

**STATEMENT OF CHAIRMAN JOHN McCAIN
FOR THE HEARING ON
PRIVACY LEGISLATION BEFORE THE
SENATE COMMERCE COMMITTEE
October 3, 2000**

Good Morning, I want to thank the witnesses for participating in today's hearing. As evidence to the importance of this issue, this is the third hearing the Committee has held since this summer on Internet privacy.

Today, the Committee will hear testimony on the legislative proposals before the Committee dealing with Internet privacy. The purpose of this hearing is to begin the process of moving toward the enactment of legislation, which would enable consumer to protect their privacy online.

The Federal Trade Commission in its recent report on online privacy recommended legislation to require the implementation of the four fair information practices of notice, choice, access and security. The FTC found that while voluntary efforts had advanced the issue of privacy, those efforts were failing to adequately protect privacy. Specifically, the Commission found that merely 41% of random sites and 60% of the top 100 sites provided consumers with notice about their information practices and offered a choice about how that information is used. While I agree that we must work to enact legislation to enable consumers to protect their privacy, I am not convinced that we must mandate all of the four the information practices to protect privacy.

Last July, Senators Kerry, Abraham, Boxer and I introduced the Consumer Internet Privacy Enforcement Act. The bill is focused around the two fundamental principles of notice and choice. It would ensure that consumers are informed of a websites' information practices in a "clear and conspicuous" manner. It would also require websites to give consumers a simple method of exercising meaningful choices about how that information is used. By focusing on these two fundamental principles I believe we strike the delicate balance between protecting privacy and imposing burdensome rules that do little to help consumers.

We may not all agree about the specific details of a legislative proposal, but we all agree that the time has come to enact legislation to protect consumer's privacy. Some of the proposals before the Committee go further than the bill my colleagues and I introduced. Some of the bills currently before Congress propose far less, such as simple commission to merely study the issue. Regardless of the proposal, we must move forward through the difficult process of reaching compromise and forging legislation.

I look forward to engaging in this process as move toward the next Congress and I commit to reporting legislation from the Committee and working for its passage on the floor. Again, I want to thank the witnesses for their testimony and their dedication to this issue.

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