



## **Computer Systems Policy Project**

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**Topic:** Online Privacy: What Is Its Place in the Larger Debate?

The issue of privacy is of paramount importance to members of the Computer Systems Policy Project (CSPP). Privacy is a customer expectation, and customer-oriented companies that best meet this expectation will be the most successful. We agree on a core set of privacy principles and are encouraged that many of these principles are included in federal privacy legislation reintroduced this year by Congressmen Stearns and Boucher (H.R. 1636). CSPP looks forward to continuing to work with policymakers to help craft responsible public policy approaches to consumer privacy that incorporate the following privacy principles:

**Notice:** CSPP supports the principles of notice and disclosure. There is general consensus among public and private entities that notice is a key component of any comprehensive approach to ensuring individual privacy.

**Preemption:** CSPP supports preemption of state law with respect to privacy. The principle of preemption is widely supported among industry groups. CSPP supports joint enforcement of a federal privacy law by state attorneys general.

**Choice and Consent:** CSPP supports an opt-out policy in any legislation. Industry has been supportive of an opt-out standard for collected personally identifiable information and views an opt-in standard as very burdensome to implement for ordinary commercial transactions. The market should allow for businesses to offer opt-in for particular transactions or for competitive purposes.

**Scope – Offline/Online:** CSPP supports, to the greatest extent practicable, equal treatment of privacy laws to the online and offline world. Individual privacy concerns are not defined by the medium through which personal information is collected, but rather by how sensitive the information is, who has it, and what is done with it. Personal information should receive consistent protection, regardless of where it is collected. Policies should not discriminate against e-commerce by placing unique burdens on Internet-based activities. Recognizing the lower level of consumer vulnerability related to “paper records” and the difficulty of applying rules to “paper transactions,” defining the scope as applying to “data held in electronic form” (rather than on-line or off-line) might be a useful, practical compromise.

**Scope – Public/Private:** CSPP recommends that standards for government and non-profit use of or access to personally identifiable information should be consistent with those required for like practices in the private sector. Information practices for litigation, law enforcement and other inherently government-based purposes may require a different standard, but should also keep pace with technological innovation.

**Private Right of Action:** CSPP opposes any proposal that creates new private rights of action.

**Access:** CSPP strongly believes that individuals be afforded reasonable means by which to review and examine personally identifiable information retained by companies. While the practical and legislative implications of access are not sufficiently understood at this time CSPP will work with all interested parties to make access a reality for all consumers. CSPP recommends that any legislation provide for a comprehensive study of both the access and security issues.

**Security:** Every holder of personally identifiable information should ensure that this information is secured from unauthorized access. While the practical and legislative implications of security are not sufficiently understood at this time CSPP will work with all interested parties to make access a reality for all consumers. CSPP recommends that any legislation provide for a comprehensive study of both the access and security issues.