

STATEMENT for Senator Cleland
On-line Privacy
October 3, 2000

Reality television has hit an all-time high in the ratings system. This form of entertainment allows viewers to watch the ~~Real~~ lives of people on TV, but once these viewers cut off their TV and cut on their computer, they become the focus of reality web surfing. Cookies allow on-line companies to gather a great deal of information about consumers and possibly link this information with the person's name, address, social security number, and other personally identifiable information. While the people on television know the cameras are taping their every move, many on-line consumers have no knowledge of how companies monitor their behavior.

Today this Committee revisits the issue of on-line privacy. Estimates are that 137 million Americans can access the Internet and about 300 million people worldwide. America, with almost double the number of net users, is the world leader, and the Federal Trade Commission has recommended that these users need adequate privacy protection when surfing the web.

I would like to remind the Committee of some statements in the FTC report:

92% of consumers are concerned and 67% are ~~very concerned~~ about the misuse of their personal information online;
57% of Internet users have decided not to purchase online due to privacy concerns;
79% of consumers identified the ability to be removed from a site's mailing list as ~~very~~ important criterion in assessing a site's privacy protections, and
79% of Internet users believe that a procedure allowing the consumer to see the information companies have stored about them is ~~absolutely essential~~ or ~~very important~~.

S. 2606, of which I am a co-sponsor, addresses these issues raised by the FTC report. It allows customers to ~~opt in~~ in order for websites to use their personally identifiable information and ~~opt out~~ for use of non-personal information. S. 2606 also requires that consumers have access to the information collected about them by a website and the ability to correct it. It requires that consumers be aware of how collected information will be used and that everything is adequately protected.

Reality programs belong in a world in which people know their actions are being taped. They do not belong in a world in which many users are not aware of the vast amounts of information collected about them. Notice, consent, access, and security are the recommendations of the FTC report, and they are guiding principles of S. 2606. I look forward to the testimony that will be offered here today.