



Office of Commissioner
Andrew N. Ferguson

UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

Concurring Statement of Commissioner Andrew N. Ferguson

In the Matter of DoNotPay, Inc.
Matter Number 2323042
September 25, 2024

The Commission today issues an administrative complaint and accepts a proposed consent agreement with DoNotPay for deceptively marketing a generative artificial intelligence (AI) system.¹ The Commission’s complaint alleges that DoNotPay advertised its service as “the world’s first robot lawyer” that could “fight corporations, beat bureaucracy and sue anyone at the press of a button.”² DoNotPay told consumers it could “Generate Perfectly Valid Legal Documents in No Time” and guide consumers through filing a lawsuit.³ The DoNotPay website prominently featured a quote that it claimed was from the *Los Angeles Times*: “What this robot lawyer can do is astonishingly similar—if not more—to what human lawyers do.”⁴ But this quote was actually from a high-school student’s opinion piece in the *High School Insider* website, a blog hosted by the *Los Angeles Times* for young people.⁵ DoNotPay told consumers that “[w]hile it is possible to handle suing for assault on your own, it may not be the best approach” and advised them that “it is easier to have the expertise of an entity such as DoNotPay on your side to avoid complications.”⁶ The Commission’s complaint alleges that DoNotPay fell far short of these promises, and that DoNotPay employees had not even tested the quality and accuracy of the legal documents and advice generated by the service.⁷ In some cases, the Commission alleges that DoNotPay advertised features that it simply did not provide.⁸

I am happy to vote for this complaint. It is a great example of the Commission enforcing Section 5 of the Federal Trade Commission Act⁹ against businesses that deceive consumers about the capabilities of their generative AI services. Businesses that exploit media hype and consumer unfamiliarity with this new technology to cheat people out of their hard-earned money should expect a knock on the door from the Commission and other law-enforcement agencies. In this case, consumers who relied on DoNotPay’s wholly inadequate legal advice not only wasted their money but were also likely induced into reliance on the inadequate legal contracts and ineffective legal filings generated by DoNotPay. It does not take a vivid imagination to imagine how such reliance

¹ *In re DoNotPay, Inc.*, Complaint (“Complaint”) & Decision and Order.

² Complaint ¶ 9.

³ *Id.* ¶ 17.

⁴ *Id.* ¶ 10.

⁵ *Id.* ¶ 11.

⁶ *Id.* ¶ 17.

⁷ *Id.* ¶ 20.

⁸ *Id.* ¶ 24.

⁹ 15 U.S.C. § 45.

could have ruinous consequences. The Commission’s staff deserves great credit for bringing and settling this case.

I write separately to ensure that no one confuses what we are doing today—holding generative-AI companies to the same standards for honest-business conduct that apply to every industry—with the regulation of AI *qua* AI. Congress has given us the power to enforce prohibitions against unfair methods of competition and unfair or deceptive acts and practices.¹⁰ We may reach some AI-related activity incidental to enforcing those prohibitions, as we do today. But Congress has not given us power to regulate AI standing alone. We should not succumb to the panicked calls for the Commission to act as the country’s comprehensive AI regulator.¹¹

I write also to clarify that my vote should not be taken as support for the State Bar of California’s claim that DoNotPay was engaged in the unauthorized practice of law.¹² The Commission does not enforce state occupational-licensing laws like California’s unauthorized-practice-of-law prohibition.¹³ And if a company were to create a computer system capable of giving accurate legal advice and drafting effective legal documents, or honestly advertise a system that provides something less, I doubt that the aggressive enforcement of lawyers’ monopoly on legal services would serve the public interest.

¹⁰ *Id.* § 45(a)(2).

¹¹ See Dissenting Statement of Commissioner Andrew N. Ferguson, Joined by Commissioner Melissa Holyoak, In the Matter of Rytr LLC, at 9–10 (Sept. 25, 2024); Concurring and Dissenting Statement of Commissioner Andrew N. Ferguson, A Look Behind the Screens: Examining the Data Practices of Social Media and Video Streaming Services, at 10–11 (Sept. 19, 2024).

¹² Complaint ¶¶ 25–27.

¹³ See Cal. Bus. & Prof. Code § 6125.