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United States General Accounting Office
Washington, DC 20548

October 20, 2000

The Honorable Fred Thompson
Chairman, Committee on Governmental Affairs
United States Senate

Subject: Internet Privacy: Federal Agency Use of Cookies

Dear Mr. Chairman:

As requested by your office, we have been reviewing selected federal agencies' use of cookies on their web sites. A cookie is a short string of text—not a program—that is sent from a web server to a web browser when the browser accesses a web page. The use of cookies allows the server to recognize returning users, track on-line purchases, or maintain and serve customized web pages. Domain cookies are cookies placed by the visited web site. However, some web sites also allow the placement of third-party cookies—cookies placed on a visitor's computer by a domain other than the site being visited. The domain and third-party cookies may be further grouped into session cookies and persistent cookies. Session cookies are short-lived, are used only during the browsing session, and expire when the user quits the browser. Persistent cookies specify expiration dates, remain stored on the client's computer until the expiration date, and can be used to track users' browsing behavior by identifying their Internet addresses whenever they return to a site.

The purpose of this letter is to respond to your request for interim information on federal agency use of cookies as of September and October 2000. Specifically, you asked us to identify agency web sites that used cookies but did not disclose this use in their privacy policies and to identify the type of cookie used. In addition, you asked us to identify agency web sites that use persistent cookies. Enclosure I provides this information.

We reviewed 65 web sites. This total consisted of (1) the web sites operated by the 32 high-impact agencies, which handle the majority of the government's contact with the public; (2) 32 web sites randomly selected from the General Services Administration's government domain registry data base; and (3) the Federal Trade Commission's web site. See enclosure II for a list of the sites we reviewed. We reviewed certain web sites twice. During our August through September 2000 review, we visited all 65 web sites to determine (1) which of the selected federal sites were using cookies, (2) the type of cookies used, and (3) whether the privacy policy disclosed that the site may or does use cookies. We again reviewed sites that used cookies on October 17, 2000. We conducted our review from August through October 2000 in accordance with generally accepted government auditing standards.

GAO-01-147R Federal Agency Use of Cookies

On October 18, 2000, we requested comments on a draft of this letter from the Office of Management and Budget. In a letter dated October 19, 2000, OMB's Deputy Director for Management said that OMB appreciates the helpful information provided and plans to contact these agencies to reinforce administration policy. She also noted that OMB has required agencies to report directly to OMB in this year's budget requests about the steps they have taken to comply with administration policy concerning privacy, cookies, and federal web sites. OMB's letter is reprinted in enclosure III.

As agreed with your office, unless you publicly announce the contents of this letter earlier, we will not distribute it until 30 days from its date. At that time, we will send copies of this letter to the Honorable Joseph I. Lieberman, Ranking Minority Member, Senate Committee on Governmental Affairs; and the Honorable Dan Burton, Chairman, and the Honorable Henry A. Waxman, Ranking Minority Member, House Committee on Government Reform. We are also providing a copy of this letter to the Honorable Jacob J. Lew, Director, Office of Management and Budget. We will also provide copies to interested parties upon request.

Please contact me at (202) 512-6240 if you or your staff have any questions. I can also be reached by e-mail at koontzl@gao.gov. Key contributors to this report were Scott A. Binder, Mirko J. Dolak, and M. Yvonne Sanchez.

Sincerely yours,



Linda D. Koontz
Director, Information Management Issues

Enclosures

COOKIES ON SELECTED FEDERAL WEB SITES

Table 1: Federal Web Sites Giving Domain Cookies Without Disclosure

| Web Site | Web Address | Session Cookie | Persistent Cookie | Found in Sept. 2000 | Found in Oct. 2000 |
|--|---|----------------|-------------------|---------------------|--------------------|
| Office of Personnel Management | http://www.opm.gov/demos/index.htm | | ✓ | ♦ | ♦ |
| | http://www.opm.gov | ✓ | | ♦ | |
| U.S. Trade and Development Agency | http://www.tda.gov/forms/guestbook.cfm | | ✓ | ♦ | ♦ |
| Bureau of Land Management | http://www.blm.gov | ✓ | | ♦ | |
| Federal Aviation Administration | http://jobs.faa.gov/forms.asp | ✓ | | ♦ | ♦ |
| Ames Laboratory | http://www.ameslab.gov/overview/glance.html | | ✓ | ♦ | ♦ |
| Bureau of Labor Statistics | http://www.bls.gov/search/search.asp | ✓ | | | ♦ |
| | http://www.bls.gov | | ✓ | ♦ | |
| Health Care Financing Administration | http://www.hcfa.gov/search/ | ✓ | | ♦ | ♦ |
| National Park Service | http://reservations.nps.gov/ | ✓ | | ♦ | ♦ |
| Central Federal Lands Highway Division | http://www.cflhd.gov | ✓ | | ♦ | ♦ |

Table 2: Federal Web Sites Giving Third-party Cookies Without Disclosure

| Web Site | Web Address | Session Cookie | Persistent Cookie | Found in Sept. 2000 | Found in Oct. 2000 |
|-------------------------------------|---|----------------|-------------------|---------------------|--------------------|
| U. S. Customs Service | http://www.customs.gov | | ✓ | ♦ | |
| Federal Emergency Management Agency | http://www.fema.gov/media/index.htm | | ✓ | ♦ | ♦ |
| U.S. Forest Service | http://www.fs.fed.us/global/ | ✓ | | ♦ | ♦ |
| | http://www.fs.fed.us/reinvention/enterprise | | ✓ | ♦ | ♦ |

Table 3: Federal Web Sites Giving Persistent Domain Cookies With Disclosure

| Web Site | Web Address | Session Cookie | Persistent Cookie | Found in Sept. 2000 | Found in Oct. 2000 |
|--|--|----------------|-------------------|---------------------|--------------------|
| U.S. Postal Service | http://new.usps.com/cgi-bin/uspsbv/scripts/front.jsp | | ✓ | ♦ | ♦ |
| General Service Administration | http://pub.fss.gsa.gov/fm/current | | ✓ | ♦ | ♦ |
| Small Business Administration | http://app1.sba.gov/buscard/ | | ✓ | ♦ | ♦ |
| Institute of Museum and Library Services | http://www.ims.gov/utility/contact.htm when clicking on "About IMLS" | | ✓ | ♦ | ♦ |

LIST OF FEDERAL WEB SITES REVIEWED

| Agency/Department | Web Site Address | Group |
|---|--|--------------------|
| Department of Agriculture | | |
| Animal and Plant Health Inspection Service | www.aphis.usda.gov | High-Impact Agency |
| Food Safety and Inspection Service | www.fsis.usda.gov | High-Impact Agency |
| Food, Nutrition, and Consumer Service | www.fns.usda.gov | High-Impact Agency |
| National Agricultural Library | www.nalusda.gov | Random Sample |
| National Genetic Resources Program | www.ars-grin.gov | Random Sample |
| USDA Forest Service | www.fs.fed.us | High-Impact Agency |
| Department of Commerce | | |
| FedWorld | www.fedworld.gov | Random Sample |
| National Weather Service | www.nws.noaa.gov | High-Impact Agency |
| The Official U.S. Time | www.time.gov | Random Sample |
| U.S. Census Bureau | www.census.gov | High-Impact Agency |
| U.S. Commercial Service | www.usatrade.gov | High-Impact Agency |
| U.S. Patent and Trademark Office | www.uspto.gov | High-Impact Agency |
| Department of Defense | | |
| ACQWeb | www.acq.osd.mil | High-Impact Agency |
| Department of Education | | |
| Office of Student Financial Assistance Programs | www.ed.gov/offices/OSFAP | High-Impact Agency |
| Department of Energy | | |
| Albuquerque Operations Office | www.doeal.gov | Random Sample |
| Ames Laboratory | www.ameslab.gov | Random Sample |
| Fernald Environmental Management Project | www.fernald.gov | Random Sample |
| Southeastern Power Administration | www.sepa.fed.us | Random Sample |
| Department of Health and Human Services | | |
| Administration for Children and Families | www.acf.dhhs.gov | High-Impact Agency |
| Health Care Financing Administration | www.hcfa.gov | High-Impact Agency |
| IGnet | www.ignet.gov | Random Sample |
| National Institute of Allergy and Infectious Diseases | www.hsroad.gov | Random Sample |
| National Institute on Drug Abuse | www.drugabuse.gov | Random Sample |
| U.S. Food and Drug Administration | www.fda.gov | High-Impact Agency |
| Department of Housing and Urban Development | | |
| Code Talk ¹ | www.codetalk.gov | Random Sample |
| Department of the Interior | | |
| Bureau of Land Management | www.blm.gov | High-Impact Agency |
| National Park Service | www.nps.gov | High-Impact Agency |
| Department of Justice | | |
| Federal Bureau of Investigation | www.fbi.gov | Random Sample |
| Immigration & Naturalization Service | www.ins.usdoj.gov | High-Impact Agency |
| Department of Labor | | |
| Bureau of Labor Statistics | www.bls.gov | Random Sample |
| Occupational Safety & Health Administration | www.osha.gov | High-Impact Agency |

¹Code Talk is an interagency site that is hosted but not owned by HUD.

| Department of State | | |
|--|--|--------------------|
| Bureau of Consular Affairs | www.travel.state.gov | High-Impact Agency |
| International Information Programs | www.usia.gov | Random Sample |
| Department of Transportation | | |
| Central Federal Lands Highway Division | www.cflhd.gov | Random Sample |
| Federal Aviation Administration | www.faa.gov | High-Impact Agency |
| Department of the Treasury | | |
| Customs Service | www.customs.gov | High-Impact Agency |
| Financial Management Service | www.fms.treas.gov | High-Impact Agency |
| Internal Revenue Service | www.irs.ustreas.gov | High-Impact Agency |
| Department of Veterans Affairs | | |
| Veterans Benefits Administration | www.vba.va.gov | High-Impact Agency |
| Veterans Health Administration | www.va.gov/About_VA/Orgs/VHA/index.htm | High-Impact Agency |
| Independent Agencies | | |
| African Development Foundation | www.adf.gov | Random Sample |
| Environmental Protection Agency | www.epa.gov | High-Impact Agency |
| Farm Credit Administration | www.fca.gov | Random Sample |
| Farm Credit System Insurance Corporation | www.fcsic.gov | Random Sample |
| Federal Communications Commission | www.fcc.gov | Random Sample |
| Federal Emergency Management Agency | www.fema.gov | High-Impact Agency |
| Federal Retirement Thrift Investment Board | www.frtib.gov | Random Sample |
| Federal Trade Commission | www.ftc.gov | Special Selection |
| FinanceNet | www.financenet.gov | Random Sample |
| General Services Administration | www.gsa.gov | High-Impact Agency |
| Institute of Museum and Library Services | www.imls.fed.us | Random Sample |
| National Aeronautics and Space Administration | www.nasa.gov | High-Impact Agency |
| National Credit Union Administration | www.ncua.gov | Random Sample |
| National Science Foundation CISE | www.cise.nsf.gov | Random Sample |
| Occupational Safety and Health Review Commission | www.oshrc.gov | Random Sample |
| Office of the Federal Environmental Executive | www.ofee.gov | Random Sample |
| Office of Personnel Management | www.opm.gov | High-Impact Agency |
| Small Business Administration | www.sba.gov | High-Impact Agency |
| Social Security Administration | www.ssa.gov | High-Impact Agency |
| The Access Board | www.access-board.gov | Random Sample |
| The White House Fellows Program | www.whitehousefellows.gov | Random Sample |
| Thrift Savings Plan | www.tsp.gov | Random Sample |
| U.S. Nuclear Regulatory Commission | www.nrc.gov | Random Sample |
| U.S. Postal Service | new.usps.com | High-Impact Agency |
| U.S. Trade and Development Agency | www.tda.gov | Random Sample |

COMMENTS FROM THE OFFICE OF MANAGEMENT AND BUDGET



DEPUTY DIRECTOR
FOR MANAGEMENT

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

October 19, 2000

Ms. Linda Koontz
Associate Director, Government-Wide
and Defense Information Systems
General Accounting Office
Washington, DC 20548

Dear Ms. Koontz:

Thank you for providing your draft report entitled *Internet Privacy: Federal Use of Cookies* (GAO-01-147R), which I received this morning. I am pleased to present comments from the Office of Management and Budget on this report.

As you know, OMB issued guidance on June 22, 2000 (Memorandum M-00-13) concerning privacy policies and data collection on Federal web sites. There are particular privacy concerns when web technology can track the activities of users over time and across different web sites. In light of the unique laws and traditions about government access to the personal information of citizens, the Director stated that the presumption should be that cookies will not be used at Federal web sites or by contractors when operating web sites on behalf of agencies. Under this policy, cookies should not be used unless there is: clear and conspicuous notice; a compelling need to gather the data on the site; appropriate and publicly disclosed privacy safeguards for handling of information derived from cookies; and personal approval by the head of the agency.

This policy was explained in more detail in a letter on September 5, 2000 from OMB's Administrator of the Office of Information and Regulatory Affairs to the Chief Information Officer at the Department of Commerce. As you correctly differentiate in your draft report, there is an important distinction between so-called "persistent" cookies and "session" cookies. The latter, which retain information only during a single session, do not collect information in ways that raise privacy concerns. These session cookies also have important advantages for electronic government, and do not fall within the scope of Memorandum 00-13.

Concerning your report, we appreciate the useful information that you have provided about federal web sites that have not yet come into compliance with OMB policy. We will contact those agencies promptly, to reinforce Administration policy.

As you know, the June 22, 2000, memorandum from OMB also required agencies to report directly to OMB in this year's budget requests, as part of the submission on information technology, about the steps they have taken to comply with Administration policy concerning privacy, cookies, and federal web sites. We will receive these reports from the agencies in December, and use the data from these reports to make certain that the policy is being implemented appropriately.

Thank you once again for providing us with the draft report, which assists our continuing efforts to assure that web sites across the government are held to the highest standards of protecting citizens' privacy.

Sincerely,



Sally Katzen