LIVE UPDATES: TRUMP TARIFFS

OPINION > WHITE HOUSE

TRENDING:

THE VIEWS EXPRESSED BY CONTRIBUTORS ARE THEIR OWN AND NOT THE VIEW OF THE HILL

The FTC must be held accountable for its widespread leaks of confidential data

HHS LAYOFFS

BY PAUL STEIDLER, OPINION CONTRIBUTOR - 10/19/24 11:00 AM ET



TRUMP TAX CUTS

BOOKER SPEE



Graeme Jennings/Pool via AP, File

File - Lina Khan, then a nominee for Commissioner of the Federal Trade Commission (FTC), speaks during a hearing April 21 2021 in Washington The FTC now chaired by Khan is n X sing sweening changes to a

Federal Trade Commission Chair <u>Lina Khan</u>, an audacious and polarizing progressive pushing many of the Biden administration's most aggressive anti-business actions, has been lionized by the press, including "<u>60 Minutes</u>." In this context, a recent report from the FTC's inspector general on news leaks are especially troubling and worthy of further investigation.

As a law enforcement agency, the FTC is privy to many trade secrets and other confidential information that businesses must disclose to it. Yet rather than zealously protect that information, as it is legally required to do, the FTC has apparently been widely leaking it to select media outlets.

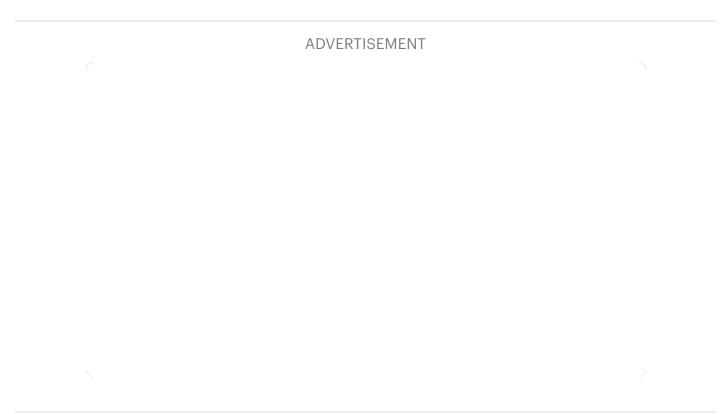
ADVERTISEMENT

This is a troubling, central finding of the inspector general's <u>annual report</u> issued on Sept. 30, "FTC's Top Management and Performance Challenges." The report examines the top managerial deficiencies and challenges that must be addressed.

The internaltehder cannot in respectful hout clear in its can X and "The values of

Such unauthorized disclosures are <u>punishable</u> by termination, up to a year in prison, and civil lawsuits. The disclosures also threaten the FTC's public service mission, as the <u>report</u> warns.

"The trust of businesses, consumers, and other affected parties that the FTC will not improperly disclose nonpublic information is vital to the FTC's ability to execute on its law enforcement mission," the inspector general writes. "The mere perception that the FTC is leaking such information erodes that trust."



While the report does not name the names of those who are leaking, it points to a troubling culture at the FTC and a cavalier attitude toward protecting this confidential data.

It says, "Despite recent training sessions on handling nonpublic information and written guidance from agency leadership — even warnings — to staff prohibiting leaks, the problem persists." In plain English, FTC employees either do not fear the consequences of leaking this information or agency leadership is doing it.

Indeed, there has been much buzz about FTC leaks of confidential information since the start of 2024. In July, during a hearing of the U.S. House of Representatives Energy and Commerce Subcommittee on Innovation, Data, and Commerce, Congresswoman Debbie Lesko (R-Ariz.) asked Chair Lina Khan, "Lesko: Have you instructed Commission staff concerning these continued leaks? Have you talked to the staff about it?"

Khan replied, "As a general matter, I believe our general counsel has reminded everybody of the importance of maintaining the security and integrity of law enforcement."

Chair Khan's less-than-rigorous response merits follow-up. Key questions that need to be asked include:

- Have you taken any subsequent steps since July 9 to ensure that all FTC employees respect nonpublic, confidential data? If so, what are they?
- Why do you believe this problem is occurring now?
- Do you believe your frequent, high-profile media interviews lead to a perception that it is OK to provide such confidential information to the media?
- How can the FTC expect to be respected when it demands companies protect people's private data, but the agency is not doing so?

The FTC must stop its cascade of leaks. Otherwise, its risks doing irreparable harm to its mission and standing, as its watchdog has wisely said, and the companies it is investigating.

Paul Steidler is a senior fellow with the Lexington Institute, a pu $\stackrel{\vdash}{\times}$ ic policy think tank based in