

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

COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115

Majority (202) 225-2927

Minority (202) 225-3641

February 27, 2017

The Honorable Gene L. Dodaro
Comptroller General
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Mr. Dodaro:

American consumers must now use the internet to do even the most basic everyday tasks. For example, broadband is essential for banking, applying for jobs, scheduling doctors' appointments, doing homework, and even for just interacting with the government. In recent years, the proliferation of internet-connected devices has only made the internet more central to our lives. These devices can monitor our health, control our home security systems, serve as personal assistants, and even toast our bread. Many of these online services and devices collect information about us constantly.

With the near universal use of the internet, and the rapid expansion of connected devices, corporations now have more information about American consumers than ever before. It is, therefore, more important than ever that Americans' privacy and security be protected online. Studies show that when people are concerned about their privacy and security, they limit their online economic and civic activities.

Under current law, two of the primary agencies tasked with protecting consumers' privacy and security are the Federal Communications Commission (FCC) and the Federal Trade Commission (FTC). The FCC has the authority to adopt rules to regulate the privacy and security practices of internet service providers under the Communications Act, and it adopted such rules last October.

The FTC, alternatively, brings enforcement actions against internet websites whose privacy and security practices are unfair or deceptive. Unlike the FCC, it is virtually impossible for the FTC to adopt privacy rules. Moreover, a recent court decision by the Ninth Federal Circuit Court of Appeals has thrown the legal landscape into chaos by potentially undermining the FTC's already limited ability to protect consumers without the FCC's help.

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Given the fluctuating state of the law and underlying threats to individuals' privacy and security online, I request that the Government Accountability Office (GAO) examine several topics related to privacy and security regulation. Specifically, I request that the GAO find answers to the following questions:

- How are companies collecting, sharing, and using data on consumers? What types of data are being collected, shared, and used?
- How, if at all, are companies disclosing their privacy policies to consumers and notifying consumers of data breaches, and is this notification effective?
- Do consumers have meaningful control of the collection, use, sharing, retention, and security of their information? Or are consumers forced to accept the collection, use, sharing, retention, and security practices of a company "as is" to use the product or service?
- What challenges do consumers face in protecting their information, and to what extent has the federal government or the private sector taken steps to address these challenges? How successful are any efforts to anonymize or de-identify consumer information, and how easy is it to re-identify that information?
- How do the FCC, FTC, and other federal agencies regulate and oversee the private sector's collection, use, sharing, and securing of consumer information?
- How, if at all, do the approaches of the FCC, FTC, and other federal agencies differ, and which approaches provide the greatest protections for consumers' privacy and security online?

We request that you inform the Committee regarding any other issues of concern that you may uncover during your review. If you have any questions about this request, please have your staff contact the Committee Democratic staff at (202) 225-3641.

Sincerely,

A handwritten signature in blue ink that reads "Frank Pallone, Jr." in a cursive style.

Frank Pallone, Jr.
Ranking Member