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RPTR JOHNSON

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MARKUP OF

H.R. 906, TO MODIFY THE EFFICIENCY STANDARDS FOR GRID-ENABLED WATER HEATERS;

H.R. 1734, THE COAL COMBUSTION RESIDUALS REGULATION ACT OF 2015; AND

H.R. 1770, THE DATA SECURITY AND BREACH NOTIFICATION ACT OF 2015

TUESDAY, APRIL 14, 2015

House of Representatives,

Committee on Energy and Commerce,

Washington, D.C.

The committee met, pursuant to call, at 5:00 p.m., in Room 2123, Rayburn House Office Building, Hon. Fred Upton [chairman of the committee] presiding.

Present: Representatives Upton, Barton, Shimkus, Blackburn, Latta, McKinley, Bilirakis, Pallone, Green, Schakowsky, and Welch.

Staff Present: Nick Abraham, Legislative Clerk; Gary Andres,

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Staff Director; Charlotte Baker, Deputy Communications Director; Sean Bonyun, Communications Director; Leighton Brown, Press Assistant; Karen Christian, General Counsel; Melissa Froelich, Counsel, CMT; Tom Hassenboehler, Chief Counsel, Energy & Power; Brittany Havens, Legislative Clerk; Kirby Howard, Legislative Clerk; Peter Kielty, Deputy General Counsel; David McCarthy, Chief Counsel, Environment/Economy; Paul Nagle, Chief Counsel, CMT; Tina Richards, Counsel, Environment; Chris Sarley, Policy Coordinator, Environment and Economy; Olivia Trusty, Professional Staff Member; Michelle Ash, Minority Chief Counsel, Commerce, Manufacturing and Trade; Jen Berenholz, Minority Chief Clerk; Christine Brennan, Minority Press Secretary; Jeff Carroll, Minority Staff Director; Jacqueline Cohen, Minority Counsel; Tiffany Guarascio, Minority Deputy Staff Director and Chief Health Advisor; Rick Kessler, Minority Senior Advisor and Staff Director, Energy and Environment; and Tim Robinson, Minority Chief Counsel.

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The Chairman. The committee will come to order. And the chair recognizes himself for an opening statement. Today we come together to consider three bipartisan bills that protect consumers, the environment, and jobs. First, we are going to consider H.R. 906, an important regulatory relief bill authored by Mr. Whitfield that will allow energy-saving thermal storage water heaters to continue being manufactured and sold. We passed this bill previously with strong bipartisan support in the last Congress, and I expect that it will pass again with the same enthusiasm. We will also mark up for the third Congress in a row important coal ash legislation authored by Mr. McKinley. This bill, which will protect hundreds of thousands of jobs, is a model of thoughtful collaboration to protect human health and the environment.

Last December, the administration finalized regulations for managing coal ash. And we carefully studied EPA's regulation, and learned that the self-implementing rule will have no regulatory oversight, and can only be enforced through citizen suits. We figured out a practical solution by which State governments would be allowed to implement EPA's protective standards through the State permit programs. This breakthrough idea works for States and for the regulated community, while preserving the protective requirements articulated by the administration, and providing the EPA a more active role in regulating coal ash. The States, Congress, and the executive branch each have an important contribution, and with this bill, we hope

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that the third time is the charm in getting the job done. And I commend particularly Chairman Shimkus for his diligence to get us here.

Finally, we will consider data security legislation. This committee has worked hard to find a balanced, well-targeted solution, and I believe that our legislation is closer than we have come in a long time to addressing a problem that has only worsened over the past decade. At long last, we have a bipartisan bill that focuses on the data that criminals monetize, a bill that will help protect folks in Michigan and across the country. And by maintaining a sharp focus on financial loss or identity theft, we have found agreement on much-needed protections for the personal information that is most coveted by cyber hackers and applied it to companies not currently under a Federal regulatory regime.

And as we set a national data protection requirement, we also establish a single set of rules on breach notification. I especially want to thank Vice Chair Blackburn and Mr. Welch for their steadfast efforts to advance this legislation that puts consumers first, and Chairman Burgess for his leadership and early emphasis on this priority. Each of these three bipartisan bills plays an important role in the committee's ongoing work to protect families, jobs, and our economy. I would urge my colleagues to join me in voting yes. And I yield for an opening statement to the ranking member of the full committee, Mr. Pallone.

Mr. Pallone. Thank you, Mr. Chairman. Today we will mark up

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three bills in the committee that address the areas of energy efficiency standards, coal ash cleanup, and data security. First, I want to voice my support for H.R. 906, which would amend the Department of Energy efficiency standards for water heaters to allow the continued use of large tank electric resistance water heaters under limited circumstances. This bipartisan bill, cosponsored by a number of Democrats, including Mr. Welch, Mr. Loeb sack, and Mr. Doyle, would ensure that these so-called grid-enabled water heaters can continue to be employed in demand response programs sponsored by rural co-ops and other electric providers.

Although versions of this bill have passed the House on a number of occasions, and it is also currently pending before the House as part of S. 535, the Portman-Shaheen efficiency bill that recently passed the Senate, this is actually the first time our committee is marking up the legislation. I think we all want to see this legislation move through Congress to the President for signature prior to the April 16 effective date of the new DOE standards. I want to thank Chairman Whitfield, the bill's lead sponsor, and Chairman Upton for working with us to pursue an expedited version of regular order. And I know our side is prepared to work with you to move this quickly through the House.

Second, we will consider the Improving Coal Combustion Residuals Regulation Act of 2015. As I have stated during our legislative hearing on this topic and our recent subcommittee markup, I think that this legislation is unnecessary and dangerous for public health and

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the environment. EPA's final rule reflects a tremendous effort, and it will, for the first time, provide the framework for addressing this serious environmental problem. But this bill would undermine that rule, putting in place weaker requirements for groundwater monitoring and protection, clean up of pollution, closure of unsafe sites, and more. The bill would also create a new model of delegation to States, with a sharply curtailed role for EPA.

It is a bad solution for coal ash and a bad precedent, and I will urge my colleagues to oppose it. Today we also mark up a draft of data security and breach notification bill. As I have said repeatedly, I want this committee to take action to reduce data breaches and their adverse effects. Unfortunately, the bill before us does not do that. And worse, it weakens existing consumer protections. Many of the 51 State and territorial breach notification laws provide greater protections for consumers. On just the trigger for noticing consumers, 38 State laws are stronger than this bill, providing notice in more circumstances, thereby allowing consumers to mitigate harms.

Rather than addressing some of the major problems raised in the legislative hearing and subcommittee markup, we have heard rumors from stakeholders that we will likely see various amendments tomorrow that make substantive changes but do not address the fundamental problems of the bill. These include changes to the data security obligations imposed on cable and satellite providers, the right to notice of a breach of health information in certain States, and the Federal Trade

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Commission's ability to seek adequate penalties. For example, one stakeholder expressed concern that the vague security standard leaves companies unsure what is required of them. But I believe the solution is to clarify the security requirements through more robust language or rulemaking, not to limit FTC fining authority.

Another stakeholder who provides communications services explained that his company would rather take his chances with after-the-fact FTC enforcement instead of before-the-fact obligations under the FCC's regulations. That is not how we should legislate. No one questions the FTC's expertise in data security, but it is primarily an enforcement agency. The FTC currently lacks the tools to effectively handle the unique data security, breach notification, and privacy issues of communications services.

In closing, I just again must raise a procedural issue. The base text we are marking up today -- or I guess tomorrow -- is significantly different than the draft forwarded by the subcommittee. The work of the subcommittee at the markup last week has been almost completely overridden, and we hear we will have significant new language tomorrow morning. That is not a good reflection of our committee, and I hope that we can correct this for future action. I think I have proven over the last 3 months that I can stand ready to work with my Republican colleagues if we truly work together, and not just make that claim.

So I urge my colleagues to reject the draft data security bill, and instead, support the substitute that will be offered that I believe

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can garner the support of the whole House. Thank you, Mr. Chairman. I yield back.

The Chairman. The gentleman yields back. The chair would remind all members that pursuant to committee rules, all members' opening statements will be made part of the record. Are there further opening statements? And the chair would recognize the gentlelady, the vice chair of the full committee, Ms. Blackburn, for 3 minutes.

Mrs. Blackburn. Thank you, Mr. Chairman. Consumers do want assurances that their data and their virtual you, as I term it, will be protected in cyberspace. 2014 was dubbed the year of the breach. And the American people are asking Congress to take some action and provide some clarity. H.R. 1770, the Data Security and Breach Notification Act of 2015, is a step in the right direction. It articulates a uniform national standard for data security and breach notification that will protect consumers and provide industry with guidance.

Data breaches cost customers \$100 billion a year, and the U.S. economy, about 508,000 jobs each year. I want to reiterate that this is a narrow bill. It is purposefully a narrow bill that requires entities under the jurisdiction of the FTC that collect and maintain personal information of individuals to secure such data and provide notice to affected individuals in the event of a breach. This bill is a bipartisan effort, crafted with substantial input from Republicans, Democrats, and affected industries. Our country cannot

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spare the trillions of dollars in costs or the loss of 5 million jobs that will come with another 10 years passing and no Federal guidelines and legislation. The time to act is now. And we ask for your support. I look forward to continuing to work on the issue, and I yield back.

The Chairman. The gentlelady yields back. The chair will recognize the gentleman from Texas, Mr. Green, for an opening statement.

Mr. Green. Thank you, Mr. Chairman and ranking member, for holding today's markup on coal ash, data security, and grid-enabled water heaters. On coal ash, our subcommittee has looked at the issue of coal ash for the past several Congresses. I have supported legislation in the past two Congresses that coal ash needs to be regulated under subtitle D of the Resource Conservation and Recovery Act, RCRA, which would ensure that the recycling of coal ash continues without disruption. The beneficial reuse of coal ash is responsible for tens of thousands of jobs throughout our country, helping our economy and our environment.

The Improving Coal Combustion Residuals Regulation Act, introduced recently by Congressman McKinley of West Virginia, succeeds in creating a State-based permitting program that will regulate under subtitle D and set important monitoring, structural, and safety standards in the statute. The legislation is not perfect, but I believe it is a clear improvement over current law, and will help protect communities near facilities and impoundments. For these

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reasons, I support the McKinley bill, and I hope it will provide the certainty needed for communities, the recycling industry, and the utilities.

Data security. I would like to thank my colleagues, both Mr. Welch of Vermont and Ms. Blackburn of Tennessee, for their hard work on the Data Security and Breach Notification Act. The Data Security and Breach Notification Act will improve data security protections and ensure that consumers are protected under a single Federal standard rather than the imperfect State patchwork that currently exists. I am pleased to see that the bill gives the State Attorneys General the ability to impose large fines for safety violations, and consolidates Federal authority under the FTC, who has no limitations on the amount of potential fines. With the increasing frequency with these attacks keep occurring, legislative action is sorely needed. I appreciate the thorough vetting process the bill has gone through, and hope the committee will continue to operate in a bipartisan manner as we move forward in addressing this issue.

The grid-enabled water heaters. Home water heating is the second highest heating cost in a home. This means that folks who are paying significant amounts of money each year for hot water. More importantly, H.R. 906 has wide-ranging impacts on our national grid. Demand response and energy storage are issues that we must address if we are to meet the environmental challenges of the next decade. I said repeatedly, energy saved is energy we don't have to generate. We need

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to do things more efficiently. And it seems to me that water heaters are low hanging fruit.

If we can do the easy things first, as we say in Texas, that is close enough for government work. I hope to continue to support energy efficiency measures and bills similar to H.R. 906. And I yield back my time.

The Chairman. The gentleman yields back. The chair would recognize for an opening statement the chairman emeritus of the committee, Mr. Barton from Texas, for 3 minutes.

Mr. Barton. Thank you, Mr. Chairman. Before I give my opening statement, I want to welcome back two former staffers for the committee. I see Mr. Jim Barnette and Mr. Will Carty out in the audience. They are smiling because they are out there and not up here sitting behind us. But we are glad to have both of those gentlemen here today to hear the opening statements.

Mr. Chairman, I am happy to see that you are going to mark up at full committee tomorrow three bills, the coal bill, the water heater bill, and of course, the data breach and security bill. I am not a member of the subcommittee that marked up the data security breach bill in subcommittee. Mr. Burgess chairs that subcommittee, and I am not on it this year. I am going to have a number of amendments to that bill that have been shared with committee staff. I hope some of them will be accepted. I do plan to vote for final passage for all three bills. But I will be offering some amendments on the data security.

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And, again, you know, hopefully some of those amendments will be accepted, but on final passage, I will be there. But I have been a long time advocate for privacy. I am the cochairman in this Congress, and as I have been the last 6 Congresses, for privacy. So I consider data security to be a serious issue. And I think you have got a good bill that has come out of Dr. Burgess's subcommittee. But I think it can be improved.

So, with that, Mr. Chairman, I will be happy to yield back, and look forward to the markup tomorrow, and appreciate the opportunity to make this opening statement.

The Chairman. Thank you. The chair recognizes for an opening statement the gentleman from Vermont, Mr. Welch.

Mr. Welch. Thank you very much, Mr. Chairman. I want to take up where Mr. Barton left off. This bill, the data breach security bill, probably could be improved. You passed, you presented a very good bill with Chairman Rush. And, in fact, I understand there may be some proposal to offer that as a substitute. I think that was an excellent bill. I voted for it before, and I would vote for it again. We are in a new Congress and we have got a new situation. But what is not new, what is not new is that people's data is being breached every single day. And the inability of Congress to come up with a solution that provides them with protection and provides them with notice when there is a breach means that consumers continue to be threatened until and unless this Congress passes the legislation that we all know we need.

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We are having legitimate debates about how best to do that, but this is a job that needs to be done. Mr. Barton, thank you for your leadership on this.

The question of preemption comes up on this legislation. I am normally against preemption. I think it is tremendous that States have the opportunity to be the laboratory of democracy. But this is a situation where preemption is maybe necessary in order to protect consumers. If you have good State laws, and they are bounded by the four corners of that State, and the Internet is not, it is not only unbounded by those State boundaries, it can go anywhere in the world, then where is the protection for the consumer who lives in a State where there is a good law, Vermont is an example of that, but the breach occurs with a company in, say, Montana, or Texas, or New York? Can our AG do much? Is there much jurisdiction? Is there any protection for that consumer?

The fact is it is fine if it is in Vermont and it is a Vermont company. But this is a situation in the modern world with the Internet that if we actually want to provide consumer protection, then we have got to do something that provides a national standard of protection. I want the strongest possible standard. There has been a lot of negotiation on this. I look forward to some of these amendments. Maybe we can tighten it up and still get the votes. But we have got to get this done.

The second question is whether the FTC should be given authority

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to impose civil penalties, and in the process get all of the coterminous jurisdiction that the FCC had in this space. There is a policy agreement here that we don't want there to be any consumer gap, even if there is a jurisdictional transfer. And the bottom line for me is not who has jurisdiction, it is do consumers get protected? And if they are getting protected by the language we provide, and there is no gap -- and I am satisfied in the language, Mr. Chairman, working with Ms. Blackburn that we have no gap -- then we are going to provide that protection.

Finally, there has been a big debate about enforcement. In this bill we have Federal enforcement with the FTC, we have local enforcement with our own attorneys general, and outside of the four corners of this legislation, if there has been a common-law violation, then individuals have a right of action as they do in any other sphere under the American system of justice.

So, bottom line here, we have a problem that both sides agree is a problem. We have a history here of hard work by folks like Mr. Barton and Mr. Rush, by Senator Rockefeller, by Senator Nelson. But the difficulty of coming to final terms has stood in the way of us giving to the consumers the protection they need. Tomorrow is our opportunity to make that happen. I yield back.

The Chairman. I appreciate the gentleman's statement. The chair would recognize the gentleman from Illinois, Mr. Shimkus, for an opening statement.

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Mr. Shimkus. Thank you, Mr. Chairman. I want to speak on Mr. McKinley's bill, the Improving Coal Combustion Residuals Regulation Act of 2015. The bill we are marking up tomorrow is a carefully crafted compromise addressing the implementation issues of the final rule by creating enforceable State permit programs that incorporate the technical requirements EPA established for coal ash. In the wake of the hearing, we received technical assistance from EPA, and the bill reflects improvements made as a result. Two key issues raised by EPA were one is transparency, and that permit programs must ensure certain information be made publicly available on the Internet; and two, permit programs must address all releases. The bill now requires information made publicly available must be made available on the Internet. And if implementing agency exercises the flexibility availability under the legislation, the agency must also make that information publicly available.

The bill also clarifies the implementing agency where we require corrective action for every release. But for releases other than releases to groundwater, the implementing agency may require corrective action under another applicable State or Federal law so long as the level of protection is the same as corrective actions under the final rule. The bill is a win for everyone. And what we did was take the rule and we are just codifying the protections.

So the bill is a win for everyone. For EPA, because their protective technical requirements for coal ash will be implemented

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through enforceable permits and because they will have a far more significant oversight role for coal ash than they would under the final rule. For States, because they will be able to immediately develop permit programs and they will know exactly what the permit programs must contain. And for the regulated community because they will have the benefit of enforceable permits and State regulatory oversight to help them help them interpret and implement the requirements. I urge my colleagues to vote yes. Again, I thank Mr. McKinley for bringing the legislation forward. And with that, Mr. Chairman, I yield back.

The Chairman. The gentleman yields back. The chair would recognize the gentlelady from Illinois, Ms. Schakowsky, for an opening statement.

Ms. Schakowsky. Thank you, Mr. Chairman, for holding tomorrow's markup on three bills. I support H.R. 906, which would enhance efficiency standards for grid-connected water heaters. I strongly oppose the Improving Coal Combustion Residuals Regulation Act, which will weaken environmental and public health protections against dangerous toxins. But I would like to focus my remarks on the third bill we will consider tomorrow, the Data Security and Breach Notification Act. I have serious concerns with the bill. I believe that I want to address them before it moves out of committee. I would like to see that happen. Over the past decade, almost one billion records with personal information have been compromised. The trend is becoming all too common, with another major breach impacting more

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than 10 million Americans reported at Primera Blue Cross just last month.

We all agree that we should enhance protections against data breaches and provide consumers with relevant information in the event of a breach. Unfortunately, this bill misses the mark on both fronts. I appreciate some of the improvements this bill would make to existing law, including providing the FTC with penalty authority and adding nonprofits to the definition of covered entity. I have heard we may see amendments tomorrow that further improve the bill since the subcommittee markup. Those changes could include allowing States to enforce existing standards regarding health information, and providing the FTC with limited authority to hold telecommunications, satellite, and cable providers accountable for protecting personal information.

Those are necessary improvements, but even if added to the bill, they are not sufficient. If this bill is enacted, consumers will be worse off than they are today. I quote from the attorney general of Illinois, Lisa Madigan, "With its broad preemption provisions and narrow focus, the bill you are currently considering will only weaken data security in this country and harm consumers."

But the major concerns raised at the subcommittee markup last month are still unresolved. First, everyone in this room should understand that this bill would eliminate existing consumer protections in force not only in Illinois, but States around the country.

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If you live in Alaska, Arkansas, California, Colorado, Connecticut, Delaware, and District of Columbia, Georgia, Guam, Hawaii, Idaho, Kansas, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Oregon, Pennsylvania, Puerto Rico, South Carolina, Tennessee, Texas, Vermont, and Virgin Islands, Washington or Wyoming, this bill would prevent you from being notified about breaches for which your State currently requires notification. If you live in Arkansas, California, Florida, Missouri, North Dakota, Puerto Rico, Texas, Nebraska, North Carolina or Wisconsin, the types of personal information that must be protected are weaker in this bill than in your States.

Even State consumer protection statutes that allow attorneys general to prosecute failure to protect consumer data would be undermined by this bill. At the Federal level, safeguards enforced by the FCC would be lost in the move to the FTC. Those include requirements to secure data regarding viewing habits, phone records, and partial Social Security numbers. The bill sets weak data security standards that don't cover information like location information or metadata.

It also prevents the FTC from amending data security requirements as technology and threats evolve. The limited protections in this bill would be inadequate from the moment it is enacted. And there is no hope to strengthen those standards through the rulemaking process.

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Finally, the harm trigger in this bill limits notification requirements to likely financial harm. If there is a threat of physical violence or other serious harms, there is no need to notify consumers. It also requires the same companies that failed to protect personal information to determine whether there is a risk of financial harm before notifying consumers, a process that could take months.

The Chairman. The gentlelady's time has expired.

Ms. Schakowsky. As a ranker on the subcommittee do I not -- of jurisdiction do I not get 5?

The Chairman. I just think it is 3. Go ahead. I heard you say finally.

Ms. Schakowsky. Okay. If I could, none of those issues is addressed in the bill we will consider tomorrow. And I understand that while I have heard about a few improvements, we hopefully will see in the manager's amendment -- that we might see in the manager's amendment, also heard that it could take us further backward by capping civil penalties, further limiting the definition of personal information, and provide an avoidance of penalties for first offenses, like a get out of jail free card for those that fail to protect data. Amendments will be offered tomorrow that would address all of the key concerns with this bill. Without those changes, the bill is a step backwards.

I hope and expect that those improving amendments will receive the full support of this committee so that we can send a truly

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comprehensive bill to the floor. Again, I thank the chairman for holding this markup. Yield back.

The Chairman. The gentlelady's time has expired. The chair would recognize Mr. Latta for 3 minutes.

Mr. Latta. Thank you, Mr. Chairman. And today we are considering three important pieces of legislation, the Improving Coal Combustion Residuals Regulations Act of 2015, H.R. 906; legislation to modify the efficiency standards for grid-enabled water heaters, and the Data Security Breach Notification Act of 2015. Under the EPA's final coal ash rule, State and owner-operators have expressed concern about two sets of requirements, self-implementation, and enforcement being through citizen suits, most likely leading to different regulatory interpretations and potential further Federal regulation.

In States like Ohio, coal provides nearly 70 percent of the net electricity generation. EPA has previously completed two regulatory determinations that coal ash is not warranted as hazardous under subtitle C. Given this and numerous regulations being placed on coal and energy industries, I believe it is imperative that coal ash be regulated in a safe manner that provides clarity and greater confidence so we can continue to ensure our national energy growth and affordable energy for all Americans. The Improving Coal Combustions Residuals Regulation Act of 2015 achieves these goals, and I am pleased to be an original cosponsor on the bill.

I am also pleased to be an original cosponsor on H.R. 906, which

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would modify the efficiency standards for grid-enabled water heaters. There are seven rural electric cooperatives in my district, and all seven use voluntary demand response programs to reduce peak demand, increase the use of renewable energy, and to decrease costs to the consumers. This legislation permits the continued manufacturing of electric resistance water heaters above 75 gallons for use in thermal energy storage and demand response programs. Enabling the manufacturing of these water heaters is vital for demand response programs to continue. I hope the committee will advance this legislation due to the impending deadline.

Finally, I am pleased that the Data Security Breach Notification Act is being considered. This bill would establish clear uniform standards that would help companies protect against and respond more efficiently and effectively to data breaches. It is vital that consistent standards are put into place to protect sensitive information and to mitigate costs to consumers and the economy. I urge my colleagues support all three of these bills before the committee today. Mr. Chairman, I thank you and yield back.

The Chairman. The gentleman yields back. The chair would note that there are 9 minutes remaining on the votes on the floor, so I will yield briefly to Mr. McKinley.

Mr. McKinley. Thank you, Mr. Chairman, for bringing the coal combustion residual before this committee. And thank you to the subcommittee Chairman Shimkus and his staff. They have been a solid

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commitment, both in their work and the counsel of the staff and the chairman. The bill is a result of 4 years of negotiations. It was crafted with the help of the State environmental and solid waste officials, committee staff, and with the input from the EPA.

Simply put, this bill will bring closure and certainty to an issue that has been unresolved for over 30 years. Unfortunately, when it was unveiled last December, the final rule did not provide the level of certainty that the end users of recycled coal ash needed. Our bill codifies most of the standards laid out in that ruling. But it ensures that the States have the flexibility to make their coal ash programs work and are able to complete it within a reasonable timeframe. It guarantees that every State must have a coal ash permit program, and that every program meet the standards set forth under the finalized rule. The legislation further provides closure and certainty, while the December rule left too many questions on the table. I urge the committee to pass this commonsense compromise and finally put this issue behind us. I yield back.

The Chairman. The chair would recognize briefly Mr. Bilirakis from Florida.

Mr. Bilirakis. Thank you, Mr. Chairman. I appreciate it. I am enthused that we are quickly taking up H.R. 906, a bill to modify the efficiency standards for grid-enabled water heaters. A main goal of this committee is to keep our country on an efficient energy track, and I think this bill demonstrates that effort. It is important to

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allow the continued production of electric resistance water heaters, while preventing an unauthorized use and initiating usage reporting requirements.

In doing so, we are providing a tailored and responsible way to ensure that consumer costs remain low and their energy service continues to be reliable, and the production of a more efficient energy system remains to be incentivized.

I commend Chairman Whitfield's efforts with this legislation that combats needless government micromanaging of an everyday resource. We are also going to be reviewing the Improving Coal Combustion Residuals Regulation Act. This bill would ensure that coal combustion products are safely regulated by empowering the States to regulate it at certain minimum standards without overwhelming State budgets or consumers' wallets.

Finally, this bill will safeguard the recycling of coal combustion products. These products have become a significant part of the economy, providing jobs and environmental and safety benefits. The bill will protect jobs and provide certainty to States, utilities, and businesses that use this product. I urge my colleagues to support this important legislation.

The last bill in the markup agenda is the Data Security and Breach Notification Act of 2015. I want to thank the chairman for bringing this very important piece of legislation up for consideration, and for the tireless work the committee staff has spent on this bill. In

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previous Congresses, this subcommittee has considered various data accountability and security legislation. Unfortunately, a consensus was never reached, and a Federal standard to notify consumers was never considered in the Senate.

With 47 different States enforcing their own data breach standards, it is time to establish a Federal standard to be consistent with all the States. We need a Federal standard. That is the bottom line. In recent years, more and more bad actors are finding ways to use consumers' information against them by committing identity theft and payment fraud. Ideally, we must stay ahead of the curve and be proactive when addressing data breaches. However, before that can happen, a Federal framework should be implemented in line with State efforts.

Again, I applaud the commitment of my colleagues to find common ground in the protection of our Nation's consumers. I look forward to working with you, Mr. Chairman. And I yield back. Thank you so much.

The Chairman. Thank you much. Further opening statements? Seeing none, the chair calls up H.R. 906 and asks the clerk to report.

The Clerk. H.R. 906, to modify the efficiency standards for grid-enabled water heaters.

[The bill follows:]

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The Chairman. Without objection, the first reading of the bill is dispensed with. The bill will be open for amendment at any point. So ordered. For information of the members, we are now on H.R. 906. We will reconvene tomorrow morning at 10.

[Whereupon, at 5:33 p.m., the committee was recessed, to be reconvened at 10:00 a.m., Wednesday, April 15, 2015.]