

Opening Statement of Chair Cathy McMorris Rodgers
As Prepared for Delivery
Committee on Energy and Commerce
Subcommittee on Innovation, Data, and Commerce
Hearing entitled “Fiscal Year 2024 Federal Trade Commission Budget”
April 18, 2023

Good morning... I'd like to start by welcoming the Commissioners...

As you all know, the FTC has historically been a very bipartisan agency for solutions around consumer protection, data privacy, and antitrust law.

Unfortunately, this tradition is currently under attack.

Chair Khan, under your tenure as chair the integrity and effectiveness of this independent agency has been repeatedly questioned.

You have suffered many losses in court, at all federal levels of the Judiciary Branch.

You've drastically reduced transparency and accountability by cutting out key voices at the agency.

Both Republican commissioners have resigned during your tenure. Senior staff have quit in record numbers, with reports in the New York Post describing you as 'abusive' and a 'tyrant.'

There has been a 34% decline in employee confidence in senior leadership's respect for them and motivation at work.

Former Commissioner Christine Wilson cited your disregard for the rule of law, as one of the reasons for her resignation.

Time and time again you have prioritized a personal and political agenda over the integrity of the FTC and the interests of Americans.

Despite numerous letters of concern from this Committee, you have continued to ignore these in a dangerous and misguided consolidation of power.

When you appeared before us in July of 2021, I asked about your decision to remove “without unduly burdening legitimate business activity” from the FTC mission statement.

It was a long-standing bipartisan tradition at the FTC to include this in the mission to protect Americans and businesses.

Eliminating this guardrail, which prevents government overreach, was even more startling given the timing.

People across the country were working to reopen their businesses after the COVID-19 lockdown. This meant bringing their employees back to work so they could make a living and provide for their families. Instead, they faced intimidation from the federal government.

This was not a one-off situation. The FTC is still sending hundreds of penalty notice letters to businesses even when they have done nothing wrong.

This violation of due process will not be tolerated.

Regarding the FTC's budget requests...

The concerns raised by current and former employees at your agency do not reassure us that you'll put the American people first.

Leadership matters.

Before I even entertain any additional funds or authority for the FTC first you need to convince us that the mission of protecting Americans isn't taking a backseat to the Biden Administration's radical agenda.

We want you to be the preeminent data protection agency in the world, and that must be your focus, at the direction of Congress.

And given these abuses of power...

...what is clearly needed before Congress considers any new authorities or funding are reforms, more guardrails, and increased transparency to ensure you are accountable to the American people.

This includes for how the FTC will protect the privacy and data security of the American people.

The single best way we can protect Americans in today's digital ecosystem is with a national standard.

In August last year, this Committee voted overwhelmingly to advance the American Data Privacy and Protection Act.

Shortly after, your Commission voted on partisan lines, to act unilaterally on your own rules.

I want to be clear.

Our goal continues to be for Congress to enact a national standard with the expectation the FTC, with guardrails, will play a critical role in this effort.

Establishing a national data privacy and data security standard is bigger and more important than any one person or any single agency to act unilaterally and risk losing the people's trust.

More than 80 percent of Americans say they are looking for Congress to act. It is a top priority for their own privacy, for their kids' privacy, and to rein in Big Tech.

We, the People's representatives, take this responsibility seriously because we are accountable to them...

... and we have no intention of losing sight of that.

I want to thank former Commissioners Phillips and Wilson for their service to country and the American people, I'm saddened that they are no longer at the Commission, but wish them well in their next endeavors.

Chair Khan, Commissioners Slaughter and Bedoya, thank you for being here with us. I look forward to your testimony and I yield back.