## Privacy Subteam Recommendations



### April 18-19, 2023 Internet of Things Advisory Board (IoTAB)

#### National Institute of Standards and Technology



#### **Privacy Subteam Members**

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# **Opportunities**

- Policy and / or Regulation should be considered in the US
- Privacy by Design throughout the IoT lifecycle
- Enable International data-sharing agreements
- Promote best practices for data collection and data sharing
- Education about the use of IoT devices (user or worker)
- Standardization of Privacy Policies
- Investigate the cybersecurity label program for privacy
- Incentives regarding liability protections for compliance
- Metrics to assess the risks of how the user interacts with IoT



## Barriers

- Lack of transparency about IoT
- Lack of Trust in IoT
- Lack of education about the use of IoT devices, including hazards (user or worker)
- Lack of understanding of the data being collected by IoT devices
- Lack of control or agency in data collection
- Re-identification of individuals from data sources
- Digital divide (not everyone has access to 5G, IoT, etc.)

### **Recommendations list (summary list)**

- 1. Simplifying Privacy Policies for Reading Accessibility
- 2. Establish "data use" basics for privacy policies
- 3. Learning from CCPA, GDPR, and other Privacy Regulations
- 4. Create a National Privacy Framework for Innovation and Data Protection
- 5. Implementing US Federal Privacy Regulation
- 6. Privacy Label Creation for IoT

### **Recommendation #1** Simplifying Privacy Policies for Reading Accessibility for IoT

#### Recommendation

- Advocate for the simplification of privacy policies, privacy notices, and data use policies to enhance accessibility and comprehension for users.
- Promote the adoption of the <u>"Plain</u> Writing Act of 2010" (Public Law **<u>111-274</u>**) as a means for the government to enforce this recommendation on organizations that provide IoT technology to the government.

- Improved understanding of data privacy policies for users, leading to more informed decisions when using IoT devices.
- Enhanced public trust in IoT devices and related technologies.
- Simplified policies may lead to
  - increased compliance and reduced legal disputes

#### **Implementation considerations**

- Develop guidelines and best practices for organizations to follow when simplifying privacy policies.
- Establish high-level guidance for evaluating and assessing the readability of privacy policies.
- Coordinate with relevant stakeholders, including the private sector and consumer advocacy groups, to ensure widespread adoption.

#### **Implementation barriers**

• Resistance from organizations that may perceive simplification as a limitation on their legal protections. • Possible challenges in defining the appropriate level of simplification while maintaining accuracy and comprehensiveness.

#### **Possible participating federal** agencies

- Federal Trade Commission (FTC)
- National Institute of Standards and Technology (NIST)
- Department of Commerce (DoC)
- Federal Communications Commission (FCC)
- The Office of Management and Budget (OMB) is responsible for overseeing the implementation of the Act and ensuring that each agency has a Plain Writing program in place.

#### **Federal considerations**

• Ensuring that simplification efforts do not inadvertently lead to the omission of critical information in privacy policies. • Recognizing that simplified language may not resolve all issues related to data privacy and that additional efforts to educate the public on IoT and data privacy may be necessary.

• Continuously monitoring and updating the simplification guidelines to account for technological advancements and emerging privacy concerns.

#### **Benefits**

- The law already exists
- All US government agencies already have a plain language policy
- The US government could extend these requirements to organizations that do business with the government

#### References

• Public Law 111 - 274 - Plain Writing Act of 2010 GovInfo. https://www.govinfo.gov/app/details/PLAW-111publ274. Accessed 17 Apr. 2023

### **Recommendation #2** Establish "data use" basics for privacy policies

#### Recommendation

- Create a set of "data use" basics that must be included in privacy policies for IoT devices
- Ensure that these policies are designed with the consumers' needs and understanding in mind

- different policies
- Enhances trust in IoT technology by ensuring transparency and consistent communication of data practices

- Provides consumers with a
  - standardized baseline of information
  - regarding data use, making it easier for
  - them to compare and understand

### **Recommendation #2**

#### **Implementation considerations**

- Create guidelines on how to effectively communicate these basics in privacy policies
- Encourage or require IoT device manufacturers to adopt these "data" use" basics in their privacy policies

#### **Implementation barriers**

- Ensuring broad adoption and compliance with the established "data use" basics across different industries and sectors
- Balancing the need for standardized information with the unique characteristics and data practices of individual IoT devices and services

#### **Possible participating federal** agencies

- Federal Trade Commission (FTC)
- Department of Commerce (DoC)
- National Institute of Standards and Technology (NIST)
- Federal Communications Commission (FCC)

#### **Federal considerations**

- - regulations are perceived as burdensome or restrictive
- Providing resources and support to companies in adopting and implementing the "data use" basics in their privacy policies
- Regularly reviewing and updating the "data use" basics to ensure they remain relevant and effective as IoT technology evolves and new data privacy concerns emerge

- The potential impact on market
  - competition and innovation if new

### **Recommendation #3** Learning from CCPA, GDPR, and other Privacy Regulations

#### Recommendation

- Analyze and learn from existing privacy regulations, such as the California Consumer Privacy Act (CCPA), General Data Protection Regulation (GDPR), and others
- Develop a high-level privacy framework for IoT devices, incorporating successful elements and lessons learned from these regulations

- IoT privacy framework
- Provides a foundation for a harmonized approach to privacy in the IoT sector, reducing confusion and fragmentation for both consumers and businesses

- Leveraging the experience and
  - knowledge gained from implementing
  - existing privacy regulations can help
  - create a more effective and efficient

#### **Implementation considerations**

- Conduct a thorough analysis of the CCPA, GDPR, and other privacy regulations to identify best practices, potential improvements, and lessons learned
- Ensure that the IoT privacy framework is adaptable and scalable to accommodate the rapidly evolving nature of IoT technology and the data privacy landscape

#### **Implementation barriers**

- Achieving consensus among stakeholders on the most effective elements and practices to incorporate into the IoT privacy framework
- Overcoming potential resistance from industry participants who may perceive new regulations as burdensome or
  - restrictive
- Ensuring compatibility with existing privacy regulations at the state and international level

#### **Possible participating federal** agencies

- Federal Trade Commission (FTC)
- Department of Commerce (DoC)
- National Institute of Standards and Technology (NIST)
- Federal Communications Commission (FCC)

#### **Federal considerations**

- The need for a balance between protecting consumers' data privacy and fostering innovation in the IoT sector • The importance of providing resources, guidance, and support to businesses for the adoption and implementation of the
- - IoT privacy framework
- Regularly reviewing and updating the IoT privacy framework to ensure it remains relevant and effective in addressing emerging data privacy challenges and technological advancements

## **Recommendation #4**

#### **Create a National Privacy Framework for Innovation and Data Protection**

#### Recommendation

- Develop a National Privacy Framework for Innovation and Data Protection specifically tailored to the unique challenges posed by IoT devices
- Ensure that the framework balances the need for data privacy and security with fostering innovation in the IoT sector

- and businesses
- Encourages innovation by providing clear guidelines and expectations for IoT device manufacturers, fostering a competitive and growth-oriented environment

- Provides a consistent, unified
  - approach to data privacy and security
  - in the IoT sector, reducing confusion
  - and fragmentation for both consumers

#### **Implementation considerations**

- Incorporate lessons learned from existing privacy regulations, such as the CCPA and GDPR, to create a more effective and efficient framework
- Ensure that the framework is adaptable and scalable to accommodate the rapidly evolving nature of IoT technology and the data privacy landscape

#### **Implementation barriers**

- stakeholders on the most effective elements and practices to incorporate into the National Privacy Framework industry participants who may perceive new regulations as burdensome or restrictive
- Achieving consensus among • Overcoming potential resistance from
- Ensuring compatibility with existing privacy regulations at the state and international level

#### **Possible participating federal** agencies

- Federal Trade Commission (FTC)
- National Institute of Standards and Technology (NIST)
- Department of Commerce (DoC)
- Federal Communications Commission (FCC)

#### **Federal considerations**

- consumers' data privacy and fostering innovation in the IoT sector guidance, and support to businesses for the adoption and implementation of the National Privacy Framework National Privacy Framework to ensure it remains relevant and effective in addressing emerging data privacy challenges and technological advancements

- The need for a balance between protecting • The importance of providing resources, • Regularly reviewing and updating the

# **Recommendation #5**<u>Implementing US Federal Privacy Regulation</u>

#### Recommendation

- Develop and implement a comprehensive US Federal Privacy Regulation that addresses data privacy concerns for IoT devices and services
- Create a unified legal framework that supersedes state-level regulations, providing clarity and consistency for both consumers and businesses

- Streamli privacy reducing
- Ensures adhere t standare and prot
- Facilitates innovation by providing clear guidelines and expectations for IoT businesses, fostering a competitive and growth-oriented environment

- Streamlines and harmonizes data
  - privacy regulations across the nation,
- reducing fragmentation and confusion
  Ensures that IoT device manufacturers
  - adhere to a consistent set of privacy
  - standards, enhancing consumer trust and protection

#### **Implementation considerations**

- Use information gathered from stakeholders, including IoT device manufacturers, privacy experts, and consumer advocacy groups, on the development of the Federal Privacy Regulation
- Consider state-level regulations to ensure a unified federal regulation
- Regularly review and update the Federal Privacy Regulation to address emerging data privacy challenges and technological advancements

#### **Implementation barriers**

- - Regulation
- markets

• Overcoming potential resistance from industry participants who may perceive new regulations as burdensome or restrictive • Achieving consensus among stakeholders and state-level regulators on the most effective elements and practices to incorporate into the Federal Privacy

- Ensuring compatibility with existing
  - international privacy regulations, such as the
  - GDPR, for businesses operating in global

#### **Possible participating federal** agencies

- Federal Trade Commission (FTC)
- National Institute of Standards and Technology (NIST)
- Department of Commerce (DoC)
- Federal Communications Commission (FCC)

#### **Federal considerations**

- The need for a balance between protecting consumers' data privacy and fostering innovation in the IoT sector • The importance of providing resources, guidance, and support to businesses for the adoption and implementation of the Federal Privacy Regulation Collaborating with international partners to ensure global alignment and interoperability of privacy regulations, fostering global trust and cooperation in IoT data privacy and security

### **Recommendation #6 Privacy Label Creation for IoT**

#### Recommendation

- Develop and implement a privacy label system for IoT devices, similar to nutrition labels on food products (similar to the White House initiative for cybersecurity labeling)
- Display essential privacy information in an easily understandable format for consumers, enhancing transparency and trust

- decisions about IoT devices based on their privacy features and practices prioritize privacy, fostering competition and innovation in privacy-enhancing
- Empowers consumers to make informed • Encourages IoT device manufacturers to technologies
- Enhances overall cybersecurity and data protection by promoting greater consumer awareness of privacy
  - practices

### **Recommendation #6 (details) Implementation barriers**

#### **Implementation considerations**

- Consider input from privacy experts, industry stakeholders, and consumer advocacy groups to develop the privacy label system, including content and design
- Develop guidelines and standards for privacy labels, including required information, format, and placement on packaging or product information
- Encourage or require IoT device manufacturers to adopt privacy labels and provide resources to help them comply with the new requirements

- - sectors
- consumers

• Ensuring broad adoption and compliance with the privacy label system across different industries and

• Overcoming resistance from IoT device manufacturers who may perceive privacy labels as burdensome, costly, or restrictive Balancing the need for comprehensive privacy information with simplicity and ease of understanding for

#### **Possible participating federal** agencies

- Federal Trade Commission (FTC)
- National Institute of Standards and Technology (NIST)
- Department of Commerce (DoC)
- Federal Communications Commission (FCC)

#### **Federal considerations**

- The potential impact on market competition and innovation if privacy
  - labels are perceived as overly restrictive or burdensome
- The need to educate consumers about the importance of privacy labels and how to use them effectively when making
  - purchasing decisions
- Regularly reviewing and updating the privacy label system to ensure it remains relevant and effective as IoT technology evolves and new data privacy concerns
  - emerge

### Additional Recommendations to explore

- Training (consumer & workforce)
- International Agreements

## QUESTIONS



