

**Statement Of Senator Patrick Leahy (D-Vt.),
Ranking Member, Committee On The Judiciary,
On Introduction Of *Consumer Privacy Protection Act of 2015*
April 30, 2015**

Today, I am introducing the Consumer Privacy Protection Act of 2015. This comprehensive legislation will help ensure that the corporations Americans entrust with their most personal information are taking steps to keep it secure. Data breaches continue to plague American businesses and compromise the privacy of millions of consumers. At the same time, the amount of information we share with corporations who are the target of these breaches is growing. Corporations collect and store our social security numbers, our bank account information, and our email addresses. They collect information about our private health and medical conditions. They know what routes we take to and from work and where we drop our kids off at school. They can replicate our fingerprints. We even trust them with private photographs that we store in the cloud.

Corporations benefit financially from our personal information, and they should be obligated to take steps to keep it safe. Too often, however, private information falls into the hands of those who would do us harm and we are not even told. Last year, in what is commonly referred to as the “Year of the Data Breach,” breaches at corporations, including Home Depot, Neiman Marcus, and Sony Pictures, as well as many others, demonstrated how vulnerable our corporations are to hackers and cyber criminals. In some cases these breaches exposed credit card data, social security numbers, or bank account information that left millions at risk of financial fraud or identity theft, and in other cases they exposed personal and private information to the public that led to embarrassment and reputational harm.

The Consumer Privacy Protection Act I am introducing today seeks to protect the vast amount of information that we now share with corporations each and every day, and it builds and expands on data security legislation that I have introduced every Congress since 2005. In today’s modern world, data security is no longer just about protecting our identities and our bank accounts; it is about protecting our privacy. Americans want to know when someone has had unauthorized access to their emails, to their bank accounts, and to their private family pictures, but they do not just want to be notified of yet another data breach. Americans want to know that the corporations who are profiting from their information are actually doing something to prevent the next data breach. Consumers should not have to settle for mere notice of data breaches. American consumers deserve protection. This legislation would accomplish that.

The Consumer Privacy Protection Act requires that corporations meet certain privacy and data security standards to keep information they store about their customers safe, and requires that corporations notify the customer in the event of a breach. This legislation protects broad categories of data, including, (1) social security numbers and other government-issued identification numbers; (2) financial account information, including credit card numbers and bank accounts; (3) online usernames and passwords, including email names and passwords; (4) unique biometric data, including fingerprints; (5) information about a person’s physical and

mental health; (6) information about geolocation; and (7) access to private digital photographs and videos.

I understand that not every breach can be prevented. Cyber criminals are determined and constantly looking for new ways to pierce the most sophisticated security systems. But just as we expect a bank to put a lock on the front door and an alarm on the vault to protect its customers' money, we expect corporations to take reasonable measures to protect the personal information they collect from us. Unfortunately, many of the corporations that profit from the very information that we entrust them to protect, have woefully inadequate measures to secure this information. For others, security is simply not a priority. American consumers deserve better.

This legislation creates civil penalties for corporations that fail to meet the required privacy and data security standards established in the bill or fail to notify customers when a breach occurs. The Department of Justice, the Federal Trade Commission, and the State Attorneys General each have a role in enforcement. This legislation also requires corporations to inform Federal law enforcement, such as the Secret Service and the FBI, of all large data breaches, as well as breaches that could impact the federal government. Such notification is necessary to help law enforcement bring these cyber criminals to justice and identify patterns that help protect against future attacks.

Many Americans understandably assume Federal law already protects this sensitive information—common sense tells us that it should. Unfortunately, the reality is that it does not. States provide a patchwork of protection, and while some laws are strong, others are not. For example, 47 States and the District of Columbia require some form of data breach notification, but only 12 States have passed data security requirements designed to prevent data breaches. My home state of Vermont has a strong data breach notification law that has been in effect since 2007.

In crafting federal law, we must be careful not to override the strong State laws that took years to accomplish with weaker Federal protections, but we also need to ensure that all Americans, regardless of where they live, have their privacy protected. To this end, the Consumer Privacy Protection Act preempts State law relating to data security and data breach notification only to the extent that the protections under those laws are weaker than those provided for in this bill. We must ensure that consumers do not lose privacy protections they currently enjoy. Since this bill is modeled after those States with the strongest consumer protections, however, I believe it will improve protections for consumers in nearly every State.

I am joined today by Senators Franken, Warren, Blumenthal, Wyden, and Markey in introducing this legislation. These Senators have long shared my commitment to protecting consumer privacy. This legislation also has the support of leading consumer privacy advocates, including: Center for Democracy and Technology, Consumers Union, National Consumers League, New America's Open Technology Institute, Consumer Federation of America, and Privacy Rights Clearinghouse.

Millions of Americans who have had their personal information compromised or stolen as a result of a data breach consider this issue to be of critical importance and a priority for the Senate. Protecting privacy rights should be important to all of us, regardless of party or ideology. I hope that all Senators will support this measure to better protect Americans' privacy.

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