigorous Internet Competition Accountability (AMERICA) Act, S. 1060, 119th Cong. (2025) (introduced by Sens. Lee (R-UT), Klobuchar (D-MN), Schmitt (R-MO), Warren (D-MA), Welch (D-VT), and Booker (D-NJ)).