

Legal Insight



President Obama's Plans for Cybersecurity, Broadband, and "Big Data"

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As a preview to his State of the Union address, President Obama this week gave a series of speeches on privacy, data breach notification, cybersecurity, and broadband, laying out an aggressive technology agenda. Several of the proposals, such as enhanced cybersecurity, enacting a single, uniform data breach notification standard, and reducing barriers to broadband expansion were greeted warmly by the business community, while other proposals were not.

Cybersecurity

On January 13th, President Obama spoke at the Department of Homeland Security's (DHS) National Cybersecurity Communications Integration Center (NCCIC) to discuss his proposal to protect networks against cyberattacks. AGG covered the President's plan in more detail in our January 13th alert. Notably, the Administration's 2015 proposal is clearer than its 2011 proposal, and provides a greater focus on providing liability protection to companies that share information regarding cyber threats with the government. The Administration is clearly planning a major push to increase cybersecurity defenses.

House Speaker John Boehner (R-OH) and Senate Majority Leader Mitch McConnell (R-KY) agreed on the importance of passing cybersecurity legislation. Boehner noted that the House has passed several cybersecurity bills but that the then-Democratic Senate had not acted. At the end of the 113th Congress, several cybersecurity bills were enacted, for example to protect chemical plants, but comprehensive cybersecurity legislation did not. The prospects for passage during this Congress are significantly higher.

On February 13th, the White House will hold a summit at Stanford University on public-private cybersecurity partnerships.

Increased Broadband Deployment

On January 14th, the President spoke in Cedar Falls, Iowa, about accelerating adoption of high-speed Internet access and reducing regulatory barriers. For example, the President called on the Federal Communications Commission (FCC) to preempt 19 state laws that currently prevent cities from building their own broadband networks. FCC Chairman Tom Wheeler has hinted that he is already considering such action.

There has not been universal support for the President's proposals. For example, several state governments opposed the proposal, calling it a, "federal takeover of state laws governing broadband and the Internet." The National Governors Association and the National Conference of State Legislatures also asked the FCC not to pre-empt state laws. Some providers such as Comcast and Time Warner Cable also oppose the President's proposal.

The President is expected to highlight the issue in his January 20th State of the Union Address. The White House also plans to convene a summit of mayors and county commissioners to discuss increasing broadband access and convene a council of federal agencies with roles in facilitating broadband expansion.

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"Big Data"

The President also delivered a speech on consumer privacy at the FTC. On May 1, 2014, the White House published a report entitled "Big Data: Seizing Opportunities, Preserving Values." While the report acknowledges, "America's leadership position in using big data to spark innovation, productivity, and value in the private sector," this report along with Federal Trade Commission (FTC) reports about the use of "big data" expresses concern about, "the risks of its use to exploit vulnerable populations." The report highlights targeted and behavioral advertising, Do Not Track, data brokers (including "unregulated" brokers), and alternative scoring through algorithms as areas of concern. This mirrors concerns raised by the FTC.

The concern of the business community is that these proposals could stifle the use of big data and the Internet of Things, forcing companies to account for all of the possible, but unlikely, harmful uses before exploring the possible benefits.

The 114th Congress promises to begin an in-depth examination of privacy, security, and data issues. AGG has started conversation with key players on the Hill and in the Administration regarding these issues.

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