

## **Pandemic Anti-Monopoly Act**

The coronavirus disease 2019 (COVID-19) pandemic triggered an economic crisis that has hit small businesses especially hard, making them potential targets of large corporations seeking to increase their power through predatory mergers. Reports suggest that [private equity is planning to jump](#) at the cheap opportunities; [big tech has moved to snatch up](#) struggling start-ups; and [Rite Aid is looking to scoop up](#) smaller pharmacies and PBMs. Although antitrust agencies are tasked with defending open and fair markets by stopping anti-competitive mergers, their inability to aggressively take on concentration before the crisis began has further limited the federal government's ability to respond effectively to the pandemic. For example, a [series of mergers](#) in the medical device industry hampered the federal government's efforts to expand production of ventilators, leaving the country short-handed for weeks.

Small businesses help form the backbone of our economy, and during national crises, the federal government should support small businesses so that they can bounce back after the emergency ends. That means ensuring that small businesses have viable alternatives other than accepting acquisition offers that may lead to job losses, price increases, and further entrenchment of giant corporate power. Thus far, however, data indicate that large companies may be disproportionately benefitting from pandemic relief programs. For example, although Congress created the Paycheck Protection Program to aid struggling small business, [reports reveal](#) that hundreds of millions went to large, publicly traded companies.

The **Pandemic Anti-Monopoly Act** would stop large corporations from exploiting the pandemic to engage in harmful mergers and strengthen the federal government's ability to respond effectively to future crises by:

- **Imposing a moratorium on risky mergers and acquisitions until the Federal Trade Commission (FTC) determines that small businesses, workers, and consumers are no longer under severe financial distress. The moratorium includes all mergers and acquisitions that involve:**
  - companies with over \$100 million in revenue or financial institutions with over \$100 million in market capitalization;
  - private equity companies, hedge funds, or companies that are majority-owned by a private equity company or hedge fund;
  - companies with an exclusive patent that impacts the crisis, like personal protective equipment; and
  - transactions that must otherwise be reported to the Federal Trade Commission under current law
- **Pausing all waiting periods and deadlines imposed on antitrust agencies during the moratorium**
- **Directing the FTC to engage in rulemaking to establish a legal presumption against mergers and acquisitions that pose a risk to the government's ability to respond to a national emergency**