

Press Releases

November 9, 1999

OTS 99-75 - Joint Press Release - Agencies Announce Results of Financial Institution Web Site Privacy Survey

Board of Governors of the Federal Reserve System

Joint Release

Federal Deposit Insurance Corporation

Office of the Comptroller of the Currency

Office of Thrift Supervision

OTS 99-75

For immediate release

November 9, 1999

Agencies Announce Results of Financial Institution Web Site Privacy Survey

WASHINGTON -- The four federal banking agencies today released a report on the results of a survey of Internet privacy policies of banking and thrift institutions.

The survey report, titled ***Interagency Financial Institution Web Site Privacy Survey Report***, examined 314 World Wide Web sites selected randomly, plus those of the 50 largest banks and thrifts with Web sites. Conducted during May and July by the federal agencies that supervise the institutions, the survey examined the collection of consumer information, interactive capabilities, and privacy disclosures at these sites. The purpose of the survey was to provide an indication of the state of the industry with respect to data collection and on-line privacy disclosures.

Overall, 48 percent of the 364 Web sites surveyed posted a privacy disclosure--a privacy policy (a comprehensive statement regarding the collection and use of consumer information) or an information practice statement (a statement describing a particular information handling policy or practice, such as data security). Sixty-two percent of Web sites that collected personal information provided a privacy disclosure. Sites that collected personal information were three times as likely to post a privacy policy as sites that did not collect personal information. The survey also found that 96 percent of the nation's 50 largest banks and thrifts that are on-line provided a privacy policy or information practice statement.

The agencies began work on the survey in February 1999. The agencies will monitor, as appropriate, the industry's progress in responding to consumer privacy issues and complying with the new legal mandates contained in the financial services reform legislation through regular supervisory activities.

This survey supplements previous Web site surveys that did not focus on financial institutions, such as the Federal Trade Commission's "Privacy Online: A Report to Congress" (June 1998), and the Georgetown Internet Privacy Policy Survey, "Privacy Online in 1999: A Report to the Federal Trade Commission" (June 1999). Because the sample population and content of the questionnaire used to conduct the

interagency survey differ materially from those in the surveys cited, direct comparisons between the results of the various surveys should not be made.

Copies of the survey report are available on the agencies' Web sites.