

The Password Protection Act of 2012

REASONABLE PROTECTIONS AND PROHIBITIONS FOR EMPLOYERS

The Password Protection Act balances the legitimate concerns of employers against the important rights of employees to maintain the privacy of their personal, online lives. Several key features of the Password Protection Act strike this balance:

- **Protects Employer Systems, NOT Employer Actions.** The Password Protection Act preserves the rights of employers to control access to their own hardware, as well as any internet software operated on behalf of the employer for work purposes (e.g., third-party sales data software or websites that facilitate collaborative work online). *However, the Password Protection Act does not allow employers to access private employee data under any circumstances, even if the employer uses its own computers to access that data.*
- **Promotes Use of Online Platforms by Employers.** By exempting systems operated by, for, or on behalf of employers, the Password Protection Act safeguards the integrity of personal, private employee information while at the same time ensuring that employers are encouraged to continue using Internet platforms for business collaboration and innovation.
- **Protects Technological Innovation by Employers.** The Password Protection Act carefully preserves the existing legal rights of employers to protect their intellectual property or confidential business information from theft.
- **Preserves the Rights of Employers to Discipline Employees for Actual Wrongdoing.** The Password Protection Act only prohibits taking employment-related actions against employees for refusing to authorize access to their own personal, private data online. It does not prohibit taking actions against employees for any other reason, so long as an employee's refusal to authorize such access was not in any way a factor in the decision to take that action.