AGENDA

JULY 18, 1997

1. Long-term planning process memo

2. Gender preference executive order

3. Child safety in commercial airplanes

4. National Summit on Food Recovery

5. A Report on the Family

6. Privacy

MEMORANDUM

TO: BRUCE REED, GENE SPERLING

FROM: TOM FREEDMAN, JONATHAN KAPLAN

RE: AN DPC/NEC STRATEGY FOR DEVELOPING A LONG-TERM PLANNING AGENDA

DATE: JULY 18, 1997

Both of you have raised the fact that, as we approach closure on the budget in the coming months, it will be critical to lay out a post-budget domestic and economic agenda to serve as the Administration's 1998 -- or longer-term -- policy blueprint. Already, several memoranda have been circulated, from both external and internal sources, sketching some of the broader themes on which the White House might focus.

The limited purpose of this preliminary memorandum is two-fold: (1) to outline our ***ongoing DPC and NEC policy processes and projects*** within a thematic construct, and (2) to lay out a three-staged ***strategy for the DPC/NEC to develop new policy ideas*** -- generated by White House staff, agencies, and outside groups.

We would very much like to discuss this plan with you in the coming days.

I. THEMATIC OUTLINE OF ONGOING NEC AND DPC PROCESSES

The outline below is based on themes articulated by Mark Penn in his memorandum of June 9, 1997. We have listed within this framework some of the key policy processes on which our councils have been or are currently working.

1. ***Preparing our economy to meet the challenges of the new global economy and the information age***

- Opening up new markets (fast track; Africa trade initiative; CBI)
- Growth for all communities (community empowerment)
- Electricity deregulation
- Legal reform efforts (products liability; securities litigation reform; patent reform)
- Worker training (Skill Grants)
- Protecting Consumers (managed care commission, privacy, food safety)

issue categories
98 SOTU

Education

2. ~~*Caring for America's children*~~

- Expanding health care coverage to children
- Ensuring greater access to better child care
- K-12 agenda (educational standards; school construction; America Reads; educational technology, after school expansion, urban and failing schools)
- Higher education agenda (higher education reauthorization; Pell Grant-Chakah Fattah proposal)
- Reduce teen pregnancy
- Protecting our children from smoking

Work & Family / childcare

3. ***Preparing our families and communities for the 21st Century***

- Safer communities (more police, Brady laws/gun control, criminal registries)
- Welfare reform (welfare to work, training, transportation, child care)
- Creating the balance between family and work (FMLA expansion; comp time)
- Expanding health care coverage (workers between jobs, contraceptives)
- Caring for our parents and rebuilding families (elder care, adoption)
- Safe working conditions (sweatshop initiative)
- Promoting retirement savings and security (saving initiatives; pension reform)
- Making a clean environment consistent with economic growth (PM/Ozone; Global Climate Change; Superfund, right to know)
- Protecting our values (controlling the internet, liquor ads)

4. ***Making government work again***

- Restoring discipline (balanced budget; long-term entitlement reform)
- Regulatory reform
- Adapting the federal bureaucracy to change (REGO reforms; FAA overhaul; State Department overhaul)
- Electoral reform (campaign finance)

5. ***Reconciling the forces of diversity and make them our greatest strength***

- Racial reconciliation
- Creating opportunity while demanding responsibility (community empowerment agenda; welfare-to-work; housing)
- District of Columbia

? safety/environ

6. *Maintaining America's leadership in science and technology*

- Making technology available to every child, rich or poor (educational technology)
- Advancing fight against dread diseases (increase research budget for fighting leading killers)
- Controlling the new dangers/ethical dilemnas that science presents (family-friendly internet; cloning)
- Preparing for the technology needs of the 21st Century (Next Generation Internet)
- INTELSAT restructuring
- Encouraging exploration (NASA, genome project)

II. THREE-STAGED STRATEGY FOR DEVELOPING NEW IDEAS

We would suggest that our policy development effort be divided into three stages.

- Taking stock of all ongoing long-term processes and projects and evaluating how they might fit within an overall thematic plan (as described above);
- Getting working groups in gear and beginning to develop new ideas; and
- Developing and fully vetting new policy ideas, and announcing them.

Stage 1: *Draft Long-Term Planning Document and Begin to Originate New Ideas (July-August)*

a. Draft preliminary long-term planning memorandum of ongoing DPC and NEC processes with a thematic structure (started herein) (late July)

b. Contact other White House offices (Vice President, First Lady, OSTP, CEQ, ONDCP, NSC) and Cabinet agencies for additional domestic and economic policy ideas and projects; incorporate these into long-term planning memorandum (August)

c. Provide initial memorandum (on NEC and DPC processes and themes) for comment to Chief of Staff and other senior administration officials, including several initial policy ideas (August)

d. Incorporate senior staff's comments and ideas into long-term plan

Stage 2: *Pull Together New Ideas (August-December)*

e. Ensure that NEC and DPC working groups in key policy areas are up and running; start new groups where necessary (August-September)

f. Working groups develop new policy ideas after consulting with elected officials, academics, friends of the Administration, and others (September-December)

Stage 3: ***Develop, Fully Vet, and Announce New Ideas (September-mid 1998)***

g. Fully vet new ideas through the standard NEC and DPC processes (September-December)

h. Involve Legislative Affairs, Political Affairs, and others in the discussions of "new idea" strategy, as it relates to a 1998 strategy (September-December)

i. Schedule events and announcements around new policy initiatives (November-mid 1998)

MEMORANDUM

TO: BRUCE REED
ELENA KAGAN

FROM: TOM FREEDMAN
MARY L. SMITH
DREW HANSEN

RE: CHILD SAFETY IN COMMERCIAL AIRPLANES

DATE: JULY 18, 1997

SUMMARY

An estimated 10,000 children each day fly as "lap children," held in the laps of an accompanying adult instead of being secured in a separate seat by a certified Child Restraint System (CRS). These children are exposed to serious risk of injury or death in case of an accident or turbulence. Current FAA policy is to "strongly encourage," but not mandate, the use of a CRS for children under two years of age. The FAA has opposed a CRS mandate because of fears that the increased cost of buying an extra seat would lead many families to drive, leading to a net increase in injury and death, and because there are some technical problems with adapting existing CRS's to airplane use. Legislation pending in the House (H.R. 754 and 1141) and Senate (S. 398) would require the use of CRS's for children under two years of age.

PROBLEM

Children under two years of age have long been permitted to sit in their parent's laps during air travel. An estimated 10,000 children per day travel in this manner. But safety experts say that an unrestrained child traveling in an adult's lap runs a much higher risk of injury or death in case of air turbulence or a plane crash than a child secured by a separate child restraint system (CRS) on an adjacent seat. From 1978-1994, five children under two died in plane accidents who would have lived had they been in child seats. During the same period, ten injuries to children under two might have been prevented by the use of child seats.

Several recent incidents involving "lap children" have brought the matter to the public's attention. On July 19, 1989, United Airlines Flight 232 crashed in Sioux City, Iowa. Of the four unrestrained children on that flight, one was found in an overhead bin 15 rows behind the original seat, and one died from smoke inhalation in the ensuing fire. On July 12, 1994, a DC-9 flown by US Air crashed in Charlotte, North Carolina. There were 37 fatal injuries on the flight, including a 9-month-old unrestrained child who was hurled three rows from her mother's arms and died of massive head injuries. Air turbulence also poses serious risks to the unrestrained child. On a flight in June of 1995, an unrestrained child flew through the air during a patch of turbulence, but was caught by a fellow passenger. In 1990, a DC-10 encountered turbulence near Puerto Rico.

The only injury on the flight was sustained by an unrestrained infant, who suffered a fractured skull.

The use of child restraint systems has prevented injury or death in several other airline accidents. On July 6, 1996, the engine of Delta Flight 1288 exploded on the runway in Pensacola, Florida. Several passengers were killed instantly, but a 15-month-old suffered only a scratch on her neck because her parents had strapped her into a CRS in a separate seat. On September 6, 1992, a Piper PA-30 crashed at Broussard, Louisiana. Parts of both wings and both horizontal stabilizers were torn off before impact. A four-year-old boy and ten-month-old girl who sat in child restraint systems in the rear bench seat suffered serious injuries, but survived. Their father was killed.

PROPOSED SOLUTION

Many organizations, including the National Transportation Safety Board (NTSB), the Aviation Consumer Action Project, and the Association of Flight Attendants (AFA), have supported legislation that would mandate the use of child restraint systems on commercial aircraft. On February 12, 1997, the White House Commission on Aviation Safety and Security Bills, headed by Vice President Gore, recommended that "all infants and small children below the weight of 40 pounds and under the height of 40 inches be restrained in an appropriate child restraint system, such as child safety seats, appropriate to their height and weight." Bills to this effect were introduced in the 104th Congress by Rep. Lightfoot (R-IA, H.R. 1309) and in the 105th Congress by Rep. DeFazio (D-OR, H.R. 754 and 1141) and Sen. Murray (D-WA, S. 398). Copies of H.R. 754 and 1141 and S. 398 are attached.[1]

POSSIBLE DIFFICULTIES WITH MANDATORY CRS LEGISLATION

1. Increased injury and death from travel diversion.

The FAA has refused to issue regulations mandating the use of child restraint systems because of fears that the increased cost to families of purchasing an extra seat would cause more of them to drive to their destination, leading to a net increase in injuries and fatalities.

A study by Apogee Research in 1990 found that the average cost of a trip to each family under mandatory CRS legislation would be $185, leading to a total additional expenditure of $252 million per year on airfare. Faced with this situation, Apogee predicted that 17% of families would forgo travel entirely or divert to another mode of travel, leading to a net increase of 1.6 fatalities, 4.8 serious injuries, and 218 minor injuries per year. The conclusions of this study were supported in broad outline by later studies by Windle and Dresner of the University of Maryland (1990) and in a briefing paper by McKenzie and Lee that was published by the Cato Institute (1990). Apogee conducted a second study for the FAA in 1993 coming to essentially the same conclusions. In the second study, however, Apogee contended that 95% of the safety gains of

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[1] H.R. 754 and S. 398 are almost identical; H.R. 1141 adds the provision that airlines would be prohibited from charging a price for the required additional seat that exceeds the lowest price charged by the carrier to any other paying passenger on the same flight.

mandatory CRS legislation could be realized at low additional cost by requiring airlines to reserve empty seats next to parents with young children until the plane was absolutely full.[2]

Finally, a DOT-FAA study conducted pursuant to section 522 of the Federal Aviation Authorization Act of 1994 confirmed the results of earlier studies. The DOT-FAA study found that a CRS mandate could prevent an estimated five infant fatalities over ten years. But the additional cost over ten years, assuming that the family pays full fare for every family seat, would be about $200 to each family, per family trip, leading to an additional cost to families of $109 million per year. In such a situation, 27% of families would still travel by air, 53% would not travel at all, and 20% would choose other modes of transportation. The shift to other modes of transportation would cause 82 more deaths among children and adults over ten years. Even if airlines responded to a mandatory CRS rule by lowering fares for infants or by some other marketing strategy, some travel diversion would still occur. The DOT-FAA study found that if carriers charged only 25% of the full fare, some families would still choose other forms of transportation, leading to a net increase of 17 child and adult deaths over ten years.

Instead of requiring CRS use, therefore, the FAA has embarked on a public education campaign strongly encouraging their use. In addition, Secretary Peña has asked carriers to establish incentives for parents to purchase seats for infants. Southwest Airlines, for instance, offers a discounted fare for children under two years of age.

But the results of these studies have been challenged by other organizations. The National Transportation Safety Board (NTSB), a longtime advocate of mandatory CRS legislation, has charged that the FAA studies are "based upon incomplete analysis."[3] The central contention of the NTSB is that airlines will not risk the revenue loss caused by entire families diverting to other forms of transportation, and will respond with innovations such as free seats for infants, group discounts, or special fares for traveling at off-peak times. In testimony before the U.S. House of Representatives on July 20, 1990, the Vice President of Operations for the Air Transport Association said that airlines would offer a special fare arrangement for families with infants "rather than risk the loss of one or more adult fares or perhaps an entire family unit." Even the DOT-FAA study concluded that there would be no net increase in infant fatalities if airlines charged 20% of the full fare, although travel diversion in this scenario would still lead to an additional 12.8 non-infant fatalities over ten years. Of course, if airlines chose not to charge to provide separate seats for infants in CRS's, there would be no net increase in deaths or injuries.

In response to the FAA studies, the Association of Flight Attendants (AFA) commissioned a study by Darryl Jenkins, a visiting scholar at the International Institute of Tourism Research at

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[2]According to a July 3, 1997 article in the *New York Times,* many airlines will often reserve the seat next to a parent who does not buy a ticket for an infant. But these seats are not guaranteed on heavily booked flights.

[3]Testimony of Barry Sweedler, Director of the Office of Safety Recommendations, National Transportation Safety Board, before the Subcommittee on Aviation of the House Committee on Transportation and Infrastructure, August 1, 1996, p. 2.

George Washington University, to re-examine the economic arguments on requiring CRS use. The AFA study contended that the FAA studies were based on incorrect modeling assumptions. According to the AFA study, the FAA studies did not have key data to determine price sensitivity, used an industry demand curve that unrealistically simplified a complex situation, did not take into account the price competition generated by low-fare carriers, and did not take into account the effects of income sensitivity. Basically, the contentions of the AFA study are 1.) that the airline industry is increasingly dominated by low-cost carriers, especially on frequently traveled routes, who are forcing prices down, and 2.) that the FAA studies incorrectly used "price elasticity" (who would choose not to fly if the cost increased) as a surrogate for "cross-elasticity" (who would switch into other modes of transportation, such as automobiles, if the cost of flying increased).

A key to resolving this dispute seems to be whether or not airlines are willing to follow the lead of Southwest Airlines and offer specially discounted fares for children under two years of age. **The cuts in fares for children under two announced in the last two weeks seems to indicate that airlines are willing to cut fares to encourage families to buy a separate seat for their young child.** On July 2, 1997, American Airlines announced that children under two could ride in a separate seat for a fare of only 50% of the fare of the accompanying adult.[4] This policy was quickly adopted by United Airlines, Delta, Northwest, and Continental. Contrary to FAA assumptions, the new pricing policy would not lead to a loss of airline revenue but could even lead to a small net gain. Robert W. Baker, the Vice President of Operations of American airlines, said in the July 3, 1997 *New York Times* that American expected a modest increase in revenue as a result of the new fare.

2. Technical difficulties with CRS use in airplanes.

The second main argument against mandatory CRS legislation is that there are technical difficulties with using existing CRS's in airplanes. **But even with these difficulties, children under two are always safer in an existing CRS than on the lap of an accompanying adult.** The FAA currently recommends that children weighing under 20 pounds be restrained in a certified, rear-facing CRS, that children weighing between 20 and 40 pounds be restrained in a certified, forward-facing CRS, and that children weighing over 40 pounds be strapped in a regular lap belt. Margaret Gilligan, FAA Deputy Associate Administrator for Regulation and Certification, said last year in testimony before the House Subcommittee on Aviation that although the FAA is continuing their research on CRS design to achieve a greater safety margin, "no one contests our finding that children are better off in currently-marketed, approved CRS's [than in the lap of an accompanying adult]."[5]

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[4]Because the FAA studies are based on full-fare data, a 50% discount from the fare of the accompanying adult could approach the FAA's 20% threshold for no net gain in infant fatalities from travel diversion. If the accompanying adult was traveling on a special reduced-price ticket, for instance, a 50% discount on such a fare could be a considerable markdown from the price of a full-fare ticket.

[5]Margaret Gilligan, Testimony before the Subcommittee on Aviation of the House Committee on Transportation and Infrastructure, August 1, 1996, p. 5.

A major study by the Civil Aeromedical Institute (CAMI) in 1994 also found that while current CRS designs were not perfect, they still provided more protection than sitting on the lap of an adult. An infant in a front-facing CRS, although still exposed to serious risks, was found to be safer than if he or she were held by an accompanying adult. The use of a rear-facing CRS, though, was found to be a "definite safety benefit."[6] However, both front- and rear-facing CRS's were found to be often difficult to install and inconvenient to other passengers and staff. A forward-facing CRS is sometimes too big to install in seats with fixed arm rests, and airline lap belts often do not suitably secure the CRS to the seat. In addition, the lap belt does not always protect the child from being thrown out of the CRS and hitting his or her head on the forward row seat. A rear-facing CRS often interferes with passage between seat rows and the recline motion of a forward row seat.

Because of these difficulties, many efforts are currently underway to develop a CRS that would be more suitable for airline use:

- The Society of Automotive Engineers (SAE), an ad-hoc group, is currently trying to develop a standard of compatibility between seats for cars and seats for airplanes.
- The FAA is working on developing new types of restraints for children and better ways to secure a conventional CRS to an airplane seat.
- The FAA is also developing a prototype "platform" for in-seat installation of a forward-facing CRS, which in preliminary tests has significantly increased the effectiveness of forward-facing CRS's.
- Two projects are currently underway, one in the United States and one in Canada, to develop an airplane-specific CRS. Both prototypes have been tested at CAMI in both forward- and rear-facing positions, and both performed much better than any currently available CRS.

In short, the use of any certified CRS provides better protection than being carried on the lap of an accompanying adult, although a rear-facing CRS is generally preferable to a forward-facing one. Advances in technology for an airplane-specific CRS and for better installation of conventional CRS devices should lead to even greater safety benefits for young children.

CONCLUSION

The recent fare cuts by U.S. airlines for children under two years old, the proven safety record of existing CRS's in airplanes, and the ongoing development of better CRS's seem to remove many of the problems with mandatory CRS legislation. H.R. 754 and 1141 and S. 398 would follow the recommendations of the NTSB, the Gore Commission, and many other organizations by requiring children under two years of age to be restrained in a CRS in a separate seat, potentially preventing several injuries and fatalities among infants in the next ten years.

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[6]Civil Aeromedical Institute, "The Performance of Child Restraint Devices in Transport Airplane Passenger Seats," OAM Report AM-94-19, September, 1994, p. 22.

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HR 754 IH

105th CONGRESS

1st Session

To amend title 49, United States Code, to require the use of child safety restraint systems approved by the Secretary of Transportation on commercial aircraft.

IN THE HOUSE OF REPRESENTATIVES

February 13, 1997

Mr. DEFAZIO (for himself, Mr. SHAYS, Mr. CONYERS, Mr. HINCHEY, Mr. FILNER, Mrs. MORELLA, Mr. ABERCROMBIE, Mr. NADLER, Mr. EVANS, Mr. HORN, Ms. WOOLSEY, Mr. BLAGOJEVICH, Ms. NORTON, Ms. JACKSON-LEE of Texas, Mr. RAHALL, Mrs. CARSON, Mrs. MALONEY of New York, Mr. MASCARA, Mr. FLAKE, Mr. GONZALEZ, Mrs. CLAYTON, Mr. LANTOS, Ms. PELOSI, and Mr. DAN SCHAEFER of Colorado) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To amend title 49, United States Code, to require the use of child safety restraint systems approved by the Secretary of Transportation on commercial aircraft.

[Italic->] Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, [<-Italic]

SECTION 1. CHILD RESTRAINT SYSTEMS ON COMMERCIAL AIRCRAFT.

(a) IN GENERAL- Chapter 447 of title 49, United States Code, is amended by adding at the end the following new section:

`Sec. 44725. Child restraint systems

`Not later than 90 days after the date of the enactment of this section, the Secretary shall issue regulations requiring the use of child safety restraint systems approved by the Secretary on any aircraft operated by an air carrier in providing interstate air transportation, intrastate transportation, or overseas air transportation. Such regulations shall establish age or weight limits for children who are to use such systems.'.

(b) CLERICAL AMENDMENT- The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

`44725. Child restraint systems.'.

SEC. 2. INTERNATIONAL STANDARD.

It is the sense of Congress that the United States representative to the International Civil Aviation Organization should seek an international standard to require that passengers on a civil aviation aircraft be restrained on takeoff and landing and when directed by the captain of such aircraft.

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HR 1141 IH

105th CONGRESS

1st Session

To amend title 49, United States Code, to require the use of child safety restraint systems approved by the Secretary of Transportation on commercial aircraft and to restrict the fares charged by air carriers for air transportation provided to children under 3 years of age.

IN THE HOUSE OF REPRESENTATIVES

March 20, 1997

Mr. DEFAZIO introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To amend title 49, United States Code, to require the use of child safety restraint systems approved by the Secretary of Transportation on commercial aircraft and to restrict the fares charged by air carriers for air transportation provided to children under 3 years of age.

[Italic->] Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, [<-Italic]

SECTION 1. CHILD RESTRAINT SYSTEMS ON COMMERCIAL AIRCRAFT.

(a) IN GENERAL- Chapter 447 of title 49, United States Code, is amended by adding at the end the following new section:

`Sec. 44725. Child restraint systems

`Not later than 90 days after the date of the enactment of this section, the Secretary shall issue regulations requiring the use of child safety restraint systems approved by the Secretary on any aircraft operated by an air carrier in providing interstate air transportation, intrastate transportation, or overseas air transportation. Such regulations shall establish age or weight limits for children who are to use such systems.'.

(b) CLERICAL AMENDMENT- The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

`44725. Child restraint systems.'.

SEC 2. AIR TRANSPORTATION PRICES FOR CHILDREN UNDER 3 YEARS OF AGE.

(a) MAXIMUM PRICE-

(1) IN GENERAL- Chapter 415 of title 49, United States Code, is amended by adding at the end the following new section:

`Sec. 41512. Air transportation prices for children under 3 years of age

`(a) IN GENERAL- An air carrier providing air transportation to a child under 3 years of age on a scheduled flight to any final destination may not charge a price for such air transportation that exceeds the lowest price charged by the air carrier for such air transportation to any other paying passenger on such flight with the same final destination.

`(b) DEFINITIONS- In this section, the following definitions apply:

`(1) AIR CARRIER- The term `air carrier' includes foreign air carriers.

`(2) AIR TRANSPORTATION- The term `air transportation' includes intrastate air transportation.'.

(2) CLERICAL AMENDMENT- The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

`41512. Air transportation prices for children under 3 years of age.'.

(b) SENSE OF CONGRESS- It is the sense of Congress that air carriers should provide air transportation to children under 3 years of age at no charge.

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S 398 IS
105th CONGRESS
1st Session
To amend title 49, United States Code, to require the use of child safety restraint systems approved by the Secretary of Transportation on commercial aircraft, and for other purposes.
IN THE SENATE OF THE UNITED STATES
March 5, 1997
Mrs. MURRAY introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation
A BILL
To amend title 49, United States Code, to require the use of child safety restraint systems approved by the Secretary of Transportation on commercial aircraft, and for other purposes.
[Italic->] Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, [<-Italic]
SECTION 1. CHILD SAFETY RESTRAINT SYSTEMS ON COMMERCIAL AIRCRAFT.
(a) IN GENERAL- Chapter 447 of title 49, United States Code, is amended by adding at the end the following new section:
`Sec. 44725. Child safety restraint systems
`(a) IN GENERAL- Not later than 90 days after the date of enactment of this section, the Secretary of Transportation shall issue regulations requiring the use of child safety restraint systems that have been approved by the Secretary on any aircraft operated by an air carrier in providing interstate air transportation, intrastate air transportation, or foreign air transportation.
`(b) AGE OR WEIGHT LIMITS- The regulations issued under this section shall establish age or weight limits for children who use the child safety restraint systems.'.
(b) CLERICAL AMENDMENT- The chapter analysis for chapter 447 of title 49, United States Code, is amended by adding at the end the following new item:
`44725. Child safety restraint systems.'.
SEC. 2. INTERNATIONAL STANDARD.
It is the sense of Congress that the United States representative to the International Civil Aviation Organization should seek an international standard to require that passengers on a civil aviation aircraft be restrained--
(1) on takeoff and landing; and
(2) when directed by the captain of such aircraft.

MEMORANDUM

TO: BRUCE REED, ELENA KAGAN

FROM: TOM FREEDMAN, MARY L. SMITH

RE: BILL TO MAKE FOOD DONATIONS TAX-DEDUCTIBLE

DATE: JULY 18, 1997

SUMMARY

The USDA is very involved in encouraging the donation of food. The Secretary has requested Presidential support for the National Summit on Food Recovery and Gleaning to be held in Washington, D.C., in September. In addition, the USDA is seeking support for a proposed bill to permit greater allowability of charitable tax deductions for donation of food, particularly by unincorporated businesses. The Congressional Budget Office is preparing a cost-analysis of this bill, which is not completed at this time.

According to a recent USDA study, 27% of the food produced in 1995 went to waste. We have attached some background materials, including a scheduling request to the White House for the National Summit on Food Recovery and Gleaning to be held in September.

STATISTICS

- A recent Department of Agriculture study concluded that 27% of the 356 billion pounds of food produced in 1995 went to waste. This study did not include losses from farms and wholesale stores.
- If even 5% of the 96 billion pounds were recovered, that would represent a day's food for 4 million people.
- If 5% of wasted food were recovered, it could save $50 million in solid-waste-disposal costs for landfills.
- Household losses were blamed on "overpreparation, preparation discard, plate waste, cooking losses, spoiled leftovers, breakage, spillage, and package failure."

BACKGROUND

Recently, Agriculture Secretary Dan Glickman spoke at the annual meeting of Second Harvest about the results of the USDA study regarding food waste. Secretary Glickman also announced the National Summit on Food Recovery and Gleaning to be held in Washington, D.C., this September. One of the summits sponsors, the Congressional Center for Hunger, is working with Rep. Tony Hall's office on a bill that would provide greater allowability of making food donations tax-deductible.

Giant Foods already collects any perishable and nonperishable food from its stores and warehouses every day and donates any food that is not sellable but safe to the Capital Area Community Food Bank and the Maryland Food Bank.

ENCLOSURES

- Copy of memo to Thurgood Marshall, Jr. dated July 8, 1997, regarding the Food Recovery Summit in September
- Copy of memo to Kitty Higgins dated May 12, 1997, regarding the Food Recovery Summit in September
- Rough draft of Communications Plan for the Summit
- New clippings related to USDA-ERS recently released study on food loss/waste
- Talking points on Food Loss Study and National Summit on Food Recovery
- Background chronology of events related to food recovery and gleaning
- Copy of letter from Secretary Glickman to Secretary Rubin regarding Interagency Food Recovery Efforts with request for possible review of tax policy with respect to food donations

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

July 8, 1997

SCHEDULING REQUEST FOR THE PRESIDENT

TO: Stephanie Streett, Assistant to the President and Director of Scheduling

THROUGH: Thurgood Marshall, Jr., Assistant to the President and Cabinet Secretary

FROM: Secretary Dan Glickman

SUBJECT: The President's Participation in National Summit on Food Recovery

DATE: September 17- 18, 1997

SITE: George Washington Conference Center, Washington, DC

TIME: One hour

BACKGROUND:

Hunger has direct and adverse effects on the health, education, and safety of all those in need, but has particularly damaging impacts upon the physical, intellectual, and emotional development of children. Additionally, workers who are at risk of hunger have less ability to help America compete effectively in the global economy. In short, the threat of hunger greatly weakens America.

One means of making a significant impact on hunger in America is to decrease the amount of food that is wasted in this country each year through better gleaning and food recovery efforts. Such food recovery efforts will never be a replacement for a strong Federal safety net, but recovered food can be a critical and nutritious addition to the diets of millions of low-income Americans.

In response to the President's November 23, 1996 executive memorandum that directed all Federal agencies to "seek to increase the quantity of excess wholesome food recovered and delivered to needy Americans," USDA has taken a number of significant steps to increase food recovery. In addition to publishing a "Citizen's Guide to Food Recovery" and establishing the 800-GLEAN-IT hotline, USDA is helping school districts involve students in food recovery volunteer activities, increasing food recovery in Empowerment Zones and Enterprise communities, and increasing food recovery at farmers' markets.

This past week, I released a USDA study that indicates that over one quarter of all the food produced in the nation goes to waste. With a significant number of American children and adults going hungry everyday, this a tragic loss in terms of the number of hungry Americans who could benefit from this food. The announcement of this study -- as well as the simultaneous announcement of more details about the National Summit on Food Recovery -- received wide-spread national and local media coverage, including stories on the ABC Evening News and CNN (See attached clips).

DISCUSSION:

I would like the President to deliver a brief address at the National Summit on Food Recovery, which will be held in Washington on September 17-18, 1997. The President would also have the option of participating in a large-scale food recovery service project with Summit participants at a farm in nearby Maryland or at the DC Central Kitchen in Washington.

The National Summit on Food Recovery is being sponsored by a unique public/private partnership between the United States Department of Agriculture and four leading non-profit anti-hunger groups: Second Harvest, Food Chain, the Congressional Hunger Center, and the Chef and the Child Foundation. Using specific commitments as milestones to mark progress, the Summit will help expand the growing national movement to use food recovery in the United States as an inexpensive means of helping to feed the hungry. The goal of the Summit is to develop a comprehensive national plan to implement a 33% increase in the amount of food recovered and gleaned and distributed through various emergency food assistance programs to Americans in need. This increase would provide an additional 500 million pounds of food a year -- enough food to support meals to some 340,000 Americans a day.

Every sector of American society -- individuals as well as institutions -- will be encouraged to make concrete, measurable commitments to do more to recover excess food. Such efforts include donating more food; providing more transportation for recovered foods; giving more monetary and in-kind contributions to food recovery organizations; combining food recovery with job training; ensuring the safety of recovered foods; creating new food recovery programs; expanding the capacity of existing food recovery programs; increasing the ties between food recovery and nutrition education; publicizing food recovery efforts; and devoting more full-time national service and part-time volunteer hours.

DECISION:

Approve: ________ Disapprove: ________

cc: Kevin Monroe

THE SECRETARY OF AGRICULTURE
WASHINGTON, D. C. 20250

May 12, 1997

Memorandum from Secretary Dan Glickman

For: Kitty Higgins, Assistant to the President and Cabinet Secretary

Subject: The President's participation in the National Food Recovery Summit

SUMMARY:

I would like the President, Vice-President, First Lady, or Mrs. Gore to join me when I convene the National Summit on Food Recovery.

Announced during the President's Summit on America's Future, the National Summit on Food Recovery will be held in Washington during the week of September 1-7, 1997, under the auspices of the Department of Agriculture (USDA), the Congressional Hunger Center, and Food Chain, the national network of food rescue organizations.

BACKGROUND:

On November 23, 1996 -- in conjunction with the release of USDA's *Citizen's Guide to Food Recovery* -- President Clinton signed an executive memorandum directing Federal agencies to "seek to increase the quantity of excess wholesome food recovered and delivered to needy Americans" and directed me to chair an interagency working group on Food Recovery to Help the Hungry.

To fulfill the President's charge, prior to the President's Summit on America's Future, I announced the following new food recovery efforts:

- USDA will help school districts in the Washington, DC and Wichita, Kansas areas involve students in community service activities related to fighting hunger and recovering food.
- USDA will increase food recovery and gleaning activities in rural Empowerment Zones and Enterprise Communities.

- The Washington cafeterias of the Department of Justice, the Department of Energy, and the Office of Personnel Management will donate excess food to the DC Central Kitchen.

While attending the Presidents' Summit on America's Future in Philadelphia, I announced the following additional food recovery actions:

- USDA will sign a Memorandum of Understanding with the National Collaboration of Youth (NCY) — an umbrella group for youth organizations including the Boy and Girl Scouts, Big Brothers/Big Sisters, YMCA of America, and the Boys and Girls Clubs -- that will specify how the over 40 million members of NCY member organizations will be encouraged to volunteer to recover food.

- The Administration will declare a National Week of Food Recovery, during which food recovery volunteer projects will occur nationally.

- More food will be recovered from farmers' markets nationally, including farmers' markets held at Federal agencies.

- Working with the groups Rock & Wrap It Up! and Food Chain, USDA will help students recover food from the school lunch program, restaurants, and concerts.

THE NATIONAL SUMMIT ON FOOD RECOVERY:

Perhaps the most significant announcement USDA made at the Presidents' Summit on America's Future was that USDA, the Congressional Hunger Center, and Food Chain will co-sponsor a National Summit on Food Recovery. Modeled on the President's Summit on America's Future, all attendees to the National Food Recovery Summit will be asked to make specific commitments regarding food recovery prior to the event.

The Congressional Hunger Center, co-chaired by Congressman Tony Hall (D-OH) and Frank Wolf (R-VA), will invite members of Congress of both parties to the Summit. USDA will invite leaders from state, county, and city governments, Indian tribes, nonprofit organizations, religious groups, large corporations, and small businesses.

PRESIDENTIAL INVOLVEMENT:

I would like the President, Vice-President, First Lady, or Ms. Gore to start the

Presidential Scheduling Request from Secretary Glickman
National Food Recovery Summit
May 12, 1997

National Food Recovery Summit by giving a brief speech in Washington during the week following Labor Day 1997, September 1-7.

Other Federal agencies, USDA itself, and national non-profit groups and businesses will be able to make significant new food recovery commitments prior to the Summit, which any White House principal could announce at the Summit.

The precise date of the Summit could be based on the availability of any of the White House principals; however, the date must be set by May 20.

cc: Stephanie Street, Deputy Assistant to the President and Director of Scheduling

7/9/97

ROUGH DRAFT OF COMMUNICATIONS PLAN FOR NATIONAL SUMMIT ON FOOD RECOVERY

I. COMMUNICATIONS GOALS FOR THE SUMMIT

1. To increase public awareness to help achieve the Summit's overall goal of increasing food recovery by 33% nationally by the year 2000.

2. To make the terms "gleaning" and "food recovery" household concepts as commonly known as the recycling of bottles and cans.

3. To ensure that all five partners involved in the Summit -- Second Harvest, Food Chain, USDA, the Congressional Hunger Center, and the Chef and the Child Foundation -- receive equal credit for their efforts to sponsor the Summit and boost food recovery.

II. MESSAGE OF THE SUMMIT

The National Summit on Food Recovery on September 17-18, 1997 -- co-sponsored by USDA, Food Chain, Second Harvest, the Chef and the Child Foundation, and the Congressional Hunger Center -- will serve as a springboard for **a national effort to encourage every sector of society to help increase the amount of food recovered and gleaned and distributed to Americans in needs by 33% by the year 2000. This increase will produce an approximately 500 million additional pounds of food a year, providing food to an estimated 450,000 more low-income people daily.**

With a significant number of American children in danger of going hungry, the issue of hunger in America is a complex one with innumerable ramifications for all segments of our society. Hunger has direct and adverse effects on the health, education, and safety of all those in need, but has particularly damaging impacts upon the physical, intellectual, and emotional development of children. Hunger also reduces income for American farmers and food-related businesses. Additionally, workers who are at risk of hunger have less ability to help America compete effectively in the global economy. In short, the threat of hunger greatly weakens America.

Yet in America today, over 96 billion pounds of edible, wholesome food --- more than one quarter of all food produced -- is thrown out. Not only is this a tragic loss in terms of the number of hungry Americans who could benefit from this food, but such waste also increases disposal costs by an estimated one billion dollars a year for municipalities across the nation.

One means of making a significant impact on hunger in America is to decrease the amount of food that is wasted in this country each year through better gleaning and food recovery efforts. Such **food recovery efforts will never be a replacement for a strong Federal safety net, but recovered food can be a critical and nutritious addition to the diets of millions of low-income Americans.**

To reach the Summit's ambitious goal, every sector of American society -- individuals as well as institutions -- will be encouraged to make concrete, measurable commitments to do more to recover excess food. Such efforts include donating more food; providing more transportation for recovered foods; giving more monetary and in-kind contributions to food recovery organizations; combining food recovery with job training; ensuring the safety of recovered foods; creating new food recovery programs; expanding the capacity of existing food recovery programs; increasing the ties between food recovery and nutrition education; publicizing food recovery efforts; and devoting more full-time national service and part-time volunteer hours.

These new commitments will be broken down into three broad categories:

1) Getting the food.

2) Preparing or sorting the food.

3) Distributing the food.

III. USING THE SUMMIT PROGRAM TO COMMUNICATE THE MAIN MESSAGE

All portions of the Summit should be used to communicate its main message detailed above. The public communications from the Summit will be focused on Wednesday, September 17, through the three main portions of the program: 1) the commitment-makers session in the morning; 2) the service project in the afternoon; 3) and the awards ceremony in the evening.

1) The commitment-makers session (Wednesday morning): This session could seamlessly integrate the use of videotape, still photographs, and very brief presentations from commitment-makers in order to graphically demonstrate the problem of hunger and wasted food and the specific ways in which the Summit is addressing the problem.

Traditional keynote speeches could be eliminated in favor of incorporating presentations from VIPs into visual presentations of the commitments.

This session could have the look and a feel of a telethon -- only instead of raising money, we would be counting ways to recover food. The backdrop could be some large photo or graphic representing food recovery, with two large sets of number toteboards over the backdrop-- the toteboard could be labeled "goal for pounds of food recovered" and could have the number "500 million" under it.

The second toteboard could be labeled "progress towards the goal" and could have either digital or moveable numbers that increase as the presentations progress.

The session, which would be broadcast nationally on live satellite, could last two hour and a half hours (from 10:00 a.m. - 12:30 p.m.) and be broken down into three sub-pieces -- a) a five minute long introductory video 10:00 a.m - 10:05 a.m.; b) national commitments could last for one hour and 45 minutes (10:05-11:50 a.m.) and c) regional and local commitments, which could last for 40 minutes (11:50 a.m. - 12:30 p.m.).

a) Introductory video - The session could start with a five minute video that explains hunger in America, details the major points of food waste, and breaks down food recovery into its three major steps: "getting the food;" "preparing or sorting the food;" and "distributing the food." Principal spokespeople for all five groups could be featured in this video. The video would end by showing graphic representations for each of the three steps. (10:00 - 10:05 am.)

b) National commitments - The session would then be broken down into three, 35 minute- long, sub-sections reflecting the major steps: "getting the food" (10:05-10:40 a.m.); "preparing or sorting the food (10:40-11:15 a.m.); and "distributing the food" (11:15 -11:50 p.m.). Each sub-section would have the same basic format: short introductory video, followed by graphic representation of sub-section projected on screen, followed by personal testimony from audience members involved in that sub-section, followed by making of specific commitments to that sub-section that are then tallied on the toteboard. Each sub-section (and thus each of the three major food recovery steps) would have its own graphic identification --- either a photograph or a graphic icon. At the start of each of the three sub-sections, the graphic representation for that sub-sections would be projected behind the stage and then a five minute video would visually show and narratively detail the major issues regarding that particular food recovery step. These three sub-section videos would highlight the specific tools of food recovery critical to each of the three food recovery steps: public awareness; donate; collect; safety'; transport; sort, prepare, and distribute; nutrition, capacity; barriers; reduce dependency; and recipients. After the video is show at the beginning of each sub-section, the lights could come up slightly and the sub-sections' graphic representation could still be projected above the stage as one or two people from the audience are highlighted to give personal testimony about their experience in working on issues related to the particular sub-section (food recovery step). Then specific commitment-makers (including principals from the five sponsoring organizations) make brief (but specific) presentations on about commitments they are making to that sub-section (food recovery step). To ensure spontaneity and audience participation, many of the commitments would be made by audience members speaking from microphones in the audience (assuming enough cameras are available). As the commitments are made, the toteboard for progress would add, on a rolling basis, the numbers of pounds committed.

> **c) Regional and local commitments -** This could last 40 minutes (11:50 a.m. to 12:30 a.m.) Each local and regional site watching the Summit by satellite could be able to call-in, through an audio bridge, to orally announce regional and local commitments. A map of the United States could be projected next to the stage and each site could be visually highlighted on the map when the site is announcing its commitments. All the regional and local commitments would also be added to the toteboard as the commitments are announced.
>
> * **NOTE:** At the end of this session, the "progress" toteboard should have a number greater than the 500 million pounds on the "goal" toteboard. However, if we determine in advance of the Summit that the progress will be less, than the toteboard goal will be reduced; we would explain that the precise goal is to reach 500 million by the year 2000.

2) The Service project (Wednesday afternoon): Summit participants can physically collect food from a field, sort food at the Capital Area Community Food Bank, prepare meals at the DC Central Kitchen, collect food from a hotel kitchen, etc. The service activities would specifically be focused on highlighting the three key steps to food recovery spotlighted in the morning session. This is the part of the Summit in which the President, Vice-President, First Lady, or Mrs. Gore will be most likely to personally participate. It is possible that one or two or the services sites can have satellite trucks from which the broadcast the activities live; this would be the tail end of the national satellite transmission.

3) Awards ceremony (Wednesday evening): "Heroes of Food Recovery Rewards" would be given out to corporate leaders, religious organizations, private citizens, etc.

USDA Study Finds Wasting Of Food Supply

(108) WSJ 7/2/97 B6

WASHINGTON (Reuter) – In tossing away uneaten vegetables, day-old bread and other pantry items, Americans are wasting one-fourth of the nation's total food supply, the U.S. Agriculture Department said.

If just 5% of the wasted food that is nutritious and safe was recovered from restaurants, grocery stores and pantry shelves, it could feed an estimated four million poor and homeless U.S. citizens, the new USDA study said.

Agriculture Secretary Dan Glickman released the study at a hunger-relief conference in San Diego. Mr. Glickman said he would hold a national meeting on food-recovery efforts Sept. 17-18. The meeting in Washington will bring together leaders from state and local governments, religious groups, large corporations and other groups to share ideas on how to get unused food to the hungry.

An estimated 96 billion pounds of food, or 27% of the 356 billion pounds of edible food available in the U.S., was wasted in 1995, the USDA study said.

The vast majority of the waste came from consumers who threw away uneaten vegetables, forgot foods in the back of a refrigerator until they spoiled, or discarded bread, milk and other dairy products more than a day or two old.

Many consumers also threw out food because they had trouble interpreting package-dating information, such as "sell by" dates or expiration codes, the study said. Smaller amounts of blemished food, perishable items and dented cans of food were discarded by grocery stores, restaurants, food processors and farmers, the study said.

In 1995, more than 16,000 new food products landed on grocery-store shelves, and industry experts estimate that most products fail to catch on and are discarded by retailers. "This is really a byproduct of our fast-food culture," said Marc Cohen, a researcher with Bread for the World Institute, a hunger-relief group. "At lunchtime, many fast-food restaurants make up hamburgers and if nobody eats them, they get tossed away because of strict quality standards."

Antihunger activists said they would like to see more financial incentives created for restaurants, grocery stores and other businesses to donate food. "The problem of wasted food at home could be addressed much like the USDA has promoted its 'food pyramid of nutrition' in public and private schools," Mr. Cohen said.

Mr. Glickman launched a food "gleaning," or recovery, program last year to encourage federal agencies, private cafeterias and others to donate leftover food to local soup kitchens and food banks.

Last year, Congress also tried to encourage more donations by adopting a "Good Samaritan" law that limits the legal liability if someone were to become ill from eating donated foods.

In addition to feeding the hungry, recovering more of the nation's wasted food would cut down on the volume of material going into garbage landfills, saving tens of millions of dollars in solid-waste costs, Mr. Glickman said.

27% of U.S. food wasted, study finds

(108)

By Gaedig Bonabesse A7
THE WASHINGTON TIMES 7/2/97

A quarter of the food produced in the United States ends up in the trash, the Department of Agriculture found when it counted leftovers, yogurt forgotten in fridges and crates of perished nectarines at grocery stores.

The study, which did not include losses from farms and wholesale stores, concluded that 27 percent of the 356 billion pounds of food produced in 1995 went to waste.

"On average, each of us consumes about 3 pounds of food a day. If even 5 percent of the 96 billion pounds were recovered, that would represent a day's food for 4 million people," Agriculture Secretary Dan Glickman said.

And recovering that 5 percent could save $50 million in solid-waste-disposal costs for landfills, the report said.

Household food losses were blamed on "overpreparation, preparation discard, plate waste, cooking losses, spoiled leftovers, breakage, spillage, and package failure."

Mr. Glickman said the study was motivated by people asking him "how much food is really wasted" whenever he spoke about the importance of food recovery.

The study, the first in 20 years, is supposed to help define where and how much food is wasted so that waste can be reduced.

"By recovering a fraction of this lost food, we could get food to those in need instead of tossing it into the Dumpster," Mr. Glickman said.

Speaking in San Diego at the annual meeting of Second Harvest, a nonprofit anti-hunger group, he also announced the National Summit on Food Recovery and Gleaning, to be held in Washington in September.

One of the sponsors, the Congressional Center for Hunger, is working on a bill that would make food donations tax-deductible. Executive Director John Morrill said, "We are going to try to make the word 'gleaning' a regular kitchen household word."

Jose Meirelles, who manages Les Halles restaurant in Washington, said there isn't much food wasted in his restaurant.

"We buy all the fresh products on a daily basis, and we try to use what's left over in preparations like soup bases," he said.

"But it's true Americans might waste more than Europeans," he said. "I recall, when I was a kid, we would kill a pig once a year and nothing would go to waste. We would even use the blood and the feet. But here they only keep the good parts."

Barry Scher, vice president of public affairs for Giant Food Inc., said his company deals with the problem.

Perishable and nonperishable food is collected from Giant stores and warehouses every day. "Any food that is not sellable but safe we donate to the Capital Area Community Food Bank and the Maryland Food Bank," he said.

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What is wrong with this picture?

Home 7/3

Food wasted, Congress cuts food to poor

The United States has become the land of wasted milk and honey. A startling report issued by the U.S. Department of Agriculture Tuesday says Americans discard more than a quarter of their annual edible food supply. People involved with feeding the hungry and homeless in Central New Jersey estimate the amount probably is much higher.

Meanwhile, in its well-intended zeal to overhaul the welfare system, Congress last year cut billions from food-stamp programs, and more troubling, from programs designed to nourish babies and children, such as the school-lunch subsidies. People who work with the poor estimate one in four American children is either undernourished, or in imminent danger of becoming so.

Something has gone terribly wrong with the priorities of this nation.

Fortunately, this is a problem every American can do something about.

On a practical level, consumers need to stop buying so much food and letting it go bad in their refrigerators. Or, they need to freeze more food.

Food funding

- Want to voice your opinion on the Hunger Has a Cure Act? Call these numbers:
- Sen. Robert Torricelli, D-N.J.: **(973) 624-5555**
- Sen. Frank Lautenberg, D-N.J.: **(973) 645-3030**

On the political level, citizens must rally behind a bill dubbed the Hunger Has a Cure Act, which would restore $8.2 billion of the $27 billion cut from food and nutrition programs. The legislation would provide money for food stamps for job seekers, restore food-stamp eligibility to some legal, taxpaying immigrants, as well as for school lunches and the Special Supplemental Nutrition Program for Women, Infants and Children, also known as the WIC program.

For children, whose brains are developing, adequate nutrition is essential. The intellectual losses resulting from inadequate early nutrition are permanent. That robs children — and their communities — of their innate potential, and creates a costly burden on school systems.

The bipartisan bill now has 66 sponsors in the House, including Rep. Marge Roukema, R-5th Dist., one of its original sponsors.

Sadly, the bill still lacks a Senate sponsor. New Jersey residents should urge Sen. Robert Torricelli and Sen. Frank Lautenberg, both D-N.J., to step up to the plate.

TALKING POINTS ON FOOD LOSS STUDY AND NATIONAL SUMMIT ON FOOD RECOVERY

FOOD LOSS STUDY

New USDA study estimates that more than one quarter of all food produced in the nation is wasted. The study by the USDA Economic Research Service, the first of its kind in 20 years to examine and quantify food loss, found that, in 1995, about 96 billion pounds of food -- or 27 percent of the 356 billion pounds of the food available for human consumption in the United States -- were lost at the retail, consumer, and food service levels. Fresh fruits and vegetables, fluid milk, grain products, and sweeteners accounted for two-thirds of these losses.

The full extent of food loss is probably even greater. The study looked only at food loss by retailers, consumers and food service establishments. Pre-harvest, on-the-farm, and farm-to-retail, and wholesale losses were not measured; given that we know significant losses occur at each of these levels, the actual amount of loss is probably far greater than the 96 billion pound figure.

Not only is wasted food a tragedy because it could be eaten by hungry Americans, but food waste also harms the environment and increases local taxes. Municipalities across the country spend about $1 billion a year in tax dollars to landfill or otherwise dispose of the 96 billion pounds of food waste.

While individual families do waste food, the study made the more important overall point that food is systematically lost in every single stage of the food production and distribution system. While it is true that individual families often throw out large amounts of food, it is more significant to understand that vast amounts of food are systematically lost on farms, at manufacturing plants, during distribution, at wholesale markets, at restaurants, at farmers' markets, at cafeterias, and at supermarkets.

Individuals, companies, government agencies, and organizations can all do more to recover food. USDA is NOT suggesting that, in order to fight hunger, some Americans ought to eat less. Rather, individuals can donate canned and boxed goods to food drives and can donate their time and money to food recovery organizations. Moreover, individuals can work with companies, government agencies, and non-profit organizations to change the systematic ways in which food is lost throughout the production and distribution system. The National Summit on Food Recovery will attempt to spur such systematic changes.

Even a small boost in food recovery could feed millions of hungry Americans. On average, each American consumes about 3 pounds of food a day. If even 5 percent of the 96 billion pounds now wasted were recovered, that would represent a day's food for 4 million people. If we recovered 10 percent or even 25 percent, that would provide food for 8 million, or 20 million people, respectively.

NATIONAL SUMMIT ON FOOD RECOVERY

The National Summit on Food Recovery will take place September 17-18 in Washington, DC and at sites throughout the nation. The main Summit site in Washington, DC will be linked by a live satellite broadcast to citizens throughout the nation participating in regional and local summits.

The Summit has a very concrete goal of eventually helping to feed 450,000 additional hungry Americans each day. Using specific commitments as milestones to mark progress, the National Summit on Food Recovery will help expand the growing national movement to use food recovery in the United States as an inexpensive means of helping to feed the hungry. The Summit will help develop a comprehensive national plan to implement a 33% increase, by the year 2000, of the amount of food recovered and gleaned and distributed through various emergency food assistance programs to Americans in need. This increase would provide an additional 500 million pounds of food a year -- enough food to support meals to some 450,000 Americans a day.

The Summit is a unique public/private partnership. USDA is joining with four leading national non-profit anti-hunger groups to sponsor the Summit: Second Harvest, the Chef and the Child Foundation, Food Chain, and the Congressional Hunger Center.

The Summit will encourage every sector of American society -- individuals as well as institutions -- to make concrete, measurable commitments to do more to recover excess food. The Summit is actively seeking the involvement of: large corporations and small businesses; faith-based organizations and religious groups; labor unions, trade associations, and professional organizations; Federal cabinet secretaries and Members of Congress; charitable foundations and non-profit organizations; state, tribal, and local elected officials; farmers, ranchers, and orchard growers; shipping, trucking, and railroad concerns; community and youth service organizations; food manufacturers and distributors; anti-hunger activists and food recovery practitioners; restaurants, cafeterias, caterers, and food service professionals, etc -- in short, anyone who is associated (or could be associated) with feeding people in this country.

The Summit will solicit a wide variety of means to increase food recovery. Commitments are likely to include donating more food; providing more transportation for recovered foods; giving more monetary and in-kind contributions to food recovery organizations; combining food recovery with job training; ensuring the safety of recovered foods; creating new food recovery programs; expanding the capacity of existing food recovery programs; increasing the ties between food recovery and nutrition education; publicizing food recovery efforts; and devoting more full-time national service and part-time volunteer hours.

While food recovery efforts will never be a replacement for a strong Federal safety net, recovered food can be a critical and nutritious addition to the diets of millions of low-income Americans. The Federal government will always have a critical role in helping feed low-income Americans, but public/private food recovery partnerships need to be one tool to help supplement the traditional Federal role.

USDA Gleaning/Food Recovery Activities

- December, 1995 - Gleaning/Food Rescue Round Table Meetings with Secretary Glickman commence

- December, 1995 - Food Safety and Inspection Service (FSIS), in cooperation with the Chef and the Child Foundation of the American Culinary Federation, launches initiative to expand food safety training for people serving donated food to the needy

- April, 1996 - USDA launches a toll-free hot-line -- 1-800-GLEAN-IT --through which callers will receive up-to-date information about USDA food rescue policies. Assistance in linking volunteers with local food distribution programs and guidance regarding establishing food recovery opportunities is also provided

- Summer, 1996 - USDA AmeriCorps conducts "Summer of Gleaning" projects in 20 States. Project designs ran the full gamut of gleaning and food rescue operations. 88 AmeriCorps members in the Summer Program recruited over 1600 noncompensated community volunteers who helped pick, sort, deliver, and prepare recovered foods

- October, 1996 - President Clinton signs the Bill Emerson Good Samaritan Food Donation Act into law. The Act encourages donation of food and grocery products by limiting the liability of good-faith donors and by providing for basic nationwide uniform definitions pertaining to donation and distribution of nutritious foods

- November, 1996 - President Clinton signs and Executive Memorandum directing federal agencies to promote gleaning and food recovery activities. The Memorandum designates the Secretary of Agriculture as the Chairperson of the Interagency Working Group on Food Recovery to Help the Hungry

- November, 1996 - USDA publishes, *A Citizen's Guide to Food Recovery*, to assist volunteers, State and local government officials, businesses and nonprofit organizations in establishing or expanding gleaning and food recovery activities around the country. 15,000 Guides were distributed. In May, 1997, a second printing of 15,000 copies will be undertaken.

- January, 1997 - USDA assists volunteers in gleaning and food recovery activities related to the Presidential Inauguration

- January, 1997 - USDA establishes internal task force charged with implementing the President's November Executive Memorandum on Food Recovery

- March, 1997 - USDA announces initiative to work with District of Columbia and Maryland high school students in meeting community service graduation requirements by coordinating volunteer activities at the Capitol Area Community Food Bank

- April, 1997 - USDA hosts initial meeting of the Interagency Working Group on Food Recovery to Help the Hungry, pursuant to the President's Executive Memorandum on Food Recovery

- April, 1997 - Secretary Glickman announces initiatives related to the planned September, 1997 National Food Recovery Summit, including a National Week of Gleaning, and USDA efforts to help match student food recovery volunteers interested in performing community service with food recovery activity opportunities

- May, 1997 - USDA prepares second printing of 15,000 copies of its publication, *A Citizen's Guide to Food Recovery*

- June, 1997 - Secretary Glickman announces creation of USDA anti-hunger task force, chaired by Shirley Watkins, Under Secretary designee for Food, Nutrition and Consumer Services. The purpose of this task force will be to focus the Department's efforts in addressing hunger issues in America, particularly in the context of Welfare Reform implementation

- June, 1997 - As a result of the interagency process, USDA works with Department of Energy, Department of Transportation and Health and Human Services to announce joint efforts at holding Farmers' Markets during the Summer and Fall, with food recovery as an integral part of each market. The initial market was held on June 27, 1997, with Secretaries Glickman, Pena, and Slater participating in the opening ceremonies

- July, 1997 - Secretary Glickman announces release of a USDA Economic Research Service Study examining and quantifying the extent of food losses in the United States. The ERS study, the first of its kind in twenty years, found that in 1995, about 96 billion pounds of food, or 27 percent of the 356 billion pounds available for human consumption in the United States were lost at the retail, consumer, and food service levels

OG-3126701

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

March 11, 1997

Honorable Robert E. Rubin
Secretary of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

Dear Bob:

I am asking your help in making sure that the millions of pounds of wholesome food which are thrown away every day are directed to the hungry in America. At a time when so many within our population are without the means to ensure consistent access to nutritious food and emergency feeding organizations are struggling to help meet their needs, we should take special care to avoid the unnecessary waste of food. Yet, the waste continues day after day--the food served in restaurants, cafeterias, schools, hospitals, and other institutional settings that is thrown away because too much was prepared; the fresh fruits and vegetables left in the fields to rot because they do not meet market specifications; and the non-perishable foods discarded by food retailers and distributors because labels are damaged or cans are dented. At last report, nearly one-fifth of all food produced for human consumption in this country is lost or wasted every year--an amount that, according to the General Accounting Office, would feed nearly 49 million people.

On November 23, 1996, President Clinton signed an Executive Memorandum directing Federal agency involvement in efforts to redirect excess wholesome food from their cafeterias, commissaries, food vendors, and other food service facilities to programs providing food services to those in need. Agencies are also directed to encourage food recovery among their contractors; State, local, and non-governmental partners; and grantees to ensure that they understand its important role in helping to feed needy individuals. I have enclosed a copy of the Executive Memorandum for your review.

I have been selected to head the Interagency Working Group on Food Recovery to Help the Hungry established by the Memorandum and I wanted to take this opportunity to share with you some information regarding the opportunities available to us as we embark on this project. I am also pleased to share with you a copy of the Department of Agriculture's (USDA) "A Citizen's Guide to Food Recovery." This publication represents one of the many efforts initiated by USDA aimed at galvanizing the commitment and energy of representatives from all sectors of the nation to help combat hunger in America by eliminating the waste of wholesome food.

Public education about our involvement in food recovery has thus far yielded some very positive results. For example, in December 1996, the Secretary of the Navy approved a partnership through which excess food prepared in the cafeteria at the U.S. Naval Academy will be donated to a local food recovery program. Procurement staff at the Department of Commerce are reviewing food vendor contracts for the purpose of incorporating an excess food donation clause. In Michigan, a Federal prison has requested information on how it can donate excess food to a local feeding program. These are exciting new ventures and we have only begun to scratch the surface.

One issue of concern to potential donors of food relates to the deductibility of such donations as charitable contributions. Perhaps one important way that the Department of the Treasury can help enhance food recovery efforts would be to publicize guidance on tax deductibility issues for potential food donors. This is especially important for smaller and non-corporate franchise food outlets donating perishable prepared food items and for individual farmers who permit gleaning activities in their fields or orchards. I would be most happy to host a meeting with you and your staff and members of the food recovery community to discuss this issue.

I will be in touch soon to discuss these activities and the work of the Interagency Working Group on Food Recovery to Help the Hungry with you further. I believe that if we are creative and if we exercise the will by forging partnerships with the private and non-profit sectors, we can be successful in redirecting to the needy much of the food that now goes to waste.

In the meantime, I hope that you will review the information in the publication I have enclosed. I am interested in hearing your thoughts and ideas on ways that we can advance this effort. Kevin Monroe of my staff and I are available and eager to talk with you or your staff if you need further information. We can be reached at (202) 720-3631.

Sincerely,

Dan Glickman

DAN GLICKMAN
Secretary

Enclosures

MEMORANDUM

TO: BRUCE REED
ELENA KAGAN

FROM: TOM FREEDMAN
MARY L. SMITH
DREW HANSEN

RE: REPORT ON THE FAMILY

Child Well-Being Indicators

DATE: JULY 18, 1997

A possible "Report on the Family" could include the following statistics:

A day in the life

Employment

- avg. monthly unemployment rate
- unemployment rate by age group

focus
more family

Family

time-oriented ones
childcare
latchkey
(other stress points)

- divorce rate
- birth rates
- out-of-wedlock birthrates
- number of female- and male-headed households

Poverty

- poverty rate, by family structure
- out-of-wedlock births, by income status

Education

- educational enrollment/attainment
- monthly income, by degree earned
- enrollment of 3- to 5-year-olds, by education and labor force status of mother and family income

Crime

- crime rates
- victims by race/sex
- arrests by race/sex
- drug use by arrestees by race/sex

look at lots of solutions (child care FMLA)
Build facts to support solution

MEMORANDUM

TO: BRUCE REED, ELENA KAGAN

FROM: TOM FREEDMAN
MARY SMITH
JULIE MIKUTA

RE: INFORMATION PRIVACY

DATE: JULY 14, 1997

SUMMARY

This memo summarizes a survey, reports and legislation concerning information privacy. Included are the five general privacy principles advocated by the Office of Consumer Affairs. Attached is a list of pending privacy bills, and an overview of federal laws regulating information protection.

I. CONSUMER PRIVACY SURVEY

A 1996 Survey (The Equifax/Harris Consumer Privacy Survey) of 1,005 adults found:

- 65% of respondents consider consumer privacy protection "very important" (up from 61% in 1990);
- 80% believe that consumers have lost "all control" over how personal information about them is circulated and used by companies (up from 71% in 1990);
- 67% prefer the present system of privacy protection; 28% say a federal government Privacy Commission would be best to protect the confidentiality of consumer information in the US;
- 62% (51% of Internet users, and 64% of non-Internet users) agreed "strongly" or "somewhat" that the government needs to be able to scan Internet messages and user communications in order to prevent fraud and other crimes;
- 64% of the public (71% of Internet users) disagree that service providers should be able to track the places users go on the Internet in order to send users targeted marketing offers;
- 24% say they have personally experienced a privacy invasion (25% in 1995 and 1978).

Both the 1995 and 1994 polls indicated that Americans are more concerned about privacy intrusions by government than by businesses.

II. TASK FORCE REPORTS UNDER THIS ADMINISTRATION

Since 1995, three reports have been written by task forces investigating privacy protection policy. The earliest two came from the OMB. The first developed "Privacy Principles" for information users and individuals who supply information. The second gives an overview of information protection policy and recommendations to improve it. The third, released on July 1, and written by a task force led by Ira Magaziner, focuses on establishing a market-oriented approach to global electronic commerce. A Presidential directive to executive and agency heads requires the Secretary of Commerce and Director of the OMB to work with industry to develop privacy protection code based on the Privacy Principles.

Report of Task Force led by Ira Magaziner, "A Framework for Global Electronic Commerce" [7/1/97]

This report outlines a strategy to ensure a market-oriented approach toward commerce on the Internet. It limits the role of government to: establishing consumer and copyright protections; developing a "predictable legal environment" for electronic commerce; and negotiating international agreements on tariffs on electronic commerce. (On this last point, the report opposes any taxes/ tariffs on e-commerce.) The Vice President will oversee the implementation of these actions.

A list of directives to executive department and agency heads accompanied the release of the report. It included:

1. The Secretary of Commerce and the Director of the OMB will encourage private industry and privacy advocacy groups to develop and adopt effective rules to protect privacy on the Internet. These rules will be consistent with the Privacy Principles.

2. The Secretary of Commerce will encourage private industry to develop and adopt a filtering device that will enable Internet users to screen content not suitable for children.

3. All agencies and departments will promote efforts to make the Internet secure for e-commerce.

OMB Paper: Privacy Options [4/28/97]

This paper was written by the Privacy Working Group for the Information Policy Committee of the National Information Infrastructure Task Force. The Administrator of the Office of Information and Regulatory Affairs of the OMB chairs the Committee. The report first describes the status of electronic data protection and the Privacy Principles. It provides an overview to federal legislation concerning information privacy, and offers options on how to improve privacy protection.

<u>Recommendations for improving data protection policies</u>

The report recommends these strategies to improve privacy protection:

1. The government could formally adopt the Privacy Principles. The OMB might direct all federal agencies to incorporate the Principles in their information management and procurement practices. Congress might adopt the Privacy Principles as part of omnibus privacy legislation

2. The government could ensure that government data collection remains consistent with the Privacy Principles in the face of changing technology. The OMB's Office of Information and Regulatory Affairs has statutory responsibility with respect to the privacy legislation and could review these statutes in light of the Privacy Principles as a model for audits in the private sector. Recently, the HHS and IRS have established Privacy Advocates; this practice could be expanded to all agencies.

3. The government could play a larger role in consumer and business education. Agencies could act as "bully pulpits" to raise consumer and business awareness of this issue.

4. Government could enhance self-regulation by exploring U.S. competition law that is blamed for enforcement deficiencies with industry.

5. A federal entity with regulatory authority could be created that would drive the development of Federal data privacy policy, or oversee the various initiatives now underway.

6. A federal body without regulatory authority could be created that would: coordinate privacy policy; represent the President's views both domestically and internationally; advocate the use of fair information practices by governments and the private sector; play an advisory role in the public and/or private sector; educate consumers and businesses about privacy; involve itself in the litigation of certain cases where a citizen's or group's privacy has been unfairly invaded. The faxed Memorandum states that the Privacy Options Paper suggested the OCA could serve this function; this does not appear to be the case.

7. A non-governmental or advisory body could be created that would perform an advisory function in the public and/ or private sector.

The Privacy Principles

The same Privacy Working Group that wrote "Privacy Options" issued a set of Privacy Principles in June 1995. These are referred to in both reports described above. They are divided into three groups:

1. *General Principles*: Personal information should be acquired, disclosed and used only in ways that respect an individual's privacy. It should not be altered or destroyed, and should be accurate and relevant for the purpose for which it is provided and used.

2. *Principles for Users of Information*: Information users should assess the impact on privacy in deciding whether or not to acquire, disclose or use personal information. They should inform individuals about whom the information is being collected about why they are collecting the data, what it will be used for, how it will be handled; the consequences of providing or withholding information; and any rights of redress.

3. *Principles for Individuals who Provide Personal Information:* Individuals should be have a means to: remain anonymous when appropriate; obtain and correct their personal information; and use appropriate controls such as encryption, to protect the confidentiality and integrity of communications and transactions. (The section below on encryption and law enforcement gives information about the debate over encryption devices.) Individuals should also have an appropriate means of redress if harmed by improper disclosure or use of information.

III. THE OFFICE OF CONSUMER AFFAIRS' PRIVACY PROTECTION PRINCIPLES

These are the 5 general privacy protection principles advocated by the OCA:

1. Tell consumers, in easily understood language, when and why certain information is being collected, what's going to be done with it, and who will have access to it. Tell them how you plan to protect their privacy, and ask for feedback.

2. Collect only information applicable to the transaction at hand. Do not allow the information to be used or sold for other incompatible purposes without the individual's knowledge.

3. Provide consumers a copy of their files upon request, and make it easy for them to correct errors and use statements of explanation.

4. Allow consumers to opt in to direct marketing or other uses they feel are appropriate for the information they are providing.

5. Make a concerted effort to educate consumers generally about how information about them is gathered, analyzed, grouped into lists and rented or sold, or otherwise used.

IV. THE EUROPEAN COMMISSION

Last week, government officials (including Secretary Daley and Ira Magaziner) visited Bonn, Brussels and Asia to discuss the future of electronic commerce. Some European governments want to make Internet service providers liable for the information carried on their networks. The US approach is to let the private sector develop products that will ensure that personal information carried over networks cannot be read or tampered with. [Reuters, 7/7/97]

The European Union Data Protection Directive takes effect in the fall of 1998. It is unclear how the directive will be enforced. Under the Directive, personal data must be collected for specified and legitimate reasons and not misused. [Privacy Options Paper, p. 5]

The New York Times

THURSDAY, JUNE 12, 1997

Personal Files Via Computer Offer Money and Pose Threat

By NINA BERNSTEIN

LIVES ON FILE

The Erosion of Privacy

A special report.

It was past midnight when Beverly Dennis came home, weary from her second-shift factory job, and found a letter with a Texas postmark among the bills and circulars in the day's mail. As she read it in her small house in Massillon, Ohio, alone in the dark stare of the sliding glass doors, her curiosity turned to fear.

The letter was from a stranger who seemed to know all about her, from her birthday to the names of her favorite magazines, from the fact that she was divorced to the kind of soap she used in the shower. And he had woven these details of her private life into 12 handwritten pages of intimately threatening sexual fantasy.

"It can only be in letters at the moment," the man wrote after describing the sexual acts he planned. "Maybe later, I can get over to see you."

The explanation that eventually emerged deepened Ms. Dennis's sense of violation — and places her experience at the heart of a far-reaching national debate over legal protection for privacy in a world where personal information is ever easier to mine and market.

The letter writer was a convicted rapist and burglar serving time in a Texas state prison. He had learned Ms. Dennis's name, address and other personal information from one of the product questionnaires that she and millions of other consumers had received in the mail, innocently completed and sent back to post office boxes in Nebraska and New York on the promise of coupons and free samples. Their answers were delivered by the truckload to the Texas prison system, which was under contract to handle the surveys for the Metromail Corporation, a leading seller of direct marketing information. Hundreds of unpaid inmates, many of them sex offenders, entered the information on computer tapes for Metromail, which has a detailed data base on more than 90 percent of American households.

To Ms. Dennis, a woman in her 50's who grew up in the coal country of southern Ohio, it was as though her privacy had been strip mined by the dark side of the information economy.

Indeed, as the free-flowing exchange and exploitation of information is being celebrated as the main engine of economic prosperity into the next century, individual privacy is looking more and more like an endangered natural resource.

Hunger for personal information is now growing explosively in almost every sector of the nation's economy and everyday life, from health care to entertainment, from banking to supermarket sales. It is being

Continued on Page A30

21. Does anyone in your household have:

	You	Adult 2	Other	Prescription Drug Used
Allergies	01	21	41	61
Angina	02	22	42	62
Arthritis	03	23	43	63
Asthma	04	24	44	64
Back Pains	05	25	45	65
Birth Defects	06	26	46	66
Bladder Control Prob.	07	27	47	67
Clinical Depression	08	28	48	68
Diabetes	09	29	49	69
Epilepsy	10	30	50	70
Frequent Heartburn	11	31	51	71
High Blood Pressure	12	32	52	72
High Cholesterol	13	33	53	73
Migraines	14	34	54	74
Osteoporosis	15	35	55	75
Prostate Problems	16	36	56	76
Psoriasis	17	37	57	77
Ulcers	18	38	58	78
Yeast Infections	19	39	59	79

22. Does anyone in your household take any of the following prescription medications?

	You	Adult 2	Other
Claritin	01	11	21
Estrogen Replacement	02	12	22
Glucotrol	03	13	23
Hismanal	04	14	24
Insulin	05	15	25
Paxil	06	16	26
Prozac	07	17	27
Seldane	08	18	28
Tagamet	09	19	29
Zantac	10	20	30

A Texas woman's answers to this 77-question consumer survey ended up in the hands of felons.

spurred and sharpened by powerful market forces and ever more pervasive computer technology, including digital mapping tools and so-called "data-mining" software that blast commercial value from newly linked data bases of unprecedented size.

Yet like the people whose private lives and public records passed through the fingers of Texas felons, most Americans have no idea what is happening to the stream of personal data that they shed just by living in the modern world. And most businesses that make money on the collection, recombination and sale of shards of personal information maintain that people need no legal right to know, and have no good reason to object.

The electronic deposits keep growing with the pulse of daily life: telephone calls, checkout counters, A.T.M.'s, and electronic bridge tolls, the street gaze of security cameras, plastic insurance cards imprinted with the Social Security numbers that have become identity's common currency — and its easy counterfeit.

The Internet, where every keystroke can be archived, is now the most dramatic embodiment of what technology and commerce afford in the real world: the pooling of ever more vast stores of data, and the easy retrieval of individual specks with no one's say-so.

This networked world of information is an economic powerhouse that creates new jobs, new services and astonishing efficiencies. It offers a wide range of consumer benefits, including easy credit, shopping convenience and customized goods and services. It also turns commonplace transactions into little revelations.

When a clerk puts a supermarket discount card through the scanner, for example, a data base links the shopper's identity with the bar code on every item bought. A love of rich chocolate cookies not only can be tracked over time, but matched with an individual's address, age, weight and ethnicity, with marital status and credit standing and even with religious ties, to name just a few of the personal facts being bought and sold wholesale in today's booming information market.

A class-action lawsuit that Ms. Dennis filed last year against Metromail and its subcontractors is emblematic of the growing conflict over privacy as people learn how little they control the use of personal information that is an increasingly valuable corporate asset.

"Privacy will be to the information economy what consumer protection and product safety were to the industrial age," Marc Rotenberg, director of the Electronic Privacy Information Center in Washington, warned at Federal Trade Commission hearings on electronic consumer privacy last year. This week, the F.T.C. is holding another round of hearings on the issue.

But as Ms. Dennis has learned during a three-year struggle for redress, any battle for privacy today is an uphill fight, and individuals have an inherent disadvantage.

Ms. Dennis spent sleepless nights trying to figure out the stranger's identity. She finally turned to local television news reporters for investigative help, and searched for more than a year before she found a lawyer willing to take on a novel and demanding case without pay.

But when Metromail executives wanted to know more about the woman suing the company, their task was simple: They turned to the company's own massive consumer data base, and retrieved more than 900 tidbits of Ms. Dennis's life going back to 1987. Laid out on 25 closely printed pages of spreadsheets were not only her income, marital status, hobbies and ailments, but whether she had dentures, the brands of antacid tablets she had taken, how often she had used room deodorizers, sleeping aids and hemorrhoid remedies.

"Attached is all we know concerning Beverly Dennis," Dave Hansen, an information technology systems analyst, wrote in a May 3, 1996, memorandum circulated to top executives and the chief lawyer for Metromail, which had $281 million in revenues last year and has budgeted $1.5 million to fight the case. The memo was one of the internal documents the company was recently required to turn over to the plaintiffs under discovery rulings by a state court in Travis County, Tex.

The company dossier on Ms. Dennis illustrates a central issue in the privacy debate: information collected in one context can be reused in entirely unanticipated and even hostile ways without the knowledge or consent of the individuals involved. United States law offers them little recourse.

The Supreme Court has recognized an unwritten right to privacy in the Constitution, but has essentially limited this right to the individual's "reasonable expectation" of privacy. That approach, privacy experts say, means the steep but silent erosion of privacy by technological and economic change keeps narrowing the right to protection that an individual can successfully claim in court as "reasonable" — especially since privacy is weighed against competing interests, like law enforcement or freedom of the press. And like the unwritten constitutional right to privacy, most of the nation's patchwork of privacy legislation aims to protect individuals from government, not from the actions of private industry.

Metromail maintains in court that it did nothing wrong and that Ms. Dennis has no reasonable claim to privacy because she disclosed the information herself in consumer surveys. The company, a leading member of the Direct Marketing Association that champions industry self-regulation, calls the case an aberration, and adds that it no longer uses prison labor.

Because of the case, Texas is considering a complete ban on data entry by prisoners, but inmates in at least 27 other states handle public records like motor vehicle registrations, and Federal prisoners do such work for the Internal Revenue Service, among other public agencies. Prisons in at least five states reported contracts to process information for private businesses.

Public records are part of Metromail's information products. Its offerings include a "Behaviorbank" line that, for 4 cents to a quarter a piece, sells names, addresses and personal characteristics of respondents like Ms. Dennis to a wide assortment of clients, from direct marketers, bill collectors and reporters to politicians. Metromail customers include the marketing departments of major magazines and newspapers, including The New York Times.

Four new plaintiffs recently joined the class action by name after their information showed up in records that the lawsuit forced from Metromail and its subcontractor, Computerized Image and Data Systems in Roslyn Heights, N.Y., which sent the work to the prisoners. Like Ms. Dennis, the new plaintiffs said they felt tricked by surveys headlined, "Spending Too Much. You Can Save Money At the Supermarket," or "No sweepstakes, no promises, no gimmicks. Just FREE coupons, samples and other special offers." The outrage they expressed goes well beyond the prisoners' access to such data.

One, Edward Boslet, a 36-year-old meatcutter turned home health care technician in Plattsburgh, N.Y., summarized what to him is the heart of the matter.

"It's my information, it's not theirs," Mr. Boslet, a father of three, said in a telephone interview. "The bottom line is, I should have a right to know. I should have a right to choose who they're going to sell it to and what list I'm going to be on. There should be some way to govern what they do."

His convictions are not so far from the principles of fair information practice adopted by the European Union. But they are far from policy or practice in the United States.

Many people, especially in business, feel that is all to the good. They credit an unrestrained market in personal information as one reason for the United States' lead in the information economy.

"It's beneficial to the economy, it's beneficial to consumers," said Chet Dalzell, a spokesman for the Direct Marketing Association, the main trade group that is a longtime proponent of letting the industry regulate itself on privacy issues. Because the market can decide how to use personal information, he said, consumers get competitive offers of goods and services that are timely and relevant to their own lives, while businesses save on marketing costs.

"This isn't a war," Mr. Dalzell added. "This is the marketplace just trying to be intelligent." A recent study that the association commissioned from Ciemax-WEFA, an economics consulting company, said one of every 13 jobs in the United States is the result of direct marketing sales activity, including jobs designing and selling advertising, supplying or delivering goods, and selling other support services, like customer lists and profiles, to direct-response businesses. Direct-marketing sales to consumers reached $630 billion last year, up from $458 billion in 1991. Business-to-business sales were $540 billion in 1996, up from $349 billion in 1991, according to the Ciemax-WEFA report.

In other sectors, from health care to welfare, the ever more intensive use of personal information is being embraced as a way to cut costs and improve outcome, whether through employee "wellness" plans that discourage unhealthy life styles, or through child-support enforcement programs that combine public and private sector data bases to find parents who are delinquent in child support payments.

But incidents like these across the country offer glimpses of the less visible trade-offs:

¶At a car dealership in northern New Jersey, 15 employees used the company's access to the Big Three credit bureaus —

Equifax Inc., Trans Union and TRW Inc. — to find strangers with good credit histories, living as far away as Alaska and Washington. They opened credit accounts in the customers' names, ordered thousands of dollars in products and left the victims to struggle to restore their credit ratings. What made the 1993 case unusual was that the culprits were caught. Quick credit and ready access to Social Security numbers have made "theft of identity" one of the fastest growing forms of credit fraud, according to the U.S. Public Interest Research Group, a consumer advocacy organization. Officials at Trans Union said the credit bureau gets 45,000 to 50,000 calls a month from people complaining that their accounts have been taken over.

¶A convicted child rapist working at a Boston area hospital in 1995 was accused of using a former employee's computer password to rifle through nearly 1,000 confidential files of patients for telephone numbers he used to make obscene calls to girls as young as 8 years old. Like many hospital systems, this one neither locked out defunct passwords nor triggered a warning when one person called up an unusual number of files. In an even more startling case, reported by The New York Times last year, a convicted pedophile in a Minnesota prison was accused of compiling a computerized data base of more than 5,000 children and babies, annotated with descriptions like "cute," "latchkey kids" and "Little Miss pageant winner." The lists, apparently pieced together from items in small-town newspapers, were stored with child pornography obtained over the Internet.

¶Earlier this year, the Sara Lee Corporation asked a health maintenance company to survey and screen all 500 employees in its Mesilla Park, N.M., hosiery factory, for signs of depression that might underlie sick days and affect job performance. The plan was for the employees' personal physicians to consider prescribing antidepressants, according to an account in Fortune magazine that stressed the potential medical cost savings of the pilot project by Lovelace Health Systems, a subsidiary of the Cigna Corporation. Later, Anne Munson, a spokeswoman for Lovelace, said the magazine account caused the project to be put on hold: the employees at the nonunion factory were not supposed to know the true purpose of the survey. "They didn't want it to be seen as a depression screening," she said, "they wanted it to be seen as a health-risk screening."

According to successive polls conducted by Louis Harris for Equifax in 1994 and 1995, 4 out of 5 Americans are concerned about threats to their personal privacy. This is a growing public relations problem for business, which has its own brand of privacy concerns: the ability to keep proprietary information "private" in a networked world competing for a data edge.

But a strong undercurrent dismisses privacy as "the ultimate subjective, touchy-feely issue," as Robert J. Posch, Jr., a vice president at Doubleday and marketing law specialist, put it. In the trade magazine Direct Marketing, he scoffed that privacy was "just some notion of the right to be left alone. Spare me."

Both legal scholars and computer scientists who advocate more privacy rights for individuals contend that in the information economy, privacy is less about seclusion than about power, and the personal autonomy necessary to democracy.

"Through the use of data banks, the state and private organizations can transform themselves into omnipotent parents and the rest of society into helpless children," wrote Paul M. Schwartz and Joel R. Reidenberg, two American lawyers who were commissioned by the European Union to study American data privacy law and who published their critical findings in a book last year. "Companies take the position that the use of personal information is in the best interests of customers. Yet these companies deny consumers the opportunity to judge for themselves."

The Clinton Administration has called for a balance between individual privacy and the needs of an increasingly information-driven economy, but like the two previous administrations, it has made industry self-regulation the centerpiece of its privacy policy.

Critics contend that self-regulation amounts to little more than public relations, and that the titans of information are despoiling democracy's inner landscape with as little restraint as the coal barons and oil trusts showed during laissez-faire industrial growth.

Ms. Dennis's case offers a rare look at the human dimension of the conflict, and provides a road map to the hidden places along the way where gold is spun from the raw data of people's lives.

A Prison

In a Growth Industry, Inmates Process Data

In the heat-soaked shimmer of an August noon in 1996, in a field outside a Texas penitentiary, prisoners with hoes stood double file, before a lone guard on horseback. It was a tableau from an earlier era.

Okra and cotton are still raised by some of the 136,000 inmates serving time in the fifty-two prisons within the Texas Department of Criminal Justice. License plates still clatter from noisy machines manned by convicts inside the big Huntsville prison, southeast of Dallas, where visitors are given a bumper sticker that reads "Texas — It's Like Another Country." But since 1968, when a Records Conversion Facility opened at the Wynne prison unit in Huntsville, information has been part of Texas prison industries.

On this day, thousands of boxes of public records were passing through the vast, low-slung steel-frame building, one of five such prison operations in the state, and one of dozens across the country. Under hanging fluorescent lights, an acre of men in dingy prison whites turned documents from public agencies into microfilm images and computer bytes.

"Anything and everything could be in here," said DeeWayne Beckham, the assistant plant manager. At random, he picked up a record from the Bexar County courts in San Antonio. It was a petition in a 1991 divorce case asking for child support for a girl named Megan.

There were patient progress reports from the Brenham State School for the mentally disabled in Brenham, Tex., motor vehicle titles from the Texas Department of Transportation, criminal investigation records from police and the state attorney general's office. The last were stacked high behind a special wire mesh cage, for fear, Mr. Beckham said, that inmates would steal crime scene photographs and sell them.

"I've got murderers, and whatever else you can imagine," Mr. Beckham said cheerfully, passing a man with tattoos on three fingers in a group unstapling and sorting documents at a long table. Other prisoners fed the pages into microfilm machines that capture as many as 17,000 pages a day.

Nearby, inmates typed at computer keyboards, producing computer tapes from 30,000 applications for the government's Women, Infants and Children nutrition program for low-income pregnant women and young children.

This was the data-entry section where, under the unit's first and only private sector contract, inmates in three shifts handled thousands of the Metromail "Shoppermail" questionnaires each day in 1993 and 1994, as well as other Metromail surveys commissioned by Seventeen magazine, L'Oreal, Six Flags, Days Inns, R.J. Reynolds and Time-Life. The prison was paid $150,000 for the work.

Hal Parfait, the inmate serving seven years for breaking into a woman's house and raping her after threatening to kill her children, was transferred elsewhere after he wrote letters to at least two women whose identities and habits he had learned from the surveys.

But for about three months after his letter to Beverly Dennis came to light in 1994, the work continued pretty much the same way, records show. Then the Texas Legislature, responding to news accounts, barred sex offenders from record-entry work in prison. Overnight, Mr. Beckham lost 167 of his 430 inmate employees, and eventually 187 of them.

It was the same in the other Texas prisons, said John Benestante, director of state prison industries. "We lost some damn good programmers — pedophiles," he said. "Some of our best computer operatives were sex offenders."

But now Ms. Dennis was suing the Texas prison, and Mr. Benestante, a 6-foot-3 former air traffic controller, was deep in a review of all prison industry operations, especially those handling information for other public agencies, which pay by shifting public funds to the Department of Corrections.

Problems in the past had ranged from obscene "nasty-grams," inserted at random by prisoners stuffing envelopes for the Texas tourism department, to a ring accused of supplying car thieves with motor vehicle titles on commission. Well before the Dennis case, an inmate had used information on a motor vehicle title to contact a woman, and in a different department, an inmate managed to memorize a supervisor's Social Security number from a time sheet and ruin his credit rating.

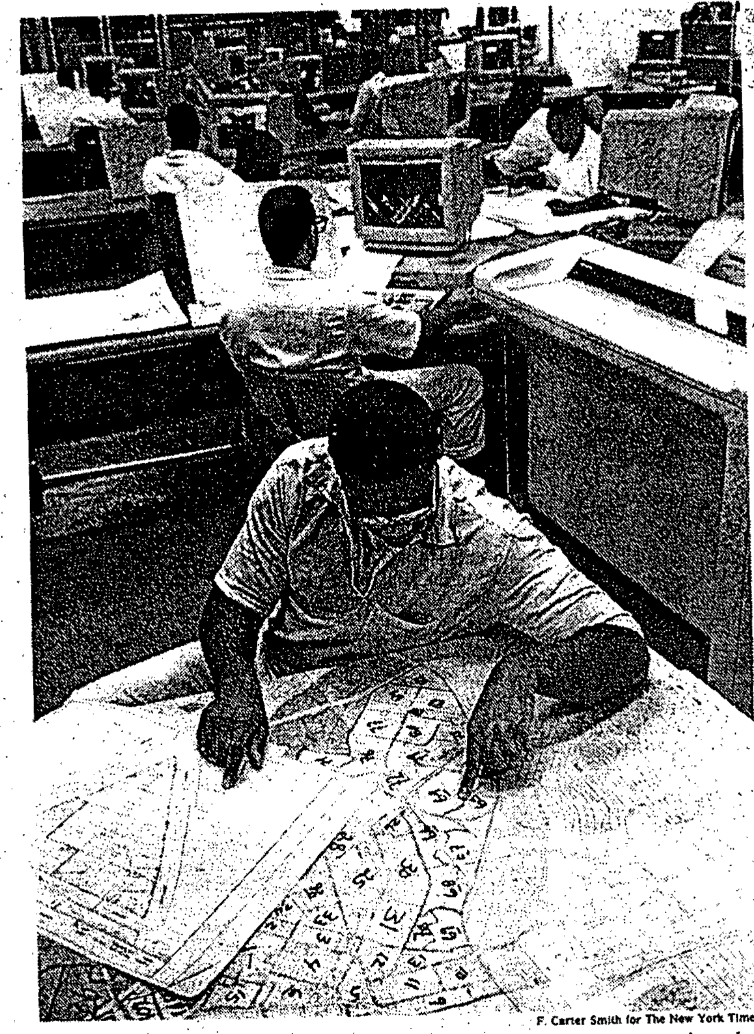
Aside from the risks, he said, there were signs of shrinking demand, as more public agencies kept their records computerized from the start. But private companies were still eager to extract and compile valuable information from public records.

So Mr. Benestante had found a new high-tech information field with a promising commercial market, and had put the Ferguson prison, near Midway, Tex., ahead of the curve. Its former boot factory was a site for work in Geographic Information Systems, or G.I.S., a cutting-edge technology putting detailed maps and high resolution aerial photographs into computerized form.

How detailed? Plat records for Dallas show the location of the gas meter on each parcel. Aerial photographs of the city of Bryan, Texas, show the exact footprint of each house.

After the computer maps leave the prison, explained Robert Laake, the assistant administrator of the Ferguson "automated mapping-G.I.S." operation, "the Dallas planning and development department will place unique identifiers in each lot that will give them all the information they need — who lives there, what that block is worth."

The Ferguson prison has floor-to-ceiling



F. Carter Smith for The New York Times

At the Ferguson state prison near Midway, Tex., inmates use a cutting-edge technology to put detailed maps and aerial photographs into computerized form.

F. Carter Smith for The New York Times

At the Texas prison in Huntsville thousands of boxes of public records were processed before the business moved to another prison.

crash gates and tiers of two-man, 5-by-9-foot cells. The work site can be reached only by passing through a shower area lined with urinals, and walking across a yard where the men are routinely strip-searched on their way to and from the job. On the day of the visit, no inmates were at work because of a "lock-down" imposed after a rash of stabbings.

But inside the building, one could have been in any office. Supervisors demonstrated the simple computer tasks performed by the inmates, 120 men with an average sentence of 32 years. The price of their work was right. The unit was digitizing Van Zandt County's maps for $19,880, compared to a private sector bid of $60,000.

"If you don't send this here, the next stop is India," said Marilyn Beckham, the plant manager, referring to "information sweatshops" in Asia, Mexico and the Caribbean where much data entry is now done.

The strong privacy concerns raised about G.I.S. have little to do with using prisoners for the grunt work. This technology is proving an astonishingly powerful and lucrative commercial tool to crunch information from public records and private sector data banks and to spit out house-by-house information that can include everything from the tax assessment and the occupant's driver's license photograph, to details of consumer behavior collected by the likes of Metromail.

But Angela Pugh, a supervisor for the G.I.S. project at Ferguson, shrugged off the issue.

"Is the government going to sacrifice the money that can be made for a little bit of privacy?" Ms. Pugh asked.

A Business Technology

Using Compiled Data To Map Out Profiles

On an idyllic campus in Orono, Me., a professor who helped nurture the technology known as G.I.S. now wrestles with its dangers.

As Harlan Onsrud tells it, G.I.S. is a case study on the way new technology can change old stores of information into commercial gold and social dynamite. The story of its success, he said, underscores that both technological advances and sweeping business mergers have exploded old boundaries, leaving in the dust the sector-by-sector privacy legislation of the last three decades.

G.I.S. started as a way to map land, sea and sky across space and time. It has had enormously beneficial social uses, from pinpointing the origin of Legionnaire's disease to helping South Florida communities coordinate emergency relief after Hurricane Andrew.

But "there is no doubt that some uses, although currently legal, would be considered by most citizens in the U.S. to be highly intrusive and inappropriate," contended Mr. Onsrud, chairman of the University of Maine's department of Spatial Information Science and Engineering, part of the National Center for Geographic Information and Analysis.

In one G.I.S. application, businesses can feed car license numbers from a parking lot into a program and retrieve a customer's name, address, census tract information and demographic characterizations like "Hardscrabble," "Sharecroppers," and "Furs and Station Wagons." Another program transforms a telephone number into a detailed profile of each prospective customer who calls an 800 number.

Public spaces are increasingly monitored electronically — for convenience, safety and traffic planning. But G.I.S. allows the results of this surveillance to be mapped with precision, identified by an individual's name or vehicle number without their knowledge, and correlated to a wealth of other information, including data culled from computerized public records of the kind the Texas prisoners have processed for 30 years.

Increasingly, cash-strapped government agencies are selling packaged public information to businesses or entering joint ventures to make the information more attractive to marketers.

Only a decade ago, when the Federal Bureau of Investigation sought clearance to enter all national databases, Congress said no.

"Now the commercial market has done it for them," Mr. Onsrud said. Government agencies like the F.B.I. "just have to pay like anybody else."

In the last three years or so, G.I.S. has spawned a booming "Geo Business" industry that applies its power to profile people and households for data-based marketing, health care, insurance, real estate and financial services. All three major credit bureaus and other giants in the information field have acquired or merged with G.I.S. mapping companies. They have forged new partnerships with big suppliers of data and data-mining software, and bought companies that deliver information to desktop computers on CD's or over the Internet. Their products include data bases that are continuously updated and parsed to yield an unprecedented level of detail on nearly everyone in the nation.

If information is like money, a company called the Acxiom Corporation is one of the merchant bankers of the age. Set in an industrial park in Conway, Ark., north of Little Rock, the corporate headquarters has a cathedral lobby with a facade of glass. But its heart is behind the locked doors of what a guide calls "the production war rooms," low-ceilinged bunkers where six robots inside small linked silos match data tapes at 60 miles an hour, while 20 mainframe computers swallow 1.3 billion bytes of data a second. G.I.S. is just part of the information infrastructure.

Acxiom's revenue grew by almost 50 percent in fiscal 1997, to $402 million. Its top customers include data kings like the AT&T Corporation, Wal-Mart Stores, Citibank, a unit of Citicorp, I.B.M., the Allstate Corporation and Automatic Data Processing Inc., which handles half the payrolls in America. The company now crunches all data for Trans Union. And last year R. R. Polk and Company, which says it collects and markets automotive and consumer information on 95 percent of the nation's households, used eight tractor-trailers to move its mother lode of data tapes from Michigan to a special warehouse in Conway.

This is a place where visitors are issued badges that turn purple if they leave the building — part of the aura of security Acxiom wants to convey to customers nervous about leaving their treasured customer data bases where their competitors also come to buy and barter for more data on their own customers, more names to "populate" computer models of their best prospects.

Many members of the information industry say technology is simply recreating the intimacy of small-town America in the days when the storekeeper knew all his customers by name, habit and history. But Mr. Onsrud, whose village in coastal Maine actually embodies that small-town ideal, flatly rejects the analogy.

"It's not an equal or mutual relationship," he said. "We have information insiders and outsiders."

A Life and a Lawsuit

A Woman's Privacy Invaded By Industry

Beverly Dennis grew up in almost pre-industrial scarcity in a house her grandfather built himself. It had no electricity, no running water, and no indoor toilet to the day he died at 99. He never owned a car.

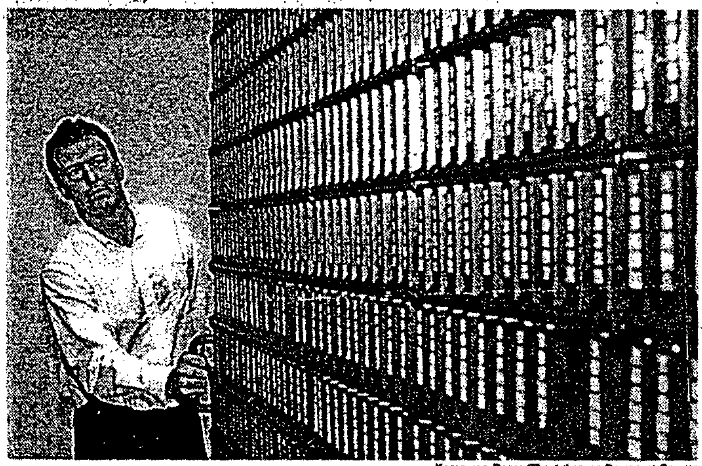
"I was raised very poor," Ms. Dennis said, sitting at the dining table in her carefully tended home. "My grandma used to boil her clothes on a stove, scrub on a washboard in the cold of winter. We didn't have much, but there was so much love."

Now Ms. Dennis has all the creature comforts of the industrial revolution, but she works standing at a noisy machine, stamping out 1,500 plastic bobbins an hour for less than $80 a day. "It's fast-paced work," said Ms. Dennis whose finger was recently mangled on the job. "I don't know how long I'll be able to do it."

For a few months several years ago, she had happily joined the brave new information economy at the Canton, Ohio, office of a national collection agency, G.E. Capital, owned by the General Electric Company. Computers automatically dialed telephone numbers from a disk, and each debtor's name, address, and payment history appeared on her computer screen. Ms. Dennis

Tony Dejak for The New York Times

Beverly Dennis, of Massillon, Ohio, filed a class-action suit against Metromail, a data-marketing company, after an inmate processing its information used it to harass her.



Karen van Donge/The Arkansas Democrat-Gazette

Byron Mabry works for Acxiom, an information-processing company based in Conway, Ark., whose clients include AT&T, Allstate, I.B.M. and Wal-Mart Stores.

was monitored electronically as she followed a script demanding payment for everything from Apple Macintosh computers to children's shoes.

She failed to pass probation. "They told me I was too nice to be a collector," said Ms. Dennis, who raised two daughters on her own.

But this soft-spoken woman has a stubborn sense of justice, and it has carried her through tough times in a lawsuit that is trying to break new ground.

Last August, two of Metromail's lawyers questioned her for almost seven hours during a deposition in Austin, Tex. They wanted to know her Social Security number, her unlisted telephone number, when she had last dated and whether she drank. They probed into her health care and medication history, and had her name all her fellow employees. One of the Catch-22's of privacy litigation is its sacrifice of privacy.

Ms. Dennis, who earns less than $16,000 a year, said after she learned the identity of the inmate, she borrowed money to put in security lights, deadbolt locks, new windows and an alarm system in an unsuccessful effort to allay her pervasive sense of fear. Mr. Parfait, originally due to be released in 1995, is now to be freed next year.

"It's made me a different person," she said, describing sleepless nights, more frequent migraines and lost wages. "I can only tell you that I would give everything that I have if this would never have happened to me, because I am scared each and every day of everything, and I trust nobody after this."

Ms. Dennis said she wanted to warn other people so they would not make her mistake. But Shannon H. Ratliff, a lawyer for Metromail, suggested she had shown indifference to her privacy by giving her unlisted telephone number to Mark DeMarino, an investigative reporter at the Cleveland television station WJW-TV who helped her uncover the Metromail link, and by appearing with him on Geraldo Rivera's television show. The lawyer even asked why she had not sued the local station, since information from its reporter had upset her.

This was a line of attack rooted in the weaknesses of privacy case law, which has tended to see privacy as a "right to be left alone," in Justice Louis D. Brandeis's famous phrase — and to let that right collapse the moment personal information is surrendered for any reason.

But the critical issue today, privacy law experts agree, is usually not whether personal data should be collected and processed, but how data should and should not be used. Preserving privacy in this context is about the autonomy necessary to make decisions. That, too, has been recognized as a privacy interest by the Supreme Court — most notably in its decisions on abortion and contraception — but has not been developed much beyond decisions involving family and sex.

Privacy laws have been so narrow and spotty that the names of the movies rented at the video store where Ms. Dennis works on weekends are legally protected, but pay-per-view movies ordered at home are not. Medical and pharmacy records are not protected either and though the privacy of credit reports has been a matter of Federal law since 1970, a huge market in the information they contain has grown through its loopholes.

"The law of privacy has not kept up with the modern advances in technology, the modern rise of data transfer and information collection," Michael Lenett, Ms. Dennis's lawyer at the Cuneo Law Group in Washington, argued when the suit was filed last year. "This is the first case squarely to present the issue, who owns your personal and private information? Who controls it?"

But in April, when Mr. Lenett was still battling to get internal company documents, a judge in Travis County threw out the case's claim against the prison; an appeal is planned. The court ruled in part that misuse of information did not constitute misuse of property under the Texas Tort Claims Act, which makes the state immune from most damage suits.

"She's not complaining that somebody took a data-entry machine and whacked her on the head with it," explained Lin Hughes of Austin, Tex., a lawyer for Metromail.

The ruling leaves the claims against Metromail and its former parent, R. R. Donnelley & Sons: that the company unjustly enriched itself, and violated the privacy interests of the members of the class by fraudulently inducing them to provide personal information without disclosing how it would be processed and sold, and that it recklessly endangered their safety and inflicted emotional distress by negligently allowing felons to handle the information. The lawsuit seeks damages to be determined later and injunctive relief, including notification to all whose surveys went through the prison.

The company insisted in an unsuccessful motion to dismiss the case that it had no legal duty to tell consumers that the surveys would be processed by inmates. The facts consumers disclosed were not "highly intimate or embarrassing," the company argued, nor were they disclosed to the public at large.

Another cause of action recognized in Texas is conduct so "extreme and outrageous" that it is intolerable, and inflicts severe emotional distress. But, the company argued, "The mere receipt of a letter in the mail from an incarcerated inmate is not so extreme as to satisfy this standard."

Outside the courtroom, the company said its subcontractor was responsible for the prison work, and said that the job was stopped the same day Metromail learned of it. Internal documents tell a different story: Data tapes and surveys at the Texas prison were among the assets Metromail bought in 1993 when it acquired CMT, a marketing list company, and shipments and letters between the prison plant and Metromail continued until the work was finished, about three months after the letter came to light.

Documents gained through discovery also brought the four additional named plaintiffs to the case.

"I know the potential is out there to abuse people's information, but I really never gave it too much thought until I realized that my own information passed through the hands of a rapist or murderer," said one plaintiff, Patricia Mendiola, a part-time hospital lab technician in Wheaton, Ill., who is married to a systems analyst and has two children. "It made me so mad, the realization that all of this information ends up in a big data bank."

Robert DeSantis, who lives in Silicon Valley and was a civilian employee of two California military bases that closed, said that as a gay man, he worried about hate groups that could use such data bases to harass minorities.

Frenchie Holmes, a former fraud investigator for Pacific Bell in San Jose, Calif., who is now on disability, said she had been gullible. "You think they're going to send you products and trash that information, but they sell it. You fill out just one questionnaire and all of a sudden the whole world knows who you are."

Tim Fitzpatrick, a Metromail spokesman, said such sentiments were not common. "We certainly do not feel there's a class of people harmed as a result of this," he said. "Millions of people every year utilize direct marketing as a way to get things done. Millions of people are benefiting from it."

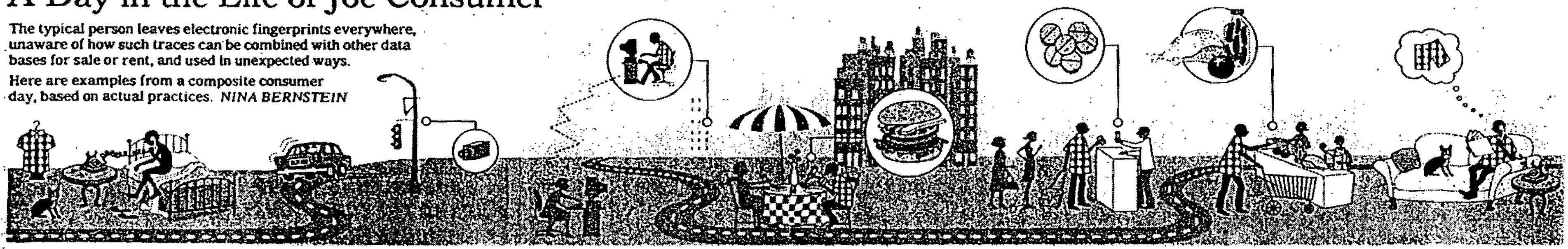
Indeed, Ms. Dennis counts herself as one of them. With two jobs, she shops by mail. "A new pair of curtains can make me so happy," she said. She does not know why the price should include her privacy.

"They are making millions of dollars off other people's lives who don't even know what they're doing," Ms. Dennis said. "They have turned my whole life upside down."

A Day in the Life of Joe Consumer

The typical person leaves electronic fingerprints everywhere, unaware of how such traces can be combined with other data bases for sale or rent, and used in unexpected ways.

Here are examples from a composite consumer day, based on actual practices. *NINA BERNSTEIN*



	Telephoning	Driving	Sending E-mail	Dining	Getting Prescriptions	Shopping	Mail Ordering
ACTIVITY	Joe calls an 800 number to check the pollen count.	Rushing to work, Joe inadvertently runs a red light.	At work, Joe criticizes his boss in E-mail to a friend.	Joe eats lunch at a restaurant that records each order on a computer.	Joe stops at the pharmacy to fill a tranquilizer prescription.	At the supermarket, Joe uses a discount shopper's card.	Before bed, Joe orders cufflinks and silk boxer shorts from a catalogue.
DATA CAPTURE	Joe's number is caught through Caller ID; his name and address are pulled from a public records data base.	Though the intersection is empty, a video camera captures his license number.	Joe's company reviews employee Internet activity and keeps copies of all E-mail.	Joe pays by credit card, linking his account number to his order of a bacon cheeseburger and fries.	His name, the drug and his doctor become part of the data base of the pharmacy chain.	The card links Joe's identity to every item he buys.	He pays by American Express, which adds his name to lists of "buyers of expensive jewelry."
FIRST USE	Joe is put on a list of allergy sufferers; it is sold to a drug company marketing allergy pills.	Joe is sent a traffic ticket in the mail.	After Joe's boss reads the E-mail, Joe is dismissed.	The restaurant checks his credit standing and sends him a discount offer.	The chain is part of a pharmaceutical company that combines the data with lists of magazine subscribers.	The supermarket chain uses a data-mining service to create profiles of its most profitable customers.	The catalogue company puts his name on a list of "male buyers of sexy lingerie" and trades it with other companies.
LATER USE	The list is linked with a profile of Joe and he is sent a coupon for the company's allergy medication.	Joe's insurance company finds the violation in a data base search and raises his rates.	Joe's unsuccessful lawsuit to regain his job shows up when a prospective employer uses an Internet investigation service.	The restaurant goes bankrupt and its list of men who are bacon cheeseburger lovers goes on the information market.	A rival tranquilizer company advertises in Joe's favorite magazine; company mailings urge Joe's doctor to switch.	Joe is deemed a prized customer and gets electronically-generated discounts; less loyal customers pay more.	Within two weeks Joe will receive four jewelry catalogues, five lingerie catalogues and a sex-videotape offer.

The New York Times; Illustration by Megan Jaegerman

PENDING PRIVACY BILLS

Bill No./ Date	Sponsor	# Co-Sponsors	Description
H.R. 52: 1/7/97	Rep Condit (D-CA)	1	Establishes a code of fair information practices for health information
H.R. 98: 1/7/97	Rep Vento (D-MN)	12	Prohibits an interactive computer service from disclosing to a third party any personally identifiable information provided by a subscriber without the subscriber's written consent
H.R. 537: 2/4/97	Rep Maloney (D-NY)	0	Amends Presidential Records Act of 1978 and the Privacy Act to ensure that FBI records containing sensitive information are protected for privacy and security.
H.R. 695: 2/12/97	Rep Goodlatte (R- VA)	165	Relaxes export control on encryption devices and creates new criminal penalties for using encryption to further a criminal act
H.R. 774: 2/13/97	Rep. Lofgren (D-CA)	27	Requires Internet service providers to offer filtering software; also amends Communications Act of 1934 to repeal provisions prohibiting using telecommunications device to make or initiate transmission of an obscene communication or depiction of sexual activities to a minor
H.R. 1180: 3/20/97	Rep. McDade (R-PA)	0	Requires Internet service providers to offer filtering software.
H.R. 1226: 4/15/97 (Sim to S 522 & 523)	Rep Archer (R-TX)	27	Criminalizes "browsing" of taxpayer files by IRS employees; on Senate Calender as of 4/17/97
H.R. 1287: 4/10/97	Rep Franks (R-NJ)	10	Prohibits computer services from disclosing a person's SSN without permission

PENDING PRIVACY BILLS

H.R. 1330: 4/15/97	Rep Kanjorski (D- PA)	18	Prohibits Federal officers and employees from providing access to Soc Sec Acct information, personal earnings and benefits estimate statement information, or tax return info through the Internet or without written consent of the individual, and to establish a commission to investigate the protection and privacy afforded to certain Gov't records
H.R 1331: 4/15/97	Rep Kennelly (D-CT)	0	Establishes a panel to assist the Commissioner of Soc Sec in developing appropriate mechanisms and safeguards to ensure confidentiality and integrity of personal SS records made accessible to the public
H.R. 1367: 4/17/97	Rep Barrett, T.	9	Prohibits Fed agencies from making available through the Internet certain confidential records, and providing for remedies in cases in which such records are made available through the Internet
H.R. 1972: 6/19/97	Rep Franks (R-NJ)	30	Prohibits "list brokers" from selling, purchasing info about children without written consent of parent; requires marketers to give access about child to parent, prohibits using prison inmate labor to process childrens' info; requires marketers to give lists to National Center for Missing and Exploited Children
S 144: 1/21/97	Sen Moynihan (D-NY)	1	Creates Commission to look at statistical agencies; it will look at privacy implications of collection and use of statistical information
S 376: 2/27/97	Sen Leahy (D-VT)	4	Relaxes export controls on cryptography. Creates new criminal penalties for using encryption to further a criminal act. Encourages key escrow infrastructure.
S 377: 2/27/97	Sen Burns (R-MT)	22	Relaxes export controls on cryptography. Creates Board to give law enforcement agencies special access to development of plans for privacy enhancing technology.
S. 504: 3/20/97	Sen Feinstein (D- CA)	2	Prohibits sale of personal information about children without their parents' consent

PENDING PRIVACY BILLS

S 665: 4/29/97	Sen Kerrey (D-NE)	1	Monitors the progress of the Telecommunications Act of 1996
S 771: 5/21/97	Sen Murkowski (R- AK)	1	Regulates the transmission of unsolicited commercial e-mail.
S 875: 6/11/97	Sen Torricelli (D- NJ)	0	Promotes online commerce and communications by regulating transmission of bulk unsolicited e-mail
S 909: 6/16/97	Sen McCain (R-AZ)	2	Facilitates national key escrow system; orders networks built with Gov't money to use key escrow. Maintains existing restrictions on export on encryption software.

BACKGROUND PAPERS ON ADOPTING THE PRIVACY PRINCIPLES

Leslie L. Byrne

A June 2nd issue of *Time* magazine summed up the state of privacy in America by saying "snooping on your friends and neighbors has never been easier." Lining up to dish out personal information to anyone who asks or pays are a host of government agencies, credit bureaus, data collection brokers and Internet users. Little regard is given to the harm the release of this personal information could cause.

The public has a growing awareness of issues concerning privacy. Four out of five respondents to a 1995 poll conducted by Louis Harris, expressed concern about their personal privacy. By 1996, 89% of the public said they are concerned about threats to their personal privacy from both government and business. Every indication is this number is still on the rise.

There is an interesting dynamic between the government and industry wishing to encourage electronic commerce or information technology, and the misgivings the public states in these polls about privacy. It is my contention that to realize the full potential of the Internet we must give people some assurance that they have control over their own information. Similarly, to rebuild trust in government, it is imperative that the Administration state unequivocally that it is our policy to protect personal information.

We have much activity from many agencies on privacy (see DOD *Tough Cookies* editorial.) What these government efforts lack is context, an umbrella of standards that gives a government-wide guarantee on how personal privacy will be protected. The Executive Order on the Privacy Principles is such a guarantee.

Enclosed are various writings about the privacy issue. *Privacy and American Business Report* and its editor Alan Westin are generally considered pro-industry. Even with that caveat, the enclosed poll summary is very interesting.

I literally have reams more of information on this issue. I would be happy to provide additional information or answer any questions you may have.

EXECUTIVE SUMMARY of Interpretive Essay by Dr. Alan F. Westin, Professor of Public Law & Government Columbia University, and Academic Advisor to the Survey

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My role in this essay is to explore the survey's findings from the perspectives of a political scientist who has been studying privacy issues since 1951, has been the academic advisor to two dozen national public surveys on privacy conducted by Louis Harris & Associates and Opinion Research Corporation, has been an expert witness at government hearings and a proponent of state and federal privacy protection laws, and has advised more than 100 companies and government agencies in developing innovative consumer and citizen privacy policies.

The essay puts Internet developments into a larger social perspective. It reviews some of the most important findings about computer users' privacy concerns and policy preferences; it analyzes the factors that seem to be driving these views; and, finally, it suggests the implications in this pioneer survey for all the players involved -- the online industry, businesses operating on the Net, the technology community, public-interest groups, government bodies, and the individual citizens of cyberspace.

1. The Internet should be recognized as an explosive new medium where the full array of human conduct plays out, and all the traditional tensions in democratic society over individual privacy, public disclosure, and society-protecting surveillance will have to be confronted in new settings.

- As a powerful new electronic medium, the Internet is reshaping patterns of communication, information exchanges, and -- potentially -- commerce. It has become a mass media preoccupation, and virtually everyone agrees that Internet development holds enormous potential for new and creative social, business, and political activity.

- But the Internet also replicates all the vices and pathologies of contemporary society, from consumer fraud and intrusive advertising to circulation of hate speech, soliciting obscene materials, promoting terrorist projects, and criminally stalking children and women. As in the earliest frontier days in America, the Internet abounds with modern-day cattlemen, sheep-herders, farmers, saloon keepers, whores, and hacker-gunmen, with the influences of the schoolmarm, minister, sheriff, and judge also struggling to be heard and felt.

- The online and Net worlds also reproduce all the basic tensions about individual privacy, public disclosure, and society-protecting surveillance that democratic societies struggle with in the off-line world — with new dangers and new opportunities just coming into focus. It is this early stage of privacy-issues development in cyberspace that the *Privacy & American Business'* online-privacy survey was designed to explore.

2. This is the first statistically representative and reliable survey that allows us to investigate the experiences, concerns, attitudes, and policy preferences on privacy issues of the 42 million adult Americans currently using the Internet. The survey also allows us to compare these privacy views with those of computer users not on the Net, and with past privacy attitudes of the general adult public.

Privacy & American Business' online-privacy survey provides 1997 data for comparing the privacy experiences, concerns, attitudes, and policy preferences of four populations:

- total adult computer users (about 100 million);
- computer users on the Internet (about 42 million);
- computer users with online services but not on the Internet (about 28 million); and
- computer users not yet online or using the Net (about 49 million)

We can also compare these orientations to the results of the survey's privacy-trend questions from the total adult public (about 190 million), based on 1995 and 1996 Harris-Westin privacy surveys. Key findings on these comparisons are:

• Demographically, computer users are younger, have more education, and higher incomes than the general public. Net users are even younger, more affluent, and better educated than computer users not on the Net.

• Computer users as a group, and the Net and online user sub-groups, share overall business-privacy concerns at the same high levels as the general public. In 1995, 80% of the total public felt that "Consumers have lost all control over how personal information about them is collected and used by companies." An identical 80% of computer users agreed with this statement in 1997, with 82% of Net users agreeing.

• On the other hand, computer users are less fearful of technology than the general public. Where 63% of the general public agreed in 1995 that "technology is almost out of control," only 55% of 1997 computer users and 36% of Net users shared that view.

• Computer and Net users are less distrustful of institutions (measured by the Harris-Westin Distrust Index) than the general public. Where the general public registered 71% in High and Medium distrust in 1995, only 60% of computer users in 1997 registered such distrust, with Net users at 56%.

• In another important overall comparison, computer users and the general public share a general preference for voluntary over regulatory policies to protect consumer privacy. If businesses and industry associations adopt good privacy protection policies, 72% of the general public said in 1995 they would prefer that approach; in 1997, 70% of computer users and 72% of Net users agreed with that view of voluntary being preferable to regulatory as a general matter. (However, as noted below, the public often favors sector-specific legislation, when it feels problems are outpacing voluntary efforts.)

3. While only a tiny fraction of Online-Service and Net users report they have personally experienced invasions of their privacy while online, majorities of users express concern about threats to their online privacy.

• Only 5% of Net users and 7% of Online-Service users say they have personally been the victim of what they thought was an invasion of their privacy. Receiving unwanted email advertising and having personal information required or captured at web sites were the intrusions most complained of. This is a low level of direct invasion when compared to the 25% of the public that reported in 1995 that they have had their privacy invaded in the off-line world, and 35% is some particular consumer-information sectors.

• Moving from experiences to perceptions, online and Net users expressed a wide range of concerns over threats to the privacy and security of their activities online. Specifically:

– 53% of Net users and 57% of Online-Service users say they are concerned that information about which sites they visit will be linked to their e-mail address and disclosed to some other person or organization without their knowledge or consent. Not surprisingly, 55% of Net users say the ability to choose not to give their real name is important to them in using the Internet.

– 59% of Net users who send and receive e-mail are concerned that the contents of what they communicate will be obtained by some person or organization without their knowledge or consent.

– 42% of those receiving unsolicited e-mail advertising say "it's getting to be a real pain" and want "to stop getting these messages." If there were a procedure for removing their e-mail addresses from unsolicited advertising, over a third (37%) of e-mail users would want their names removed from all solicitations. (This compares with only 17% of computer users who would remove their names from all regular postal mailings.)

– 75% feel there are privacy problems in putting state and local government's public records with personally-identified information on the Internet , even though these are available today to anyone in manual form and organizations can buy computer tapes of such records for business, legal, and research purposes.

4. There is deep concern over web sites collecting personal information or e-mail addresses from children.

• Computer users divide about equally on whether there is a significant difference between collecting marketing information from children in the off-line and online worlds. But, many practices generally accepted in marketing to children in the off-line world are strongly rejected for online conduct. When asked to assume that the purpose for gathering the information cited was the only use that a company would make of various types of information about children presented in a series of questions, majorities of computer users rejected the acceptability of all the types of uses presented.

• 59% of computer users say it is not acceptable to ask children for e-mail addresses for the purpose of gathering statistics on site visiting, and 58% oppose asking for such addresses to improve a business's product.

• 73% of computer users say it is not acceptable to obtain the real names and addresses of children when they register to use a site, or to purchase products.

• And, 90% say it is not acceptable (74% "not at all acceptable") for companies to rent or sell the real names and addresses of their child registrants or customers to third parties for marketing.

• 75% of computer users are NOT confident that companies on the net that are marketing to children would follow the policies they set forth on how they would handle the children's information they collect.

5. Reflecting privacy concerns, especially where children are involved, a majority of computer users say they favor legal action.

• 94% of computer users say that companies collecting information from children should be held legally liable for violations of their stated policies.

• When asked which of three roles "government" should take in approaching "Internet privacy issues," a majority -- 58% -- favor "passing laws NOW for how personal information can be collected and used on the Internet." 24% favor government recommending standards but not passing laws now, and 15% say government should "let groups develop voluntary privacy standards but not take any action now unless real problems arise." Only 47% of Net users favor enacting government laws now, while those computer users not using the Net or an online service favored government laws at 65%.

• It should be noted that the question on government approaches came at the end of a detailed survey exploring potential threats to privacy and security, and especially after the series on children's' privacy issues. Also to be noted is that the question did <u>not</u> specify whether state or federal governments should be the rule setters; just what kind of controls government would set, how these would be monitored, and which government agency would act as the enforcing agent; and what kinds of penalties and remedies would be installed. We can expect that the attitudes of computer users and especially

Net users would be significantly affected by the alternatives presented on those matters.

6. The views of computer users overall, and online and Net users specifically, follow some of the patterns that past privacy surveys have found to operate as driving factors in the off-line world.

• Past Harris-Westin surveys have found that two-thirds majorities of the American public (and computer users as a sub-group) oppose creation of a federal regulatory agency covering the entire private sector (as in the European data protection commissions' model). But strong majorities will favor sector-specific legislation at the state or federal levels when the perception is that serious breaches of privacy and confidentiality are taking place and voluntary controls by industry or private groups are either ineffective or not adopted widely enough. Examples have included legislation that would forbid employers or health insurers to use genetic tests for employment or underwriting purposes, and federal laws protecting privacy and confidentiality of medical records and the increased electronic movement of personally identified health information. Computer-user support for "government" action on the Net suggests that the Net is seen as a "sector" in which voluntary policies are not yet perceived as present.

• In past privacy surveys, trust in the practices of an industry in handling its customers' personal information in a "proper" or "responsible" way and "respecting its confidentiality" came through as a major factor in helping the majority of the public (our 55% "Privacy Pragmatists") to decide whether to give their personal information for organizational uses under privacy-policy promises or whether they would favor passing legislation to mandate the rules. In the 1997 online privacy survey, with ten industries that handle consumer information presented for judgment, a majority of respondents gave high ratings (in the 68-80% ranges) to employers, hospitals, banks, and companies making computer hardware and software. But online companies -- those offering Online Services, direct Internet access, and marketing products on the Net -- received low confidence ratings, in the low 40% levels. This placed them alongside credit bureaus and direct-mail marketers, two groups that have traditionally received low-confidence ratings in privacy surveys.

• The answers to most of the key questions relating to privacy concerns and policy preferences in our 1997 survey followed exactly the level of confidence in the three online businesses -- the lower the confidence in online firms, the more privacy-oriented the positions. This was true, for example, with all the questions involving children's privacy; concern about the confidentiality of e-mail content; concern about putting public records on the Net; desire to remove their e-mail address from all unsolicited marketing; and support for passing government laws now on Internet privacy.

7. Since 70% of computer users generally favor voluntary policies over legislative rules for consumer privacy protection, the explanations for

favoring government action now for the Internet lie in a combination of factors discussed below.

In addition to the effects of low confidence in online companies, here are factors that seem to be undercutting the traditional support for voluntary actions as of 1997:

- There has been a steady drumbeat of largely alarming stories in both the mass and online/computer media about privacy and security risks on the Internet. These often present the situation as one in which no current tools or policies are available to protect users, and that staying off the Net, not using one's credit card for purchases, and never volunteering personal information are the sensible ways to proceed. This trend is typified by the June 2, 1997 issue of Time ("No Privacy on the Net"); "Cookies a Half-Baked Idea," Inter@ctive Week, April 4, 1997; "Cyber Eyes Are Watching," Family PC, April, 1997; "What right to Privacy?," NetGuide, January 1, 1997; "Easy Now to Keep Tabs on Users' Internet Postings," N.Y. Times, January 6, 1997; "There's No Guarantee of Privacy on the Net," N.Y. Times, January 13, 1997; and "Think of Your Soul as a Market Niche," N.Y. Times, September 11, 1996. Along with movies and TV programs depicting hackers and privacy invaders trolling the Net and finding helpless victims, the media coverage has sent a message to many millions of viewers and readers that Orwell's progeny own the online world.

- Industry association policies and guidelines for collecting and using consumer information online and on the Net are in a very early stage of roll out. Most of them were developed in 1996, and the most important ones are 1997 products, some just issued in late May or early June, and some to be presented at the Federal Trade Commission's Workshop on Consumer Privacy Online in mid-June. These include policies from the Direct Marketing Association, the Interactive Services Association, and others. It is highly doubtful that respondents to our survey in April of 1997 had heard about these, or had any experiences with them with which to decide how well they worked.

- The survey recorded remarkably low awareness by online service subscribers of the information-handling policies of their current service provider. Almost three out of four online service users (71% plus 3% don't know) said they were not aware of "any rules or policies [that their] online service has as to how it will use the information it maintains or collects about [their] online usage..."

- A series of questions about how web site visitors decide whether to give registration-type information when they visit sites documented that most web site visitors are NOT today encountering clear, up-front declarations of information policy from most sites they visit. Net users say getting such information would have a major effect on their decisions whether to provide personal information, but 79% say they have declined to give information to sites not explaining their policies, and 8% say they have given false information..

• There was also very low awareness of software tools for exercising individual control over information and communication practices.

-- 75% of e-mail users said they weren't aware of any procedure or technique to remove their e-mail address from companies or organizations sending them advertising materials.

-- 45% of parents with children using the Net said they were not aware of any software programs that let parents automatically limit the web sites their children visit or the personal information they can provide to sites.

It is also clear that very few members of the computer-using public have yet heard about new control approaches such as the e-Trust information labeling and independent-certification system for designating commercial web sites, or the privacy policies and preferences program being developed by the Center for Democracy and Technology, with strong business and public-interest group support.

Finally, strong interest was expressed by the privacy-concerned respondents in getting free and easy-to-use software tools that would allow them to state their preferences as to how they would wish their personal information to be used by business or organizational web sites, and even to conduct dialogues with such sites over just how such uses could be made acceptable. Similar strong interest was expressed by parents in getting and using software that would allow them to control what personal information their children could give to Internet sites or in chat rooms.

8. The intensity of women's concerns about privacy threats and desired protections shows up heavily in the survey results.

• Prior to 1997, within the high levels registered for the population as a whole, privacy surveys had shown women to be even more privacy concerned and regulatory-oriented than men in the off-line world. Our online survey found women widening their lead even more in the online world. Women scored 5-13 percentage points higher than men in 16 major questions here, for example:

-- 11% higher in being very concerned that sites visited could get their e-mail addresses; -- 11% higher that children's information should never be sold to third-parties;

-- 7% higher that putting public records on the Net would be a privacy problem; and

— 7% higher in saying that being able to surf the Net anonymously is very important to them.

Reflecting those gender-intensified views, women are a full 18% higher than men in saying that government should enact laws now to protect privacy on the Internet.

8. Implications for the online and Internet industries, businesses marketing online, technologists, public-interest groups, government bodies, and individual online users.

Some surveys record confusion and indecision on the part of the public on controversial issues, or such low levels of knowledge or interest that the results offer little help to the public policy-making process. This survey, I believe, is just the opposite. It offers a clear call to all the communities sharing responsibility for the unique entity that is the Internet to hear and respond effectively to the concerns of Net and online users (and also computer users not yet online) that communication, information-exchange, and consumer commerce must be made more privacy-secure than either perception or reality make it today.

The results are certainly a summons to intensified action by the online and Internet industries and all companies hoping to create broad commerce on the Net. These groups must move guidelines and policies from paper to the daily online world. They must also give strong support to the development, distribution, and effectiveness-testing of personal privacy-enhancing tools: such as personal-information-control software tools; digital signatures and biometric identifiers to assure more secure personal identification; and easy-to-use encryption programs.

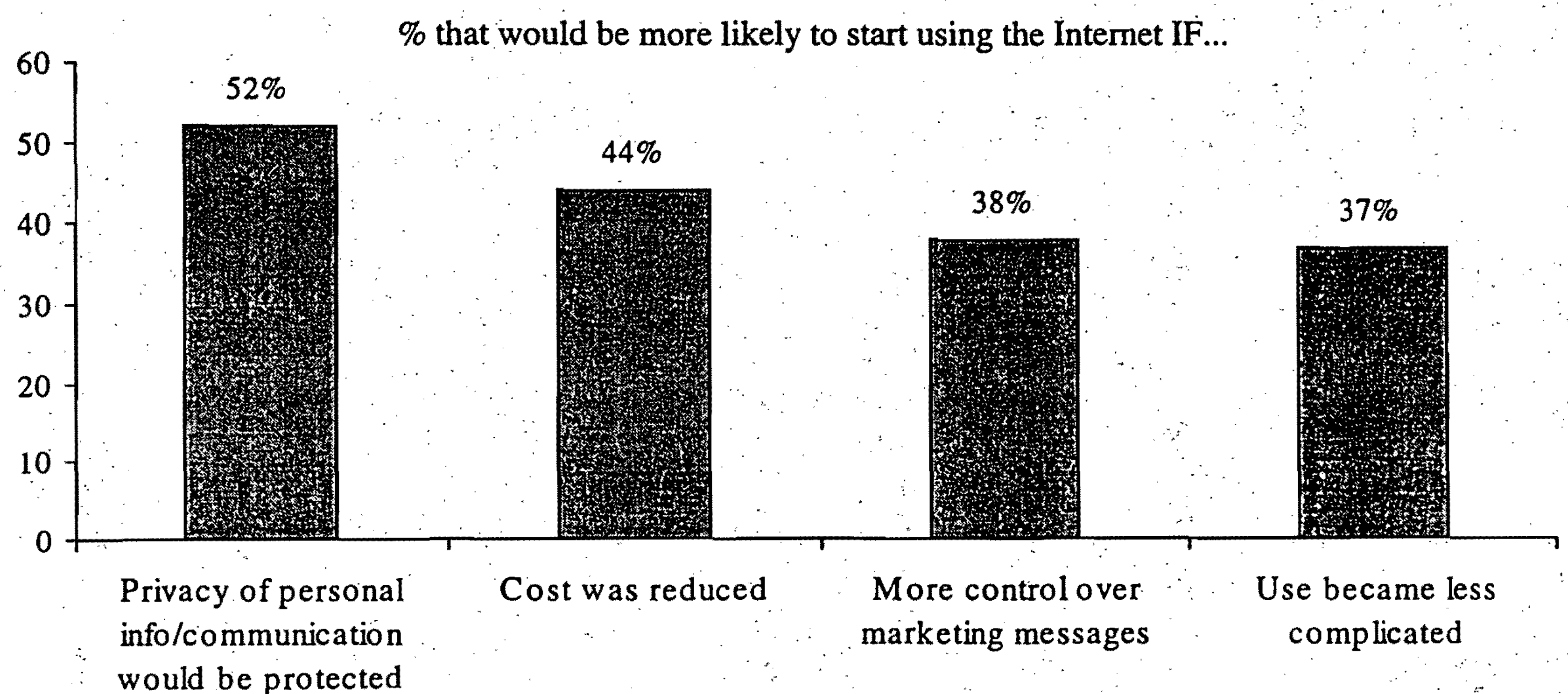
The low confidence that the survey results registered in the trustworthiness of online companies means that online business groups will have to engage in major educational programs to demonstrate that the policies and tools they support do provide an effective platform for reasonable online privacy.

If -- as this survey documents -- the growth of Internet use and especially Internet communication and commerce depend on increasing user confidence in the medium's ability to provide reasonable privacy protection, there is cause for careful optimism. When a mass market and a major societal resource of the scope of the Internet depend as much as users say it will on providing consumer and citizen confidence, the stake for business and government in making that happen is enormous.

It will be fascinating to revisit these issues after two to three years, to see what progress business, government, technologists, and public interest groups will have made in bringing privacy ethics, standards, and day-to-day good practice to the Internet frontier. And, we should be able with that next snapshot to gauge what the nation's Internet users think of the privacy balances that will have been installed by that time.

Louis Harris & Associates, Inc., 1997

Factors Increasing Likelihood of Using the Internet



Base: Not very or not at all likely to start using Internet in next year (N=247)

Guidelines for the Collection and Tracking of Information from Children on the GII and in Interactive Media
Submitted to the Federal Trade Commission 1996-7

In June 1996, the Center for Media Education (CME) and Consumer Federation of America (CFA) requested that the Federal Trade Commission (FTC) issue guidelines for permissible industry practices regarding the collection and tracking of information from children on the Global Information Infrastructure and in Interactive Media. The guidelines are founded on two basic principles:

- Personally-identifiable information may be collected and/or tracked from children for commercial marketing purposes only if the collection and tracking practices are not deceptive; are fully and effectively disclosed; and valid parental consent is obtained.

- Aggregate and anonymous information may be collected and/or tracked from children for commercial marketing purposes only where the collection and tracking practices are not deceptive and are fully and effectively disclosed.

All information collectors/trackers must comply with four requirements:

1) **Disclosure must be full and effective.** The disclosure notice must include:

   - what information is being collected or tracked;
   - how the information is being collected or tracked;
   - how the information will be used;
   - who is collecting the information; and
   - who will have access to the information.

These are the Privacy Principles

2) **Parental consent must be obtained.** In order for the consent to be valid:

   - the child must understand that s/he needs to get parent permission before proceeding and the parent must receive complete disclosure;
   - access to those areas of the site where information is collected or tracked must be conditioned on receipt of valid parental consent; and
   - the burden is on the collector/tracker to obtain valid parental consent through writing or other electronic mechanisms.

3) **Parents must be able to correct information already collected about and from their children.**

4) **Parents must be able to prevent the further use of their children's information after it has been collected.**

EDITORIAL

Tough cookies

Led by the Defense Technical Information Center, DOD is putting the finishing touches on a policy that would provide Web site managers with guidance on how to maintain Web logs and other electronic information gathered from visitors to its sites. This policy is expected to direct Web site managers to destroy any such electronic records after 60 days.

Recent attempts by unknown companies to gain access to the information inspired DOD to act. While the motive behind the request is unclear, the wealth of the information at stake is unmistakable. Through the use of "cookies," DOD and every other Web site host can capture information about who visits a particular site, how they entered, what files they accessed and for how long.

While we applaud DOD's decision to create a policy to protect the rights c visitors to its sites, we shudder at th possibilities of what can be done wit this and similar electronic data caches DOD officials were very upset a coupl of years ago when the department dis covered one of the Internet browser com panies was surveying hard disks an sending information to a corporate data base. We suspect DOD's primary use fc the information is benign, or better stil noble in purpose: to garner informatio that might better serve the viewer. Bu do the benefits outweigh the risks?

While DOD may be the first agency t tackle the issue of Web logs and privacy, will certainly not be the last. We believ agencies would welcome some guidanc from the Office of Management and Buc get as they wrestle with crafting thei own policies.◀

FEDERAL Computer Week 7/7/97