

Discussion Draft of Application Privacy, Protection, and Security Act (APPS Act) Released

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Earlier this month, Representative Hank Johnson (D-Ga.), a member of the House Subcommittee on Intellectual Property, Competition, and the Internet, released a discussion draft of a bill titled the *Application Privacy, Protection, and Security Act of 2013* (APPS Act). The APPS Act would require mobile app developers to give consumers prior notice about the data they collect, explain how it will be used, stored, and shared, and obtain consent for data collection and use.

Additionally, the APPS Act would require mobile app developers to allow users to opt out of data collection and to delete personal data that has been already collected. The APPS Act also would require developers to provide users with a notice of terms and conditions governing collection, use, storage and sharing of personal data. Privacy policies are difficult to address in the mobile space because screens are small and users tend not to spend much time reading the terms of service and figuring out the app's privacy settings.

Any enterprise that reaches its customers on a mobile device must recognize that government regulation of data collection is imminent (both in the United States and European Union). By developing and implementing fully transparent and accessible corporate governance policies that reflect industry best practices now, companies can best position themselves for compliance.

Apps for banks, retailers, and insurance companies are among the most commonly downloaded apps on both the iOS and Android platforms. Companies that use them should be especially aware of this proposal and the policy discussions and developments surrounding it because, even without legislation, it will impact their business.

Carlton Fields has the experience and expertise to help our clients develop quality data collection and privacy policies and practices to meet industry standards and stay ahead of regulation.

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