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Opening Statement of Rep. Henry A. Waxman
Ranking Member, Committee on Energy and Commerce
Hearing on "Understanding Consumer Attitudes About Privacy"
Subcommittee on Commerce, Manufacturing, and Trade
October 13, 2011

The purpose of today's hearing is to understand consumer attitudes about privacy.

I believe people care deeply about their privacy. This is the clear and consistent answer businesses, privacy experts, and advocates find when they ask consumers about privacy. Consumers want to know that their information will be protected and kept private. They want some say over the massive amounts of information that is being collected and aggregated about them by businesses – some of which they know about, and some of which they don't.

In fact, one of the witnesses on today's panel, Ms. Lawler of Intuit, sums things up in one sentence: "What came across loud and clear in [our] research was that people care deeply about privacy and how their data is used."

But if you move beyond the title and read the Republican staff memo about this hearing, you see that it isn't actually about consumer attitudes regarding privacy. I'm quoting here: "The purpose of this hearing is to examine consumers' attitudes toward privacy as reflected by their utilization and manipulation of existing privacy controls." In other words, the purpose of this hearing is to look at consumer actions to protect their privacy through existing opt-out programs, browser settings, and blocking tools.

Just as it's well-established that consumers say they care about privacy, it's also pretty well-understood that when it comes to privacy protection, attitudes don't match actions. Most consumers don't use opt-out program, browser settings, and blocking tools to prevent digital snooping.

Some in the data collection industry argue that consumers' expressed attitudes don't match their actions because they don't actually care about privacy. These companies say that consumers' expressed concerns are overblown and not real.

I disagree. One reason consumers' expressed attitudes don't match their actions is because they don't know to take action, they don't know what their options are, and even if they do, they don't fully understand them.

There is a gap between what consumers actually know and what they would need to know to protect their privacy. This gap in knowledge has been researched and documented by privacy experts, some of whom are on the witness panel today.

I hope that's what we can focus on today: What do consumers know about how to protect their privacy, and what would they need to know to protect their privacy.

If we're serious about moving forward with comprehensive privacy legislation, then we should explore the answers to these questions. And we should use them to help put together a well-crafted privacy bill that respects consumers' privacy expectations and allows innovation by business in how they use their customers' data.

But at some point the hearings have to come to end and we need to move ahead. This is our fourth hearing about privacy this year. There were six privacy hearings in this Subcommittee in the last Congress. CQ published an article yesterday titled, "No Signs of Movement on Online Privacy Legislation, Despite Interest." According to CQ, "For years the cycle has been episodic publicity about commercial data-handling practices, followed by congressional hearing and the introduction of bills." And then nothing.

I'm among those that are convinced we should enact privacy protections for consumer information. I hope we're nearing the end of this latest cycle of privacy hearings and can finally see some movement on this issue.

Thank you.