What's your data worth to Big Tech? Bill would compel answer

June 24 2019, by Marcy Gordon

Credit: CC0 Public Domain

As Congress bears down on big tech companies, two senators want to force giants like Google, Facebook and Amazon to tell users what data they're collecting from them and how much it's worth.

The legislation floated Monday by Sens. Mark Warner, D-Va., and Josh Hawley, R-Mo., goes to the heart of the tech giants' lucrative business model: harvesting data from platform users and making it available to advertisers so they can pinpoint specific consumers to target.

"When a big tech company says its product is free, consumers are the ones being sold," Hawley said in a statement. "These 'free' products track everything we do so tech companies can sell our information to the highest bidder and use it to target us with creepy ads. Even worse, tech companies do their best to hide how much consumer data is worth and to whom it is sold."

The measure would require commercial services with more than 100 million active monthly users to disclose to their customers and financial regulators the types of data they collect. They also would have to provide their users with an assessment at frequent intervals of the data's value to them.

It comes as bipartisan support grows in Congress for a privacy law that could sharply rein in the ability of the biggest tech companies to collect and make money from users' personal data. At the same time, a House panel has opened a bipartisan investigation of Silicon Valley's market dominance.

The Internet Association, the tech industry's major trade group representing Facebook, Google and dozens of other tech companies including Netflix and Airbnb, said Monday that it supports a comprehensive data privacy law.

"Data helps businesses, across all industries and of all sizes and business models, provide consumers with better products and services," the group's president and CEO Michael Beckerman said in a statement. "The internet industry supports a comprehensive, economy-wide federal

privacy law that covers all companies ... to give consumers the protections and rights they need to take full control of the data they provide to companies."

The group's statement didn't directly address the issue of mandating companies to put a value on users' data.

Unlike many industrialized nations, the U.S. has no overarching national law governing data collection and privacy. Instead, it has a patchwork of federal laws that protect specific types of data, such as consumer health and financial information, and the personal data generated by younger children. A national law would be the first of its kind in the U.S. and could allow people to see or prohibit the use of their data. Companies could be required to seek permission to provide the data to third parties. A law could shrink Big Tech's crucial revenues from advertising.

There's no parallel legislation in the House for the new Senate bill, called the Dashboard Act, and its prospects are unclear.

Warner, who amassed a fortune as a tech industry investor and executive before entering politics, and Hawley, a freshman and conservative who pursued investigations of Google and Facebook's business practices as Missouri attorney general, have been especially active in the debate over big tech.

Citation: What's your data worth to Big Tech? Bill would compel answer (2019, June 24) retrieved 10 April 2024 from https://phys.org/news/2019-06-worth-big-tech-bill-compel.html