Privacy Act is outdated, groups agree
Legal changes advocated to protect computerized information

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WASHINGTON — Ten years after the federal Privacy Act was passed, an unusual mixture of business, professional and civil liberties organizations agree that its protections have been made out of date by computer technology.

House and Senate members of both parties and such disparate entities as the National Rifle Association, the American Telephone and Telegraph Co., the U.S. Chamber of Commerce and the American Civil Liberties Union say federal privacy laws should be reshaped in the next session of Congress, which convenes Thursday.

Some believe new restrictions on the authority of the federal government to collect computerized information are required. Others worry that inaccurate information transmitted over huge federal telecommunication networks poses a threat to the fair treatment of individuals. Still others are concerned that computerized communication forms do not enjoy adequate legal assurances of privacy, as do more traditional forms of communication.

A letter dropped in a Postal Service mailbox has elaborate legal protections to keep anyone from intercepting it without a court order. But a message sent over the increasingly popular computer networks may be intercepted by individuals, criminals or law enforcement agencies.

None of these electronic interceptions is governed by the privacy protections in current law.

Privacy experts believe the problem is compounded as Americans use computers to conduct more of their personal and business activities. Other privacy invasions may occur with banking records, medical records or credit reports, all of which have certain legal protections under existing laws but which are far more vulnerable to access by unauthorized people when they are in electronic form.

The Privacy Act, initially supported by President Nixon but signed into law by President Ford on Dec. 31, 1974, established broad rules to guide federal agencies in handling information about individual Americans.

Jerry Berman, legislative counsel of the American Civil Liberties Union, said: “The privacy law was a landmark in 1974. But the act is now largely ineffective, partly because it does not give the individual adequate remedies, partly because the principles it established were swallowed by the exceptions and partly because the technology has undergone profound changes.”

While many officials and experts worry about the adequacy of the law, some do not. “The Privacy Act has worked rather well,” said Robert P. Bedell, a longtime official in the Office of Management and Budget, who was directly involved in drafting the law.

The 1974 Privacy Act establishes as law several principles of “fair information” practices for most federal agencies.

For example, the federal government must notify the public when it establishes a system of records. In addition, individuals have the right to see and correct the records held about them by most federal agencies.

But many in and out of Congress believe that new technologies, based mainly on the computer, have so changed how information is collected, stored and distributed that substantial changes and additions are required in the broad area of law staked out by the 1974 act.

“It was a giant step forward,” said Sen. Patrick J. Leahy, D-Vt. “But in the last decade we seem to have gone through a century of change. Electronic banking, two-way interactive television and electronic mail are all marching into our homes and offices and they have changed our world.”

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