

**Opening Statement of Republican Leader
Cathy McMorris Rodgers
Subcommittee on Consumer Protection and Commerce
Legislative Hearing on “Protecting America’s Consumers: Bipartisan
Legislation to Strengthen Data Privacy and Security”
June 14, 2022**

As Prepared for Delivery

Thank you, Madam Chair. One of my top priorities when I served as the Republican Leader of this subcommittee was enacting a federal privacy standard. This bipartisan, bicameral draft bill, the American Data Privacy and Protection Act, includes policies that have been public and received comment over several years.

This is about protecting people from Big Tech, especially our kids and strengthening America’s position in setting global standards—not China or Europe. It’s about promoting American innovation in next-generation technologies like AI and AVs.

We must remain focused on creating the best standard possible to protect people’s privacy and promote American leadership. This is the closest we’ve come to establishing a national standard—a standard that many have said for a long time is urgently needed.

It’s the product of years of discussions, negotiations, drafting, stakeholder feedback, and now Committee process. And our work will continue.

Here’s a brief overview of the extensive process that has led us to today:

- In early 2019 I released my four principles for privacy legislation;
- Later E&C released a bipartisan staff draft and began extensive staff-led conversations to receive feedback;
- We’ve engaged stakeholders through bipartisan discussions;
- And through GOP and Democratic draft bills.

That’s not to mention the Senate’s work, and the draft proposals from industry and advocacy groups or the work from the last twenty years. Our draft is the culmination of all this.

I want to thank Chairman Pallone, Senator Wicker, and our Consumer Protection and Commerce Leaders Jan Schakowsky and Gus Bilirakis for their hard work to make it possible. A bicameral, bipartisan draft is finally here and the door remains open for constructive feedback.

As I said in my 2019 principles to protect privacy and promote innovation, there needs to be one national standard, first and foremost. This draft stops an unworkable patchwork of state laws, ensures protections don't change across state lines, and provides certainty to Americans and businesses.

We also need to target data practices from bad actors that cause people harm. For example, because people should know how their data is collected and shared, this draft requires companies to specify when they are transferring and storing people's data in countries like China, Russia, and Iran. Why are we making sure we target bad actors and practices?

Because companies sitting on massive troves of Americans' data becomes vulnerable to breaches, hacks, and exploitation. Instead, we must allow for safe data practices and new innovations that people like.

This includes innovations that improve people's lives by saving them money and time—like real-time updates to avoid traffic and better customer service products. This principle to prevent real harms from bad actors is especially important for protecting our children and minors, no matter where they live. If Big Tech can't target our kids, they can't exploit our kids.

Our bill addresses this with heightened requirements for how data of our children is handled, shared, and used. Additionally, we need to foster stronger and improved data security practices.

The American Data Privacy and Protection Act focuses on requiring companies to only keep information they need while encouraging them to take steps to better secure data that is retained.

Finally, a national standard must be workable for small businesses and startups. As we've learned by Big Tech gaining market share in Europe, large companies can navigate a complicated privacy standard like the GDPR or a patchwork of state laws. But smaller businesses cannot afford high compliance costs and more ineffective regulations, especially with all the challenges they're facing from the pandemic and inflation. We're

leading the way in this draft bill to unleash the power of small businesses and entrepreneurs, the engines of America's economy.

As Chairman Pallone, Senator Wicker and I said when we released this draft, this is a critical milestone that was years in the making. This is the best opportunity we've had to pass a federal data privacy law in decades. I look forward to all our continued work together.

Let's keep building on these principles and make progress on this draft so people can trust how their data is collected and used, and so America wins the future in technological innovations that raise our standard of living and improve people's lives all across the globe.

Thank you, I yield back.