June 22, 2022

Chairman Janice Schakowsky and Ranking Member Gus Billirakis
Subcommittee on Consumer Protection and Commerce
House Energy and Commerce Committee
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Schakowsky and Ranking Member Billirakis,

On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste (CCAGW), I would like to share our views ahead of your markup tomorrow on H.R. 8152, the American Data Privacy and Protection Act (ADPPA).

The need for a national privacy framework to protect consumers, while providing certainty to businesses, large and small, across the country is critical, and CCAGW is pleased that the committee has taken this important step forward. However, we urge you to remove Sections 403 and 404 before the bill is passed out of the committee.

Citizens Against Government Waste first offered recommendations for a national data privacy framework in its November 8, 2018, comments to the National Telecommunications and Information Administration.

The ADPPA includes several of these recommendations, like offering clear consumer choices by providing a unified opt-out mechanism, including transparency requirements, and providing for data security and protection of covered data. But sections 403 and 404, which include a private right of action, exceptions to preemption authority, and a ban on companies offering discounts to existing customers based on their past purchases, should be eliminated from the legislation. The private right of action will lead to frivolous lawsuits, the cost of which will be passed on to consumers. The lack of full preemption will continue the status quo of a complex and confusing patchwork of state statutes. CCAGW is also concerned about provisions that exceed current Federal Trade Commission guidance on privacy, and whether consumers will be able to allow the use of their personal identify information if they determine the benefits of providing this information outweigh the potential risks. The ban on discounts will result in increased costs for consumers at a time when inflation is at a 40-year high and make it more difficult to reorder many essential and convenient goods.

CCAGW commends the committee for its efforts to protect consumer’s personal information and respectfully requests that you strike sections 403 and 404 and clarify whether consumers will be permitted to make their own choices in how their data is used. If you have any questions, please feel free to contact Deborah Collier at dcollier@cagw.org.

Sincerely,

Tom Schatz