The US Innovation Economy Requires Strong National Privacy Protections

ORAL STATEMENT FOR THE RECORD

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Good morning Chairman Graham, Ranking Member Feinstein, and Members of the Committee. Thank you for the opportunity to testify today. I am pleased to address the Committee on the need to put in place a national privacy law that protects people more and better than GDPR and CCPA. Intel is bringing artificial intelligence technology to market to provide individual and societal benefits. The US needs a law allowing for access to data to enable innovative companies large and small to develop artificial intelligence products and services. GDPR and CCPA have substantial negative impacts to innovation and competition and a new model is needed. In short, we need a uniquely American law that is stronger and better than GDPR and CCPA.

A recent television news report interviewed a woman named Donna, a survivor of domestic violence, whose identity they protected for her safety. Donna had recently discovered her name and address on a data broker site. Donna told the news team "If you have someone who's tried to kill you, for them to be able to just type in your name, and any known address that you've stayed at can pop up. It's scary, because now they know ways to start trying to find you."

Victims of domestic violence are not the only ones at risk. Data broker lists include:

- police officer home addresses,
- contact information for rape survivors,
- information on seniors who suffer from dementia,
- and specific categories allowing for racial and ethnic discrimination.

None of these people chose to place their names and contact information on these lists. The current environment makes clear that the "notice and choice" method of privacy protection only provides choices for those that want to profit off of the pain of Americans. Data brokers are selling the safety of the American people online for $9.99 and lower.

The American people insist that this must change. Following the European Union's General Data Protection Regulation, Californians started the ballot initiative that turned into the California Consumer Privacy Act of 2018. Now there are 94 other state privacy laws at some point in the process of discussion and introduction.

Unfortunately, GDPR and these state laws are both unlikely to adequately protect Donna, while they also risk the promise for social improvement and economic progress from new technologies like artificial intelligence.

These laws wrongly assume that individuals can exercise consent over how their data will be used. The data broker lists I mentioned largely draw from public records or information scraped from websites and social media applications. Laws focusing on collection of data directly from individuals are already outdated, and will become more so as improved analytics are used on data available from data brokers or on the internet.

These "notice and choice" laws create barriers to innovation and competition. The patchwork of state legislation will create significant new barriers to the innovative use of data. Only large law firms benefit from this patchwork because businesses of all sizes will need lawyers to determine how to offer products and services nationwide. These legal costs will slow small innovative data oriented startups.

A new model of privacy protection that does not rely primarily on consent is needed.

For fifty years, Intel has relied upon two things for our success:

1. Innovative companies that develop new products and services using our technology, and
2. Individuals having trust and confidence in their use of those products and services.

The current data broker environment, and the resulting legislative patchwork puts both of those elements at risk. Data brokers are poisoning the well of trust out of which real technology companies like Intel and our customers must drink.

For that reason, Intel created a model for federal privacy legislation and we ask that Congress use it to do five things.

1) Provide Meaningful Protections Instead Of The False Promise Of Control
2) Prohibit Unaccountable Data Sharing With Third Party Companies
3) Empower And Fully Resource The Federal Trade Commission

In conclusion, a law based on Intel's model will provide the protections people erroneously believe are provided by GDPR and CCPA, without the negative impacts to competition and innovation. Intel's proposal provides strong protections and robust enforcement, while still allowing for the innovative use of data to allow artificial intelligence and other technologies to fulfil their promise. I encourage you to use our framework to put in place a law that will optimize for the ethical and innovative use of data, and will protect Donna.

We stand ready to support this Committee's efforts to advance legislation. Thank you.