



Internet Association

January 28, 2016

The Honorable Mitchell McConnell
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Harry Reid
Minority Leader
United States Senate
Washington, D.C. 20510

Dear Majority Leader McConnell and Minority Leader Reid:

The Internet Association is the unified voice of the Internet economy, representing the interests of leading Internet companies and their global community of users. We are dedicated to advancing public policy solutions that strengthen and protect Internet freedom and foster innovation and economic growth. We write to request swift passage of the Judicial Redress Act, which will have immediate benefits for U.S. national security and for U.S./EU agreements governing the transfer of data across the Atlantic.

We commend the Senate Committee on the Judiciary for passage of the Judicial Redress Act (H.R. 1428) on January 28, 2016 by an overwhelming bipartisan vote of 19-1. The House of Representatives passed the Judicial Redress Act on October 20, 2015 by voice vote.

On September 9, 2015 the U.S. and EU signed a privacy pact covering data transfers between the two jurisdictions used to combat crime and terrorism. This so-called Umbrella Agreement is part of an ongoing and important process to restore confidence and trust in data transmissions between the U.S and EU. Recent years have seen a significant erosion of global public trust in both the U.S. government and the U.S. technology sector in general. Included here is the U.S. Internet industry, which many regard as the great American export of the 21st Century. The EU acknowledges that the Umbrella Agreement will help to “rebuild trust in EU-U.S. data flows”¹ but the EU also has created linkage between the finalization of the agreement and passage of the Judicial Redress Act in Congress.

In addition to the Umbrella Agreement, the Judicial Redress Act is an important step in reaching new data transfer agreements between the U.S. and EU for businesses. An October ruling by European Court of Justice invalidated the European Commission’s adequacy determination over the U.S.-EU Safe Harbor Agreement. Over 4,400 companies relied on Safe Harbor to validate the transfer of data from the EU to the U.S., including both U.S. headquartered companies and U.S. based subsidiaries of EU headquartered companies. Over half of these companies are small and medium sized enterprises. Trade flows between the U.S. and EU are valued at \$1 trillion annually- the largest in the world.² European

¹ Statement of EU Commissioner Jourova, September 8, 2015, http://europa.eu/rapid/pressrelease_STATEMENT-15-5610_en.htm

² Joshua Meltzer, “Examining the EU safe harbor decision and impacts for transatlantic data flows,” The Brookings Institution (Nov. 3, 2015) available at <http://www.brookings.edu/research/testimony/2015/11/03-eu-safe-harbor-decision-transatlantic-data-flows-meltzer>.



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negotiators have consistently emphasized the importance of the Judicial Redress Act in reaching a new framework that will allow businesses to continue data transfers. An unofficial enforcement moratorium granted by European data protection authorities will expire on January 31, leaving U.S. companies facing greater uncertainty.

The Judicial Redress Act would simply extend a narrow set of rights granted to U.S. citizens under the Privacy Act to EU citizens. These rights are equal to - but not greater than - rights currently enjoyed by U.S. citizens under the Privacy Act. Significantly, U.S. citizens already enjoy similar rights in most EU Member States. The Judicial Redress Act enjoys large bipartisan support in both chamber of Congress, as well as from the U.S. Department of Justice and Administration.

If enacted, the Judicial Redress Act would be an important step in restoring trust between the EU and U.S., which in turn will help ensure the continuity and stability of economically beneficial cross border data flows between the U.S. our European allies. We therefore request swift passage in the Senate and appreciate your attention to this important matter.

Sincerely,

Michael Beckerman
President & CEO