

FOR IMMEDIATE RELEASE April 11, 2018 **CONTACT** <u>CJ Young</u> – (202) 225-5735

Ranking Member Pallone's Opening Remarks at Hearing with Facebook CEO Mark Zuckerberg

Washington, D.C. – Energy and Commerce Ranking Member Frank Pallone, Jr. (D-NJ) delivered the following opening remarks today at a full committee hearing on "Facebook: Transparency and Use of Consumer Data:"

Thank you for being here today, Mr. Zuckerberg.

Facebook has become integral to our lives. We don't just share pictures of our families. We use it to connect for school, to organize events, and to watch baseball games.

Facebook has enabled everyday people to spur national political movements. Most of us in Congress use Facebook to reach our constituents in ways that were unimaginable 10 years ago. This is a good thing.

But it also means that many of us can't give it up easily. Many businesses have their only web presence on Facebook. For professions like journalism, people's jobs depend on posting on the site.

This ubiquity comes with a price. For all the good it brings, Facebook can be a weapon for those like Russia and Cambridge Analytica that seek to harm us and hack our democracy.

Facebook made it too easy for a single person, in this instance Aleksandr Kogan, to get extensive personal information about 87 million people. Kogan then sold this data to Cambridge Analytica who used it to try to sway the 2016 Presidential election for the Trump Campaign. Facebook made itself a powerful tool for things like voter suppression in part by opening its platform to app developers with little or no oversight.

But it gets worse. The fact is no one knows how many people have access to the Cambridge Analytica data. And no one knows how many other Cambridge Analyticas are still out there.

Shutting down access to data to third parties isn't enough. Facebook and many other companies are doing the same thing. They are using people's personal information to do highly targeted product and political advertising.

And Facebook is just the latest in a never-ending string of companies that vacuum up our data but fail to keep it safe. This incident demonstrates yet again that our laws are not working.

Making matters worse, Republicans here in Congress continue to block or even repeal the few privacy protections we have. In this era of nonstop data breaches, last year Republicans eliminated existing privacy and data security protections at the Federal Communications Commission.

Their justification: those protections were not needed because the Federal Trade Commission has everything under control. Well this latest disaster shows just how wrong they are. The FTC used every tool Republicans have been willing to give it and those tools weren't enough.

That's why Facebook acted like so many other companies and reacted only when it got bad press. We all know the cycle by now: our data is stolen and the company looks the other way; eventually reporters find out, publish a negative story, and the company apologizes. Congress then holds a hearing; and then...nothing.

By not doing its job, this Republican-controlled Congress has become complicit in this nonstop cycle of privacy by press release.

This cycle must stop because the current system is broken.

I was happy to hear Mr. Zuckerberg concede that his industry needs to be regulated. I agree.

We need comprehensive privacy and data security legislation.

We need baseline protections that stretch from internet service providers to data brokers to app developers and to anyone else who makes a living off our data.

We need to figure out how to make sure these companies act responsibly even before the press finds out.

But while securing our privacy is necessary, it's not sufficient. We need to take steps immediately to secure our democracy. We can't let what happened in 2016 happen again. To do that, we need to learn how Facebook was caught so flatfooted in 2016. How was it so blind to what the Russians and others were doing on its systems? Red flags were everywhere—why didn't anyone see them? Or were they ignored?

So today's hearing is a good start. But we also need to hold additional hearings where we hold accountable executives from other tech companies, internet service providers, data brokers, and anyone else that collects our information.

Congresswoman Schakowsky and I introduced a bill last year that would require companies to implement baseline data security standards, and I plan to work with my colleagues to draft additional legislation. It's time for this Committee and this Congress to pass comprehensive legislation to prevent incidents like this in the future.

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