

**Issue Brief for the Internet Caucus Advisory Committee  
Privacy**

1634 Eye Street, NW Suite 1100  
Washington, DC 20006  
(202) 637-9800

The Center for Democracy and Technology believes that if the Internet is to fulfill its economic and democratic potential, we must embed into its policy, practices and technical framework the core principles of a free and open society, including protection of privacy.

Addressing the privacy issues raised by the interplay between technical changes, emerging business models and insufficient public policy requires a combination of privacy-enhancing technology, self-regulatory best practices and updated laws. While technology and self-regulatory efforts have a role to play, they cannot on their own solve the privacy puzzle. Legislation is needed to ensure certainty for consumers, create a level playing field for businesses, provide clear guidance to all, regulate government surveillance and data collection, and create a structure for penalizing bad actors.

To advance individual privacy online we must develop sensible laws that place individuals in control of their personal information. These laws must be compatible with the open, decentralized nature of the Internet. Privacy rules must protect individuals' expectations of autonomy, fairness, and confidentiality. They should be neutral as to technology and business model. Legislation should produce predictable, consistent rules and should minimize the burdens placed on good actors. Sound privacy legislation must arise from a consensus process including all parties interested in the future of the Internet. It must find the common ground among activists, nonprofit groups, Internet businesses and government policymakers.

What do we mean by privacy? Individuals' expectations of autonomy, fairness and confidentiality are best defined by what are known as Principles of Fair Information Practice. Businesses that fully implement these principles --

- limit the personal information they collect to what is needed to support the consumer's transaction;
- tell individuals in a clear, straightforward manner how their information will be used;
- ask individuals' permission prior to using personal information for other purposes;
- provide consumers with access to personal information and the ability to correct where appropriate; and
- protect personal information from inappropriate use by employees and third-parties.

A privacy law that puts consumers in control of their information through the implementation of these fair information practice principles can promote privacy-enhancing technology, provide flexibility to address various business models and technical advancements, and create a blueprint for clear, consistent rules. Bills that have been introduced in past Congresses represent the beginning of a discussion about privacy protection in law, but critical issues remain to be resolved. To produce workable and effective privacy legislation, industry and consumer groups need to undertake a process based on consultation and consensus.

For more information: Paula Bruening [pbruening@cdt.org](mailto:pbruening@cdt.org) or Ari Schwartz [ari@cdt.org](mailto:ari@cdt.org) <http://www.cdt.org/privacy/>; and "Considering Consumer Privacy: A Resource for Policymakers and Practitioners" published by CDT at <http://www.cdt.org/privacy/ccp>.