



December 10, 2018

New York City Council
City Hall Park
New York, NY 10007

Re: Int. No. 1101-2018 (Koo)—SUPPORT

Dear Councilmembers Koo, Richards, Constantinides, Grodenchik, Espinal, Salamanca, and Kallos:

Consumer Reports¹ writes to strongly support Int. No. 1101-2018 which would provide residents of New York City with increased choice, security, and transparency over the data their internet service providers (ISPs) collect from and about them. In light of Congress’s decision to repeal the Federal Communications Commission’s (FCC’s) Broadband Privacy Rule under the Congressional Review Act in 2017, it is incumbent upon local governments to fill that gap. In the same way phone companies cannot listen in on your phone calls and mail carriers cannot read your mail or open your packages, ISPs should not be able to snoop on and profit off of your internet traffic. Consumers already pay steep monthly subscription charges to their ISP; they should be entitled to a reasonable expectation of privacy in the use of these services. Therefore, we applaud the Councilmembers for their leadership in introducing this vital legislation, and we urge the Chairman to schedule a hearing on this bill for public discussion.

Residents of the New York City need strong privacy protections over how ISPs treat their data. ISPs have a unique insight into customer activity because they provide internet service, for which they charge a substantial subscription fee, that requires them to collect a vast amount of data from and about their customers. While it is possible for consumers to take actions to protect themselves against certain edge providers² who collect data—by blocking browser connections

¹ Consumer Reports is an expert, independent, non-profit organization whose mission is to work for a fair, just, and safe marketplace for all consumers and to empower consumers to protect themselves. Consumer Reports is the world’s largest independent product-testing organization, using its dozens of labs, auto test center, and survey research department to rate thousands of products and services annually. Founded in 1936, Consumer Reports has over 6 million members and publishes its magazine, website, and other publications.

² Edge providers is a term used to describe “any individual or entity that provides any content, application, or service over the Internet, and any individual or entity that provides a device used for accessing any content, application, or service over the Internet.” David Post, *Does the FCC Really Not Get It About the Internet?*, Wash. Post (Oct. 31, 2014),

to those sites—they have no choice but to use an ISP to access the internet and thus share data with the ISP. And *all* of a consumer’s traffic flows over that internet connection. Even if traffic is encrypted, ISPs still know the sites and services their customers use, which can convey very sensitive information such as race or nationality, sexual preference, religion, physical location, presence at home, personal banking details, and physical ailments.³

With such comprehensive data, ISPs can create intricately detailed profiles of their customers to sell to the highest bidder for a variety of purposes, including targeted digital advertisements for products like payday loans or expensive and unnecessary medications. And all of this data held by ISPs are vulnerable to a future data breach or hack, which could make consumers targets for identity theft. NYC residents should have options over whether their ISP monetizes the data it collects to provide those residents internet service. In addition, consumers desire the consumer protections this bill would provide.⁴ NYC residents should have options over whether their ISP monetizes their data to provide them internet service. Int. No. 1101 ensures they have those choices.

For these reasons, we believe that the Council should hold a public hearing on the Int. 1101. In addition, we urge New York City Councilmembers to support this necessary consumer protection when the bill is up for a vote.

Signed,

Consumer Reports Advocacy
1101 17th Street, NW
Suite 500
Washington, DC 20036

https://www.washingtonpost.com/news/volokh-conspiracy/wp/2014/10/31/does-the-fcc-really-not-get-it-about-the-internet/?utm_term=.6da16a410bca.

³ See *What ISPs Can See*, Upturn (Mar. 2016), <https://www.teamupturn.com/reports/2016/what-isps-can-see>.

⁴ A recent Consumer Reports survey found that 92% of Americans think companies should get permission before sharing or selling users' online data, and 70% of Americans lack confidence that their personal information is private and secure. *Consumers Less Confident About Healthcare, Data Privacy, and Car Safety, New Survey Finds*, CONSUMER REPORTS (May 11, 2017), <https://www.consumerreports.org/consumer-reports/consumers-less-confident-about-healthcare-data-privacy-and-car-safety/>.