108TH CONGRESS 1ST SESSION

H. R. 2929

To protect users of the Internet from unknowing transmission of their personally identifiable information through spyware programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

July 25, 2003

Mrs. Bono (for herself and Mr. Towns) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

- To protect users of the Internet from unknowing transmission of their personally identifiable information through spyware programs, and for other purposes.
 - 1 Be it enacted by the Senate and House of Representa-
 - 2 tives of the United States of America in Congress assembled,
 - 3 SECTION 1. SHORT TITLE.
 - 4 This Act may be cited as the "Safeguard Against Pri-
 - 5 vacy Invasions Act".
 - 6 SEC. 2. FTC AUTHORITY TO REGULATE TRANSMISSION OF
 - 7 SPYWARE PROGRAMS.
 - 8 (a) Prohibition of Transmission Without Con-
 - 9 SENT.—The Federal Trade Commission shall, by regula-

- 1 tion, prohibit the transmission of a spyware program to
- 2 a covered computer by means of the Internet, unless the
- 3 user of the covered computer expressly consents to such
- 4 transmission in response to a clear and conspicuous re-
- 5 quest for such consent or through an affirmative request
- 6 for such transmission.
- 7 (b) Transmission Pursuant to License Agree-
- 8 MENTS.—The Federal Trade Commission shall, by regula-
- 9 tion, establish requirements for the transmission of a
- 10 spyware program to a covered computer, by means of the
- 11 Internet, in any case in which the transmission of the
- 12 spyware program, or any information, program, or com-
- 13 munication together or in connection with which the
- 14 spyware program is transmitted, requires any affirmative
- 15 action on the part of the user of the covered computer
- 16 to agree to a license, contract, or other agreement which
- 17 is made available on the World Wide Web, as follows:
- 18 (1) Location of License agreement.—The
- terms of such license, contract, or agreement shall
- be set forth on a World Wide Web page and the
- 21 mechanism by which the user of the covered com-
- 22 puter agrees to such license, contract, or agreement
- shall be included on the same page.
- 24 (2) Notice.—The terms of the license, con-
- 25 tract, or other agreement shall—

- 1 (A) include provisions, that are clearly 2 stated and prominently displayed, which specify 3 that agreement to such license, contract, or 4 other agreement constitutes consent to transmission of the spyware for purposes of sub-6 section (a); and 7 (B) clearly explain the purpose of including 8 the spyware. 9 (3) IDENTIFICATION.—The name of the person 10 or entity transmitting the spyware, a valid physical 11 street address of such person or entity, and a func-12 tioning return electronic mail address for such per-13 son or entity shall be included on the World Wide 14 Web page referred to in paragraph (1). 15 (c) Notice of Collection of Personally Iden-TIFIABLE INFORMATION.—The Federal Trade Commis-16 17 sion shall, by regulation, prohibit the use of any spyware program that is transmitted to a covered computer by 18
- means of the Internet for collecting any personally identi-20 fiable information from the covered computer, unless no-21 ties that the program will be used for such collection is
- 21 tice that the program will be used for such collection is 22 provided—
- 23 (1) in any license, contract, or other agreement 24 covering the spyware program or the information, 25 program, or communication together with which, or

1	in connection with which, the spyware program is
2	transmitted; and
3	(2) in another prominent location, as the Com-
4	mission shall provide.
5	SEC. 3. ENFORCEMENT.
6	(a) Enforcement Through FTC Act.—
7	(1) Unfair or deceptive act or prac-
8	TICE.—A violation of any provision of this Act or
9	any regulation issued under this Act is an unfair or
10	deceptive act or practice unlawful under section
11	5(a)(1) of the Federal Trade Commission Act (15
12	U.S.C. $45(a)(1)$).
13	(2) Guidelines and opinions.—In order to
14	assist in compliance with this Act, the Federal
15	Trade Commission may issue generally applicable
16	guidelines and, upon request, advisory opinions with
17	respect to specific types of acts or practices that
18	would, or would not, comply with this Act.
19	(b) Criminal Penalties.—Whoever—
20	(1) violates section 2(c) or the regulations
21	issued under such section, or
22	(2) knowingly violates any other provision of
23	this Act or any regulation issued under this Act,
24	shall be fined under title 18, United States Code, or im-
25	prisoned for not more than 1 year, or both.

1 SEC. 4. DEFINITIONS.

- 2 For purposes of this Act:
- 3 (1) COMPUTER; COVERED COMPUTER.—The
 4 terms "computer" and "covered computer" have the
 5 meanings given such terms in section 1030(e) of
 6 title 18, United States Code.
 - (2) Internet.—The term "Internet" means collectively the myriad of computer and tele-communications facilities, including equipment and operating software, which comprise the interconnected world-wide network of networks that employ the Transmission Control Protocol/Internet Protocol, or any predecessor or successor protocols to such protocol, to communicate information of all kinds by wire or radio.
 - (3) Spyware program.—The term "spyware program" means any computer program or software that can be used to transmit from a computer, or that has the capability of so transmitting, by means of the Internet and without any action on the part of the user of the computer to initiate such transmission, information regarding the user of the computer, regarding the use of the computer, or that is stored on the computer. In issuing regulations to carry out this paragraph, the Commission shall distinguish spyware programs from other commonly

- used computer programs used to share information
 among computers in an organized network of computers.
- 4 (4) PAGE.—The term "page" means, with re-5 spect to the World Wide Web, a location that has a 6 single Uniform Resource Locator or other single lo-7 cation with respect to the Internet, as the Commis-8 sion may prescribe.
- 9 (5)Personally **IDENTIFIABLE** INFORMA-TION.—The term "personally identifiable informa-10 11 tion" does not include any record of aggregate data 12 that does not identify particular persons, particular 13 computers, particular users of computers, or par-14 ticular email addresses or other locations of com-15 puters with respect to the Internet.

16 SEC. 5. REGULATIONS.

The Commission shall issue regulations necessary to 18 carry out this Act not later than 90 days after the date 19 of the enactment of this Act.