

Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Ranking Member Frank Pallone, Jr.

Hearing on “Legislation to Protect Americans from the National Security Threats Posed by Foreign Adversary Controlled Applications”

March 7, 2024

Today, this Committee will consider two bills—H.R. 7520 and H.R. 7521—that are intended to protect the public from foreign adversaries. Big Tech has transformed the information superhighway into a superspreader of harmful content, invasive surveillance practices, and addictive and damaging design features.

Foreign adversaries understand this, and see access to Americans’ data, communications networks, devices, and applications as the entry points to disrupt our daily lives and conduct espionage activities. And as we have seen too often, bad actors have used communications tools to launch cyberattacks. They have pushed disinformation and propaganda campaigns in the United States in an attempt to undermine our democracy and gain worldwide influence and control. This is all a detriment of our national security interests.

And then there are data brokers, who collect and sell vast amounts of Americans’ most sensitive personal information for profit. Right now, there are no restrictions on who they can sell this information to. It may be about members of our nation’s military and our children, or it may be information about where we go, how we spend our money, and the websites we visit. This information can be purchased by anyone, including foreign adversary governments.

Most Americans are unaware that data brokers compile dossiers about their interests, beliefs, actions, and movements. And Americans are powerless to stop this invasion of their privacy. While the answer to this problem is comprehensive national data privacy protections, I firmly believe that we must do what we can now to safeguard Americans’ personal data while we work to advance privacy legislation.

So, I am pleased that today we will consider H.R. 7520, the Protecting Americans’ Data from Foreign Adversaries Act, which Chair Rodgers and I introduced this week. It will address this national security vulnerability by preventing data brokers from selling sensitive personal information of Americans to our foreign adversaries.

We will also consider H.R. 7521, the Protecting Americans from Foreign Adversary Controlled Applications Act, introduced this week by Representatives Krishnamoorthi and Gallagher. This bill sets forth a process to incentivize the divestiture of TikTok and other applications from the operation and control of foreign adversary governments like the People’s Republic of China and Russia. Social media companies effectively are modern-day media

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companies, and we must treat them that way. This includes examining the foreign investments in these companies.

The Communications Act requires the Federal Communications Commission to undertake such an examination for our country's television and radio broadcast licenses. Congress placed this requirement on U.S. broadcasters to protect national security interests during wartime to prevent the airing of foreign propaganda on our country's broadcast stations.

There is no reason social media companies should be exempt from this scrutiny. Given Russia, China, and others' actions on social media platforms during our recent elections, we know that while the technology has evolved, the threat is very much the same.

The combination of TikTok's Beijing Communist-based ownership and the fact that well over 170 million Americans use this application exacerbates its dangers to our country and our privacy. The laws in China allow the Chinese Communist Party (CCP) to compel companies, like TikTok, to share data with them whether the companies want to or not. This means the CCP has the ability with TikTok to compromise device security, maliciously access Americans' data, promote pro-Communist propaganda, and undermine American interests.

I look forward to hearing more today from our intelligence and national security community about how this bill can bolster their authorities to take action where it is needed to ensure that our modern-day media outlets are not subject to the influence of countries that see benefit in the weakening of our country.

I have serious national security concerns about TikTok and am sympathetic to the intent of this legislation, but I want to hear from our witnesses before making a final decision.

Finally, I must express my disappointment in how rushed this process has been. This Committee has worked together on a bipartisan basis on numerous occasions to advance legislation that furthers our national security interest, so Committee Democrats would have appreciated more notice and time to digest the legislation before us before it advances to a markup this afternoon. There are very complex constitutional concerns implicated by this bill, and I think we all would have benefitted from a more thorough process that results from regular order. Nevertheless, I appreciate that Chair Rodgers agreed to my request to hold this hearing so members can hear from experts and review the proposals before jumping to a vote later today.

And with that I yield back the balance of my time