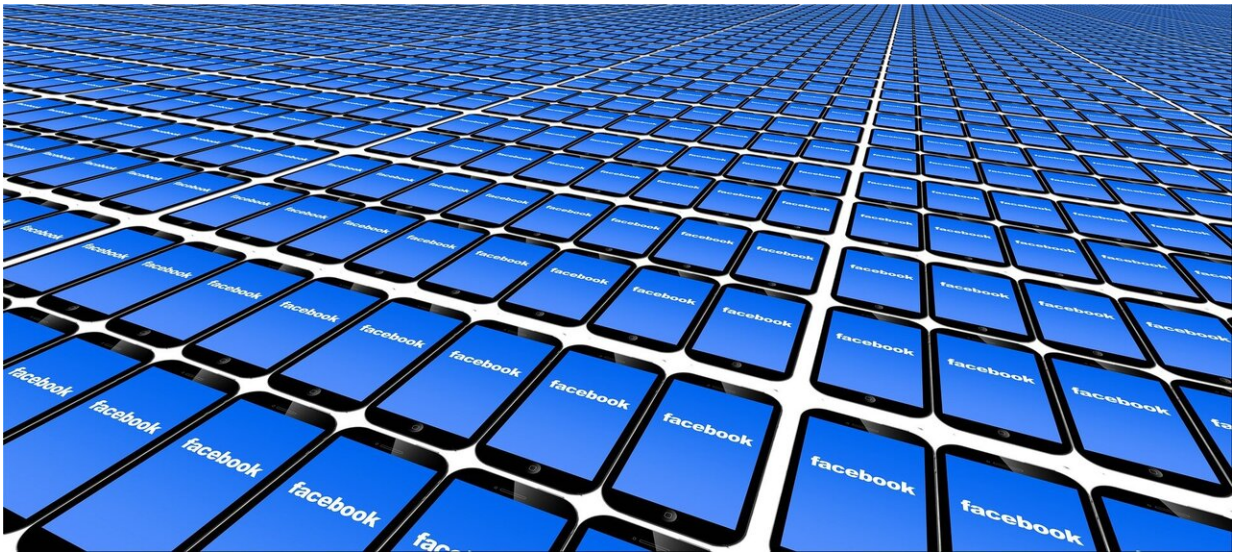


Facebook, government urge court to approve \$5-billion FTC settlement

January 27 2020, by Jessica Guynn



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Facebook and the Justice Department are urging a federal judge to approve the \$5-billion deal the Federal Trade Commission reached with Facebook to settle Cambridge Analytica privacy complaints.

The landmark settlement was challenged in July by the Electronic Privacy Information Center, known as EPIC, and is under review by Judge Timothy Kelly of the U.S. District Court for the District of Columbia.

In legal filings Friday, the Justice Department said the deal would bring "substantial relief" to consumers and Facebook argued that the settlement would provide "privacy protections far beyond those required by United States law" and "an unsurpassed level of accountability by its executives."

In a separate legal filing, Facebook disputed EPIC's legal standing to block the settlement. "EPIC's belated proposed complaint fails to identify any legally protected interest," Facebook's filing said.

Critics of the deal, struck in July, say it does too little to protect Facebook users from privacy incursions and shields the company from liability in thousands of consumer complaints.

"The proposed order wipes Facebook's slate clean without Facebook even having to admit guilt for its privacy violations," EPIC said in its July complaint.

Kelly set a deadline of Friday for the government and Facebook to respond. The FTC handed off to the Justice Department, which is litigating the case on its behalf.

Facebook and the FTC have defended the record fine and settlement terms.

In its Friday filing, the Justice Department said the FTC settlement prevents future "misuse of data" by Facebook and requires fundamental changes to how the social media giant handles billions of users' personal information.

Under the settlement, which concludes a year-long investigation prompted by the 2018 Cambridge Analytica scandal, the social networking giant must expand its privacy protections across Facebook

itself, as well as on Instagram and WhatsApp. It must also adopt a corporate system of checks and balances to remain compliant, according to the FTC order. Facebook must also maintain a data security program, which includes protections of information such as users' phone numbers.

The \$5-billion FTC fine is nearly 20 times greater than the largest privacy or data security penalty that has ever been assessed worldwide and is one of the largest imposed by the U.S. government for any violation.

Separately, Facebook agreed to pay \$100 million to settle data misuse charges brought by the Securities and Exchange Commission.

"We've agreed to pay a historic fine, but even more important, we're going to make some major structural changes to how we build products and run this company, chief executive and co-founder Mark Zuckerberg posted on Facebook in July.

Consumer watchdog groups accused the FTC of going easy on Facebook whose [privacy](#) practices have long been in their crosshairs.

EPIC requested a hearing for the court to evaluate the settlement. A judge could require the government to change the terms of the [settlement](#).

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Citation: Facebook, government urge court to approve \$5-billion FTC settlement (2020, January 27) retrieved 27 April 2024 from <https://techxplore.com/news/2020-01-facebook-urge-court-billion-ftc.html>

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