The United States needs a comprehensive federal privacy law that creates new rights for consumers, places obligations on businesses that reflect their role in handling consumers’ personal data, and creates strong and consistent enforcement mechanisms.

Enact Comprehensive Federal Privacy Legislation

The incoming Administration should work closely with Congress to develop and enact a new, national privacy law. A national privacy law should ensure consumers, wherever they live in America, have the same strong rights to data privacy.

The United States has no comprehensive federal privacy law, but rather protects privacy through sector-specific laws and through the broad consumer protection authority exercised by the Federal Trade Commission (FTC). A comprehensive national law is needed to protect the privacy and security of consumers’ data and to support a clear and strong set of standards for companies.

A federal privacy law should create a uniform national standard that builds on existing state privacy laws—and does not weaken existing privacy protections for consumers. For example, BSA has published a one-pager showing how Congress can build on the California Consumer Privacy Act (CCPA) to create a strong federal privacy law that adds to the rights created in CCPA—and does not undermine them.

A federal privacy law should:

- Create New Rights for Consumers. Consumers should have rights to access, correct, and delete their personal data, as well as the right to opt out of broad types of processing.

- Create Real Obligations on Businesses Handling Consumers’ Personal Data. Businesses should be required to handle data in line with consumers’ expectations. These obligations may include:
  - Specifying the purposes for collecting and using personal information—and then minimizing the use of data in line with those purposes.
  - Obtaining consent from individuals before collecting their sensitive personal information.
  - Implementing and maintaining data security safeguards.
  - Being transparent about how they handle personal data, including providing clear and accessible explanations of the types of data they collect and the types of parties with whom they share data.
  - Developing policies and procedures that provide accountability for these safeguards, including designating persons to implement the safeguards, monitoring and assessing implementation of those programs, training employees, and, where needed, adjusting practices to address issues as they arise.

- Assign Obligations Based on the Role of the Organization. A privacy law must also tailor these obligations to reflect the different roles that different companies have in handling consumers’ personal data. Indeed, privacy laws worldwide reflect a global
consensus that places certain obligations on the companies that decide how a consumer’s personal data will be collected and used, and other obligations on the companies that process data on behalf of those companies, to ensure the rights given to consumers and obligations placed on businesses function in this broader ecosystem. The distinction between these different roles is reflected in a BSA two-pager.

✓ Create Strong and Consistent Enforcement Mechanisms. A privacy bill should be enforced by both the FTC and by state attorneys general. It should also provide new resources and enforcement tools to the FTC, including first-time civil penalty authority, targeted rulemaking authority, and additional funding and staff.

In addition, a federal privacy law should encourage the free flow of data across international borders, to sustain global products and services demanded by today’s businesses and consumers. BSA has developed a Privacy Framework as a guide for policymakers as they seek to draft privacy legislation in the United States and BSA Global Privacy Best Practices to encourage high-level standards around the world.