Editorial

THE BARE MINIMUM: FOLLOW YOUR WEB PRIVACY POLICY

Memo to Web site operators: If you collect personal information from customers, have a privacy policy and follow it.

It's the bare minimum consumers ought to be able to expect.

You, the Web site, can decide what the privacy policy says. It may be that all personal information will be posted online for the world to see. Or that it will be sold to the highest bidder. Or that it will never be shared with anyone. Whatever. Just let consumers know so they can choose whether or not to fork over the data.

A bill by Assemblyman Joe Simitian, D-Palo Alto, would require that minimum standard. AB 68 passed the Assembly and faces a Senate vote as early as Monday.

The bill lets consumers make informed choices. The Senate should pass it and Gov. Gray Davis should sign it.
Online privacy bill signed into law

By KAREN A. DAVIS
SENTINEL STAFF WRITER

SANTA CRUZ — A bill requiring businesses that collect personal information online to post a privacy policy on their website has been signed by Gov. Gray Davis. The Online Privacy and Disclosure Act of 2003 also makes it illegal for a company to violate its posted policy. Those that do could be fined up to $2,500 per violation.

"That sort of bill I'd be supportive of," said Neal Coonerty, owner of Bookshop Santa Cruz. "We are supportive of our customers' right to privacy."

Coonerty, whose site already has a posted privacy policy, said it would be difficult for a small business to face a fine like that.

Still, he said, "I'm not fearful of it. We only use (customer information) to send out a newsletter and sales notices to those who want it."

The bill’s goal was to "make sure online users know what their privacy protections are and make sure those (posted) guarantees are honored," said Assemblyman Joe Similian, the Palo Alto Democrat who wrote the bill.

Most, but not all, legitimate online businesses post privacy policies on their Web sites, he said. And some companies use customer information in ways customers never intended, including selling it to marketing firms, which can result in unsolicited phone calls, mail or spam.

"The law wasn't clear on what recourse individuals had, if any, if somebody chose not to honor their posted privacy commitments," said Similian.

Though opposed by some online businesses, including America Online, the privacy protections in the bill were designed to foster continued growth of the Internet economy, said Similian, chairman of the Assembly's privacy committee.

"Many consumers refuse to do business online because of concerns about the confidentiality of their personal financial information," he said. "This bill ... should provide consumers with greater comfort about doing business online."

James Hackett, sales manager for Cruzio, an Internet service company in Santa Cruz, said the law won't cause the company problems.

"We are already very stringent with our self-policing," he said. "Certainly anything to uphold privacy issues is something we would look at favorably."

The bill will take effect July 1. Web businesses without a posted privacy policy will be notified and given 30 days to comply before being reprimanded.

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California Passes First Online Privacy Law in U-S
Associated Press

San Francisco - California has become the first state in the nation requiring companies that collect your personal information online to tell you about it.

Gov. Davis signed a bill yesterday an Online Privacy Law which is designed to protect consumer privacy.

The author of the bill Assemblyman Joe Simitian says it is very straightforward.

Websites must post privacy policies and then abide by them.

Simitian added it is important to address privacy as a way to foster continued growth and use e-commerce sites.

Some online businesses, including America Online, fought against the bill's passage.

The Online Privacy Law takes effect on July 1st, 2004.