

Opening Statement
Chair Jan Schakowsky
Subcommittee on Consumer Protection and Commerce
Committee on Energy and Commerce
Hearing on “Oversight of the Federal Trade Commission: Strengthening Protections for
Americans’ Privacy and Data Security”
May 8, 2019

I yield myself 5 minutes for an opening statement.

Good morning and thank you to the Federal Trade Commission for being here with us this morning. The FTC is an independent agency created by Congress to protect the American people.

Recent media reports have focused on FTC’s potentially record-breaking fine of Facebook. The fact of the matter is that the public information known about that case underscores the need for comprehensive privacy legislation.

And while I appreciate the Commission’s work and action on the Facebook case, I believe the reality is that a large fine in a single case does not meaningfully solve the problems consumers face because of the FTC’s lack of tools it needs to fulfill the mission to protect consumers in today’s economy.

The FTC needs increased funding and Administrative Procedure Act rulemaking authority at a minimum to restore consumer confidence in today’s digital and brick-and-mortar marketplaces. The FTC should be pursuing multiple investigations, both large and small. Chairman Simons has publicly voiced support for Administration Proceedings Act rulemaking authority, and I am appreciative of those comments.

We know the American people are counting on us to act. According to a recent survey, 67 percent of American adults want the government to act to protect their privacy.¹

But, as it stands, the FTC does not have authority to obtain civil penalties for initial violations for most unfair or deceptive practices. Making matters much worse, the FTC has only 40 full-time staff devoted to privacy and data security. Contrast that with the United Kingdom Information Commissioner’s Office, which has about 500 employees for a country about one fifth the size of the United States. And unfortunately, Chairman Simons, unlike other recent administrations, has not appointed a Chief Technologist, and only 5 people at the FTC are technologists.

Energy and Commerce Democrats feel we have an obligation to produce a solid piece of legislation that protects consumer privacy. We’ve begun conversations now with the Republicans. It’s my hope that this legislation will be bipartisan. And I am looking forward to working with the FTC in designing this legislation.

I welcome the Commission today to learn how we can assist them in fulfilling their mission.

¹ https://www.sas.com/en_us/news/press-releases/2018/december/data-management-data-privacy-survey.html