



Consumer Federation of America

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STATEMENT OF SUSAN GRANT, CFA DIRECTOR OF CONSUMER PROTECTION ON THE FEDERAL TRADE COMMISSION'S REPORT AND RECOMMENDATIONS CONCERNING DATA BROKERS

Washington, D.C.— Today's [report](#) by the Federal Trade Commission (FTC) on data brokers and its recommendations for legislation to require more transparency and accountability in this industry are significant and welcome steps in the agency's ongoing work on privacy issues. The FTC's leadership in this area is essential, but having pointed the way forward, it is now up to Congress to enact the common-sense measures that the agency recommends.

As the FTC notes, the data broker industry is huge and multi-faceted, collecting and supplying billions of data points about individuals for a variety of purposes. Yet it is largely invisible to those individuals, who have no idea what information about themselves is collected, how it is categorized, with whom it is shared, and how it may be used. The FTC report also points out that individuals have limited control – or no control at all – over the collection, accuracy or use of their data.

CFA strongly supports the FTC's legislative recommendations. Individuals must have the right and the means to know which data brokers have information about them for marketing purposes, see what the data is and how it is categorized, correct the data if necessary, and exercise reasonable control over its collection and use. When individuals' abilities to conduct transactions or obtain benefits are adversely impacted by data that is used for fraud mitigation, they must be able to identify the sources of the data and correct any inaccuracies. And individuals must be able to access the information that "people search" services have about them, correct it, and suppress it if they desire.

The FTC should have gone further in some respects. For instance, the report suggests certain "best practices" for the data broker industry, among which is ensuring that downstream users of the data do not use it for determining eligibility or unlawful discriminatory purposes. CFA believes that this important protection should be in the legislative recommendations and urges that it be included in any bills that emerge as a result of this report.

The Consumer Federation of America is an association of more than 250 nonprofit consumer groups that was established in 1968 to advance the consumer interest through research, advocacy, and education.