

On Eve of Broadband Privacy Rule's Effective Date, FCC Pauses Implementation

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One day before a new broadband privacy rule was set to take effect, the Federal Communications Commission (FCC) on Wednesday voted to pause its implementation. Had it taken effect, the provision would have restricted the ability of internet service providers to use and share “sensitive” information, such as web browsing history, financial information, and children’s information, among others. As we have reported previously, industry participants criticized the rule as both duplicative of—and contradictory to—long-established privacy rules by the Federal Trade Commission (FTC) that apply to businesses more broadly. Indeed, a common concern among internet service providers was that they would be placed at a competitive disadvantage by having to comply with stricter FCC privacy rules.

The 2-1 vote was one of the FCC’s first major moves under its new composition, including a new Republican chairman, Ajit Pai. In a joint statement by the FCC and FTC on Wednesday, the agencies affirmed their commitment to consumer privacy, but through a “comprehensive and consistent framework,” a reference to criticisms of the divergent standards for internet service providers and everyone else. In a separate statement on Wednesday, the FCC explained that the stay will remain in place while the Commission considers public comments on modifications to the rule.

TIP: For the time being it appears that ISPs will not face the more stringent FCC requirements, but the FCC and FTC may yet collaborate on a modified measure.

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