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United States Senate
COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS
WASHINGTON, DC 20510-6075

May 9, 2019

Mark Zuckerberg
Founder, Chairman and Chief Executive Officer
Facebook
1 Hacker Way
Menlo Park, CA 94025

Dear Mr. Zuckerberg:

This week the Senate Banking Committee held its first hearing on Privacy Rights and Data Collection in a Digital Economy. Earlier this year, the Senate Banking Committee's Chairman and Ranking Member invited feedback on the collection, use and protection of sensitive information by financial regulators and private companies in light of the immense growth and use of data for a multitude of purposes across the economy. As the Committee moves forward with additional hearings to build the record for legislation, it is important to understand how large social platforms make data available that can be used in ways that have big implications for consumers' financial lives, including to market or make decisions on financial products or services that impact a consumer's access to or cost of credit and insurance products, or in ways that impact their employment prospects. It is also important to understand how large social platforms use financial data to profile and target consumers.

The *Wall Street Journal* recently reported that Facebook is recruiting dozens of financial firms and online merchants to help launch a cryptocurrency-based payments system using its social network. Last year, Facebook asked U.S. banks to share detailed financial information about consumers. In addition, privacy experts have raised questions about Facebook's extensive data collection practices and whether any of the data collected by Facebook is being used for purposes that do or should subject Facebook to the Fair Credit Reporting Act.

Accordingly, please respond to the following questions.

- 1) How would this new cryptocurrency-based payment system work, and what outreach has there been to financial regulators to ensure it meets all legal and regulatory requirements?
- 2) What privacy and consumer protections would users have under the new payment system?

- 3) What consumer financial information does Facebook have that it has received from a financial company?
- 4) To the extent Facebook has received consumer financial information from a financial company, what does Facebook do with such information and how does Facebook safeguard the information?
- 5) Does Facebook share or sell any consumer information (or information derived from consumer information) with any unaffiliated third parties?
- 6) Does Facebook have any information bearing on an individual's (or group of individuals') creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics or mode of living that is used (either by Facebook or an unaffiliated third party) to establish eligibility for, or marketing of a product or service related to, (1) credit, (2) insurance, (3) employment, or (4) housing?
- 7) How does Facebook ensure that information bearing on an individual's (or group of individuals') creditworthiness, credit standing, credit capacity, character, general reputation, and/or personal characteristics is not used in violation of the Fair Credit Reporting Act?

Sincerely,



Mike Crapo
Chairman



Sherrod Brown
Ranking Member