

Opening Statement of U.S. Representative Judy Biggert (R-IL)
Financial Services Financial Institutions Subcommittee
Hearing on “H.R. 3997, Financial Data Protection Act of 2005”
Wednesday, November 9, 2005
10:00 a.m.

I would like to thank Chairman Bachus for holding this hearing today.

The Chairman and many members of this Subcommittee are no strangers to consumer information protection. This Committee has done an exceptional job in recent years, under the leadership of former Chairman Leach, Chairman Oxley and Subcommittee Chairman Bachus, to ensure that consumers are notified about their information privacy rights. In addition, we have worked hard to make sure that consumers have recourse with law enforcement authorities and credit reporting agencies in the event that they are victims of identity theft and need to set their credit record straight.

This Committee has produced exceptional legislation in this regard, including Gramm-Leach-Bliley, the Fair Credit Reporting Act (FCRA) and the Fair and Accurate Credit Transactions Act (FACTA). However, due to recent data breaches, we have returned to the hearing room to, again, enhance consumer protections.

In February, the Federal Trade Commission issued a report indicating that the number of identity theft victims has only risen since 2002. In 2004, my home state of Illinois made the FTC's top ten list of identity theft victims for the third year in a row. In fact, two of the top five cities in Illinois with the highest number of identity theft victims are located in my district. But data breach and identity theft are issues not unique to Illinoisans. Breaches affect constituents in every corner of this country.

This year, I have worked with members of the Financial and Economic Literacy Caucus to educate consumers about identity theft. We should continue such financial education outreach, but we should also make sure that consumers' financial information is protected and that consumers are alerted in the event that their information is compromised.

I believe that the “Financial Data Protection Act of 2005” is a step in the right direction, and that is why I am signing on as a cosponsor of the bill today. While elements of the bill could be strengthened, the overall bill promises to provide a common-sense approach to tackling data breach issues. I commend Congressmen LaTourette, Castle, Pryce, Hooley, and Moore for introducing the bill. I look forward to working with the members of this Committee to iron out the details and produce a finished product in the near future. I welcome suggestions for strengthening the bill from today's witnesses.