

**Statement of Chairman Julius Genachowski
Federal Communications Commission**

**Hearing on “Internet Privacy: The Views of the FTC, the FCC and NTIA”
Before the Subcommittee on Commerce, Manufacturing, and Trade and the Subcommittee
on Communications and Technology
Committee on Energy and Commerce
U.S. House of Representatives
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Chairman Bono-Mack, Chairman Walden, Ranking Members Eshoo and Butterfield, Members of both subcommittees, thank you for this opportunity to discuss the issue of Internet privacy.

The right to privacy is a core American value, and the Federal Communications Commission, at the direction of Congress, has worked for years to implement laws that protect the privacy of consumers when they use communications networks.

The Internet, which has enabled information sharing on an unprecedented scale, raises new privacy challenges. The FCC is committed to working with Congress, the Federal Trade Commission, the Department of Commerce, and our other colleagues across government to tackle these issues.

To understand the importance of privacy challenges in the digital age, one must appreciate the extraordinary opportunities created by broadband Internet services. High-speed Internet is an indispensable platform for innovation and economic growth, our global competitiveness, and opportunities to transform health care, education, energy, and public safety.

To fully realize the benefits of broadband people need to trust that the Internet, and all communications networks, are safe and secure.

As the National Broadband Plan found, privacy concerns are a barrier to broadband adoption. When people fear that new technology puts their privacy at risk, they're less likely to use those new technologies.

Consider location-based services. McKinsey estimates that this growing sector will deliver \$700 billion in value to consumers and business users over the next decade. Two weeks ago, the FCC, with the participation of the FTC, hosted a workshop on location-based services, which identified consumer concerns about the use and security of their location information as something that must be addressed to seize the opportunities of this new technology.

In general in this area, we need to strike a healthy balance – ensuring that private information is protected, and at the same time ensuring a climate that encourages new investment and new innovations that will create jobs and improve our quality of life.

At the FCC, our approach to privacy centers on three overarching goals: 1) consumer control and choice; 2) business transparency about privacy practices, and 3) data security.

The Communications Act specifically charges the FCC with implementing a number of privacy protection provisions. Sections 222, 338, and 631 of the Act give the FCC authority to protect the privacy and security of the network-related data of telephone, cable, and satellite subscribers.

The FCC is also working to educate consumers and small businesses about privacy and data security. For example, the FCC recently released a cybersecurity tip sheet to help small businesses understand and implement basic precautions to secure their networks and data, which we have partnered with the Chamber of Commerce, the National Urban League, and others to distribute.

To make sure consumers are getting consistent and clear information and guidance from government agencies, we've partnered with the FTC, the Department of Commerce, and the Small Business Administration on a number of education efforts like Net Cetera and OnGuard Online, which offer advice on how to protect children's personal information and guard against identity theft.

These education efforts are part of an established track record of effective collaboration between the FCC, the FTC, and other agencies.

Technology can and must be part of the solution. I continue to encourage industry to use its expertise to empower consumers, provide transparency, and protect data.

To conclude, as the government's expert agency on broadband and communications networks, with a long history of taking common-sense steps to protect consumer privacy, the FCC has an important role going forward. Our network-focused privacy and data security rules are sound, settled, and legally tested. Some updating of the Communications Act's network-oriented privacy regime is appropriate for the digital age. That can be done harmoniously with other agencies' implementation of any generally applicable consumer privacy or data security legislation.

We look forward to working with Congress, with my colleagues here at the table and elsewhere, and with all stakeholders outside of government to harness technology to promote innovation, job creation and economic growth, while protecting fundamentally important principles of privacy.

Thank you again for this opportunity to testify. I look forward to your questions.