

Opening Statement of Chair Gus Bilirakis
As Prepared for Delivery
Committee on Energy and Commerce
Subcommittee on Innovation, Data, and Commerce
Hearing entitled “Addressing America’s Data Privacy Shortfalls: How a
National Standard Fills Gaps to Protect Americans’ Personal Information”
April 27, 2023

Good afternoon, and welcome to the 36th hearing the U.S. Congress has held on privacy and data security over the last five years. I’m using a bit of math there from one of our previous witnesses.

As for the Energy and Commerce Committee, this will be our sixth hearing in the 118th Congress. We have now examined in depth how a federal data privacy and security law can make us more competitive with China..... why a federal standard is needed to protect Americans and balance the needs of business, government and civil society..... what happens when malicious actors, like TikTok and the CCP through Byte Dance, exploit access to data..... where the FTC’s lines of jurisdiction and authority are and how that interplays with a comprehensive privacy law.... the role of data brokers and the lack of consumer protections over one’s data and, finally, our hearing today, which will examine how consumers may not be covered by sector specific laws in a way that is consistent with their expectations.

The fact is that data privacy and security concerns permeate across multiple areas within Congress, even in seemingly unrelated topics, which highlights just how important it is for us to work together across the aisle and across Capitol Hill to protect the American people.

In today’s hearing we’ll discuss sectoral data privacy regimes — like the financial sector’s Gramm-Leach-Bliley Act and the Fair Credit Reporting Act, the health sector’s Health Insurance Portability and Accountability Act (HIPAA), the education sector’s Family Educational Rights and Privacy Act (FERPA), and of course the Children Online Privacy Protection Act – COPPA – which this subcommittee knows well — and the gaps in coverage that a piecemeal, sector-specific approach has created for consumers.

We will hear from the witnesses about how these gray areas for Americans also result in risk and uncertainty that businesses could better avoid if we had clear rules of the road. This only gets more complicated as fifty different states move towards their own data privacy laws, meaning an increasingly complicated and confusing landscape for consumers and for business. Having clear rules in place will protect Americans, particularly our kids, as well as fuel innovation in the American marketplace.

Each of the witnesses has a unique story to tell when it comes to these gaps, but the challenges are the same: Consumers think their data is protected, but the sector’s specific law in place does not extend as far as consumers expect.

Mr. Codling, with REGO Payment Architectures, will discuss how it is possible to operate a payments infrastructure that has strong protections for children. REGO has filled the gaps that exist with GLBA and COPPA by protecting all kids under 18.

Ms. Vance, with the Public Interest Privacy Center, is a recognized expert on FERPA and kids' privacy. She will speak about how current gaps exist in educational privacy and child-specific laws that a comprehensive privacy law would cover.

Mr. Britan, with Salesforce, helps clients collect data in a way that is compliant with the federal sectoral laws and state privacy laws. His clients do business in every sector, and he will speak to compliance burdens that the patchwork of state laws has created.

Mr. Reed, with the App Association, will discuss how this piecemeal approach of state laws creates confusion for member companies. App Association members are regulated by all of the sector-specific laws and must spend significant resources complying with all of the various state data privacy laws.

In closing, I want to thank all the witnesses for coming today. I want to thank Chair Rodgers and Ranking Member Pallone for all the progress we've made so far and their continued commitment to get this done, as well as Ranking Member Schakowsky who has made this effort a true partnership. I look forward to working with all of you on providing protections for Americans and certainty for businesses.