Big Data - A tool for inclusion or exc... - Big Data - A tool for inclusion or exclusion - Understanding the issues (FTC Report).pdf

25 highlights, 0 comments

Page 7
Dazza Greenwood
October 4th 2016, 8:29:40 pm

{FTC-Workshop-2014} "...the Federal Trade Commission ("FTC" or "the Commission") held a public workshop, Big Data: A Tool for Inclusion or Exclusion?, on September 15, 2014."

Page 7
Dazza Greenwood
October 4th 2016, 8:31:16 pm

{Big-Data-Consumer-Policy-Issues} "...big data also raises a host of other important policy issues, such as notice, choice, and security, among others."

Page 7
Dazza Greenwood
October 4th 2016, 8:32:43 pm

{Big-Data-Life-Cycle} "The life cycle of big data can be divided into four phases: (1) collection; (2) compilation and consolidation; (3) analysis; and (4) use."

Page 7
Dazza Greenwood
October 4th 2016, 8:34:43 pm

{Big-Data-Risk-Credit-Opps} {Big-Data-Risk-Employment-Opps} "For example, participants raised concerns that companies could use big data to exclude low-income and underserved communities from credit and employment opportunities."

Page 8
Dazza Greenwood
October 4th 2016, 8:42:14 pm

{FCRA-Right-Include-Accuracy-Access-Correction} "CRAs must implement reasonable procedures to ensure maximum possible accuracy of consumer reports and provide consumers with access to their own information, along with the ability to correct any errors."

Page 8
Dazza Greenwood
October 4th 2016, 8:39:56 pm

{FCRA-Requires-Fact-Specific-Analysis} "Only a fact-specific analysis will ultimately determine whether a practice is subject to or violates the FCRA, and as such, companies should be mindful of the law when using big data analytics to make FCRA- covered eligibility determinations."

Page 9
Dazza Greenwood
October 4th 2016, 8:44:26 pm

{Equal-Opp-Laws-10-Prohibited-Discriminations} "These laws prohibit discrimination based on protected characteristics such as race, color, sex or gender, religion, age, disability status, national origin, marital status, and genetic information."

Page 9
Dazza Greenwood
October 4th 2016, 8:48:54 pm

{Equal-Opp-Laws-Must-Record-Criteria-for-Selecting-Who-Gets-What-Solicitation} "With respect to prescreened solicitations, Regulation B also requires creditors to maintain records of the solicitations and the criteria used to select potential recipients."

Page 10
Dazza Greenwood
October 4th 2016, 8:46:43 pm

{Equal-Opp-Laws-Require-Case-Specific-Analysis} "Ultimately, as with the FCRA, whether a practice is unlawful under equal opportunity laws is a case-specific inquiry, and as such, companies should proceed with caution when their practices could result in disparate treatment or have a demonstrable disparate impact based on protected characteristics."

Page 10
Dazza Greenwood
October 4th 2016, 8:53:31 pm

{FTC-Act-Applies-to-Promises-And-Failure-to-Disclose-Material-Info-to-Consumers} "Companies engaging in big data analytics should consider whether they are violating any material promises to consumers—whether that promise is to refrain from sharing data with third parties, to provide consumers with choices about sharing, or to safeguard consumers' personal information—or whether they have failed to disclose material information to consumers.}

Page 10
Dazza Greenwood
October 4th 2016, 8:55:15 pm

{FTC-Inquiries-Fact-Specific-Based-on-Unfair-or-Deceptive} "The inquiry will be fact-specific, and in every case, the test will be whether the company is offering or using big data analytics in a deceptive or unfair way."

Page 10
Dazza Greenwood
October 4th 2016, 8:57:48 pm

{Should-Consider-if-Data-or-Algorithm-Accounts-for-Bias} "Does your data model account for biases? Companies should consider whether biases are being incorporated at both the collection and analytics stages of big data's life cycle, and develop strategies to overcome them. For example, if a company has a big data algorithm that only considers applicants from "top tier" colleges to help them make hiring decisions, they may be incorporating previous biases in college admission decisions."

Page 11
Dazza Greenwood
October 4th 2016, 8:59:39 pm

{Beware-Biases-With-Distance-or-Region-Correlations} "Does your reliance on big data raise ethical or fairness concerns? Companies should assess the factors that go into an analytics model and balance the predictive value of the model with fairness considerations. For example, one company determined that employees who live closer to their jobs stay at these jobs longer than those who live farther away. However, another company decided to exclude this factor from its hiring algorithm because of concerns about racial discrimination, particularly since different neighborhoods can have different racial compositions."

Page 11
Dazza Greenwood
October 4th 2016, 9:03:32 pm

{Do-Provide-Benefits-And-Opportunities-But-Don't-Violate-ConsumerProtection-EqualOpps-Fairness-Inclusion} "...apply big data analytics in ways that provide benefits and opportunities to consumers, while avoiding pitfalls that may violate consumer protection or equal opportunity laws, or detract from core values of inclusion and fairness}

Page 18
Dazza Greenwood
October 4th 2016, 9:07:06 pm

Provide access to credit using non-traditional methods. Companies have used big data to provide alternative ways to score populations that were previously deemed unscorable.27 For example, LexisNexis has created an alternative credit score called RiskView.28 This product

relies on traditional public record information, such as foreclosures and bankruptcies, but it also includes educational history, professional licensure data, and personal property ownership data. Thus, consumers who may not have access to traditional credit, but, for instance, have a professional license, pay rent on time, or own a car, may be given better access to credit than they otherwise would have.29

Page 19
Dazza Greenwood
October 4th 2016, 9:07:32 pm

{Analytics-Can-Better-Serve-Credit-Worthy-Consumer} "Furthermore, big data algorithms could help reveal underlying disparities in traditional credit markets and help companies serve creditworthy consumers from any background."

Page 19
Dazza Greenwood
October 4th 2016, 9:09:05 pm

{Increase equal access to employment} Increase equal access to employment. Companies have used big data to help promote a more diverse workforce.35 Google, for example, recognized that its traditional hiring process was resulting in a homogenous work force. Through analytics, Google identified issues with its hiring process, which included an emphasis on academic grade point averages and “brainteaser” questions

Page 25
Dazza Greenwood
October 4th 2016, 9:10:45 pm

{Fair Credit Reporting Act} * This is the FTC riff on applicability of FCRA to big data

Page 29
Dazza Greenwood
October 4th 2016, 9:11:10 pm

{Equal Opportunity Laws} * This is the FTC riff on applicability of Equall Opp laws to big data

Page 33
Dazza Greenwood
October 4th 2016, 9:11:03 pm

{The Federal Trade Commission Act} * This is the FTC riff on applicability of FTC Act to big data

Page 36
Dazza Greenwood
October 4th 2016, 9:11:21 pm

{Questions for Legal Compliance}

Page 44
Dazza Greenwood
October 4th 2016, 9:12:10 pm

{Research-Considerations} Consider whether your data sets are missing information from particular populations and, if they are, take appropriate steps to address this problem.

Page 44
Dazza Greenwood
October 4th 2016, 9:12:12 pm

{Research-Considerations} Review your data sets and algorithms to ensure that hidden biases are not having an unintended impact on certain populations.

Page 44

Dazza Greenwood
October 4th 2016, 9:12:15 pm

{Research-Considerations} Remember that just because big data found a correlation, it does not necessarily mean that the correlation is meaningful. As such, you should balance the risks of using those results, especially where your policies could negatively affect certain populations. It may be worthwhile to have human oversight of data and algorithms when big data tools are used to make important decisions, such as those implicating health, credit, and employment.

Page 44
Dazza Greenwood
October 4th 2016, 9:12:18 pm

{Research-Considerations} Consider whether fairness and ethical considerations advise against using big data in certain circumstances. Consider further whether you can use big data in ways that advance opportunities for previously underrepresented populations.