

ONE HUNDRED FIFTEENTH CONGRESS
Congress of the United States
House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

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October 12, 2017

The Honorable Greg Walden
Chairman
Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Bob Latta
Chairman
Subcommittee on Digital Commerce and Consumer Protection
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Walden and Chairman Latta:

We are writing to request that the Committee on Energy and Commerce schedule additional hearings in the wake of the Equifax data breach and work on a bipartisan basis to pass legislation to protect consumers' data. The 145.5 million American victims of the Equifax breach deserve answers, and they deserve action.

The Equifax breach poses potentially devastating risks to consumers, and we commend your prompt decision to hold the first congressional hearing on the breach on October 3, 2017. The testimony of Equifax's former Chairman and CEO, Richard F. Smith, was an important first step for our Committee, but too many questions remain unanswered.

Mr. Smith was unable to provide the Committee with satisfactory information on what made the breach possible. Members on both sides of the aisle expressed confusion throughout the hearing when his explanations seemed to contradict each other. We still do not really know why the vulnerability in Equifax's systems was not patched in March, which databases were compromised, why consumers were not quickly notified, and why the company was wholly unprepared to respond to the breach.

In his current position as a temporary unpaid advisor to Equifax, Mr. Smith could not offer a clear view of the company's response to the breach going forward or provide the Committee with assurances on its future conduct. Consumers need specific answers on how Equifax's promised free credit lock will work and the specific protections it will provide. They

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deserve an explanation as to why Equifax is discontinuing its comprehensive protection package after one year, even though the company has exposed consumers to lifelong threats of identity theft. Consumers also deserve commitments from Equifax that the company will not profit off the breach, will truly give consumers more control over their data, and will not make its free credit lock contingent on consenting to mandatory arbitration or third-party marketing. Equifax should commit to this Committee and the American public that its credit lock will be legally enforceable and include protections as least as strong as a credit freeze provides today.

We therefore request that the Committee schedule a second oversight hearing with current Equifax employees, including interim CEO Paulino do Rego Barros, Jr., Chief Legal Officer John J. Kelley III, and others as appropriate. As the current CEO, Mr. do Rego Barros, Jr. should be able to clarify the commitments that Equifax is making to consumers. Mr. Kelley, as the executive in charge of security at the time of the breach, can speak to the events surrounding the breach in more detail. We also have questions for Mr. Kelley regarding his decision to approve stock sales by Equifax executives after learning that personal information held by the company could have been compromised.

At the same time, we want to ensure the Committee works toward legislative solutions to provide meaningful remedies to consumers affected by this and other breaches and help protect consumers from future breaches. We are hopeful that the Committee can advance bipartisan legislation out of the full Committee before December 15, 2017, that requires enforceable robust data security practices, meaningful notice to consumers, and meaningful protections for victims of a breach.

Data security is a complex issue, but we cannot continue to stand by as consumers are repeatedly victimized by a near-constant string of increasingly harmful data breaches. Our constituents have spoken, and it is long past time for Congress to act.

Sincerely,



Frank Pallone, Jr.
Ranking Member



Jan Schakowsky
Ranking Member
Subcommittee on Digital Commerce
and Consumer Protection



Ben Ray Lujan
Member of Congress



Yvette D. Clarke
Member of Congress



Tony Cardenas
Member of Congress



Debbie Dingell
Member of Congress



Doris Matsui
Member of Congress



Peter Welch
Member of Congress



Joseph P. Kennedy, III
Member of Congress



Gene Green
Member of Congress