Maureen K. Ohlhausen, FTC Commissioner Remarks Before the Congressional Bipartisan

Just a week ago

unique challenges facing children and seniors and worked with stakeholders to develop outreach messages and plans for these two communities.

Consumer Education and Business Guidance

The Commission is also committed to promoting better data security practices through consumer education and business guidance. On the consumer education front, the Commission sponsors OnGuard Online, a website designed to educate consumers about basic computer security. OnGuard Online and its Spanish-language counterpart Alerta en Línea average more than 2.2 million unique visits per year.

The Commission directs its outreach to businesses as well. The FTC widely disseminates its business guide on data security, along with an online tutorial based on the guide.¹⁷ These resources are designed to provide diverse businesses—and especially small businesses—with practical, concrete advice as they develop data security programs and plans for their companies.

In fact, Congress is one of our most important partners in our effort to educate consumers and businesses on effective data security practices. Through our congressional outreach initiative, several hundred members of Congress link to our online information through their own websites. Additionally, we provide materials, and, as appropriate, staffing for local town hall meetings and consumer events hosted by a member of Congress.

Legislation

The FTC supports federal legislation that would (1) strengthen its existing authority governing data security standards on companies and (2) require companies, in appropriate circumstances, to provide notification to consumers when there is a security breach. Reasonable and appropriate security practices are critical to preventing data breaches and protecting consumers from identity theft and other harm. Where breaches occur, notifying consumers helps them protect themselves from any harm that is likely to be caused by the misuse of their data. For example, in the case of a breach of Social Security numbers, notifying consumers will enable them to request that fraud alerts be placed in their credit files, obtain

4

¹⁵ See http://www.onguardonline.gov.

¹⁶ See http://www.alertaenlinea.gov.

See Protecting Personal Information: A Guide for Business, available at http://business.ftc.gov/documents/bus69-protecting-personal-information-guide-business.

¹⁸ See, e.g.

copies of their credit reports, scrutinize their monthly account statements, and take other steps to protect themselves. Although most states have breach notification laws in place, having a strong and consistent national requirement would simplify compliance by businesses while ensuring that all consumers are protected.

Legislation in both areas data security and breach notification should give the FTC the ability to seek civil penalties to help deter unlawful conduct, rulemaking authority under the Administrative Procedure Act, and jurisdiction over non-profits. Under current laws, the FTC only has the authority to seek civil penalties for data security violations so online information under COPPA or credit report information under the FCRA. To help ensure effective deterrence, we urge Congress to allow the FTC to seek civil penalties for data security and breach notice violations in appropriate circumstances. Likewise, enabling the FTC to bring cases against non-profits would help ensure that whenever personal information is collected from consumers, entities that maintain such data adequately protect it. Finally, rulemaking