

## Meta sues US regulator to stop privacy settlement change

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Proposed changes to a 2020 privacy settlement with the US Federal Trade Commission include barring Meta from making money off the data of users younger than 18 years of age.

Meta filed a lawsuit late Wednesday arguing that US regulators planning to change the terms of a 2020 privacy settlement are overstepping their authority and should be stopped.



The Silicon Valley tech giant, known as Facebook when the \$5 billion settlement was made, said that aspects of the Federal Trade Commission's very structure violate the US Constitution, making its proceeding against Meta unlawful.

Meta contended in a filing to a <u>federal court</u> in the US capital that the situation amounted to it being "subjected to an illegitimate proceeding led by an illegitimate decision maker."

The FTC in-house actions make it both prosecutor and judge, denying Meta due process under the law and usurping the power of the courts, the company argued in its filing.

In May the agency proposed changes to its 2020 <u>privacy</u> order with Facebook, accusing the company of failing to live up to the terms.

"Facebook has repeatedly violated its privacy promises," FTC's bureau of consumer protection director Samuel Levine said in a release at the time.

"Facebook needs to answer for its failures."

The 2020 privacy order required Facebook to pay a \$5 billion civil penalty, expand children's privacy protections and have an independent third party assess the effectiveness of its efforts.

Proposed changes to the settlement include prohibiting Meta from profiting off data it collects, including through virtual reality products, from users younger than 18 years old, according to the FTC.

Another proposed change would bar Meta from launching new products or services without an assessor confirming in writing that its privacy program is in full compliance.



Meta urged the <u>court</u> to stop the FTC from proceeding with the changes.

"Meta respectfully requests that this court declare that certain fundamental aspects of the commission's structure violate the US Constitution," the tech firm said in the filing.

The FTC is seeking to impose broad restrictions on how companies such as Meta use their <u>intellectual property</u>, the lawsuit contended.

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