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SCHAKOWSKY OFFERS SUPPORT FOR SECURITY BILL WHICH WOULD DO MOST TO PROTECT CONSUMERS' PERSONAL INFORMATION

WASHINGTON, DC - U.S. Representative Jan Schakowsky, ranking member on the Subcommittee on Commerce, Trade, and Consumer Protection, today offered her continued support for the DATA Act as the strongest way of protecting consumers against attacks on their privacy and personal data. The Energy and Commerce Committee voted to replace an alternative bill, the Financial Data Protection Act, with the language of the DATA Act, which first emerged from the Subcommittee on which Schakowsky serves as ranking member.

Schakowsky's opening statement from the Committee mark-up is below:

I am going to focus my remarks on H.R. 3997, the Financial Data Protection Act, because it falls within the purview of the Commerce, Trade, and Consumer Protection Subcommittee of which I am the Ranking Member. H.R.3997 contends with one of the more troubling revelations of the 109th Congress and one of the biggest issues for consumers today: the lack of security and regard for consumers' personal information. As you know, Chairman Stearns' and our subcommittee also did a bill, H.R. 4127, the Data Accountability and Trust Act - or the DATA Act - that contends with personal information breaches and passed out of the Energy and Commerce Committee with unanimous bipartisan support.

Since February 15, 2005 and the revelation that ChoicePoint had sold personal records to con-artists, 55 million notices have gone out to consumers informing them that their personal information had not been sufficiently protected and had been breached. This week, 26.5 million more notices will go out because of the mishandling of the personal information of our veterans by the very agency that is charged with looking out for their best interest - the Veterans Administration. It is time that we set a national standard for protecting our constituents - and our heroes - from being victimized because of inadequate security standards.

H.R. 3997 is the not the answer to the epidemic of data insecurity. As three of the major consumer groups say, "H.R. 3997 moves us in the exact wrong direction. It overturns the 17 state security freeze laws. It requires individual notification only after the company decided that consumers are at risk. We call this 'don't know, don't tell.' (It) preempts a broad array of state laws. protecting the security or confidentiality of consumers."

Our bill, H.R. 4127, on the other hand, would require companies to better secure consumers' personal information and to notify them should their information be breached. The DATA Act helps close the canyon-sized gaps in the law that put consumers at risk of identity theft, fraud, and other crimes.

That's why I am pleased that we will be amending H.R. 3997 and replacing the text of that bill with the text of the DATA Act. I believe that as the committee that has jurisdiction over protecting consumers, this is the best way to ensure personal information is protected and to let our constituents know when they are not. I urge my colleagues to support the passage of H.R. 3997 as amended.

But, Mr. Chairman, this Committee needs to do MUCH more to protect the privacy of our constituents. We need to start with making a promise that we will vigorously review all allegations of another kind of breach: the breach of the public's trust reportedly carried out by the Bush Administration's warrantless wiretapping, Internet activity monitoring, and phone logging of millions of law abiding Americans. This Committee should act swiftly to investigate those allegations and we should come together in a bipartisan way to put a stop to any such abuses of power by any Administration.