

## **USA**

### **Department of Commerce launches review of US privacy framework 29 April 2010**

The US Department of Commerce (DoC) launched, on 20 April 2010, a review of the current federal and state privacy laws to find out how they serve 'consumer interests and fundamental democratic values', and how they impact on the pace of internet innovation. The DoC outlined several areas it would like to receive comments on from all internet stakeholders - such as whether the existing privacy framework provides sufficient guidance to the private sector, and whether the notice and choice approach to consumer privacy is still a useful model. It also requested comments on the interaction of state laws and how they affect companies' compliance costs and product development processes.

"It is clear that the DoC seeks to find the proper balance between commercial innovation/burden and individual privacy", said David Navetta, Founding Partner of the Information Law Group. "It will be interesting to see if the coming report will have recommendations on how to harmonize existing regulatory regimes. It even goes as far as recognizing cloud computing and web-based services, and appears to address the reality that in the 21st century data is borderless but laws based on arbitrary jurisdictional triggers are not."

The results of the review will assist the DoC in the preparation of a report for Congress. Though the DoC will not propose legislative or regulatory details, it hopes that 'the dialogue launched here and the research conducted will contribute to Administration-wide policy positions and global privacy strategy'.

While the DoC does not have any traditional enforcement authority, it has played an instrumental role in developing policies that have helped commerce and the internet progress over the past two decades.

"This review and the report that it generates has the potential to usher a paradigm shift and radically reshape the privacy environment as it relates to commerce", continued Navetta. "The hope is that the report will get beyond the status quo and offer guidance and the foundations for public policy (and the law) that actually move the ball forward and serve to address the significant privacy challenges we face."