



Eric Schmidt
Chairman and Chief Executive
Google Inc.
1600 Amphitheatre Parkway
Mountain View, CA 94043

April 22, 2009

Dear Mr. Schmidt,

You owe Consumer Watchdog an apology. It is now clear from public records that Google was lobbying Congress relating to online personal health records in connection with the economic stimulus act. Google said our claim was "100 percent false and unfounded." What else could Google have been seeking except to be excluded from the Health Insurance Portability and Accountability Act (HIPAA) provisions on privacy and forbidding sale of records? Please tell us.

In January we issued a news release asking Google to cease a "rumored lobbying effort" to ease provisions of the federal stimulus act that would have prevented the sale of electronic personal medical records. Google responded with a posting on your Public Policy Blog, <http://googlepublicpolicy.blogspot.com/2009/01/consumer-watchdog-wrong-on-medical.html>.

It said, "This claim -- based on no evidence whatsoever -- is 100 percent false and unfounded." The post added that Google "does not sell health data." To refresh your memory, we never said you did. We said we heard that Google was lobbying to remove provisions that would prevent such sales. We said it in plain English, not Googlespeak -- you were rumored to be lobbying to allow the sale of records. It is irrelevant whether you sell the records now.

What came next was appalling. Robert Boorstin, Director of Corporate and Policy Communications, contacted the foundation providing funding for our Privacy Project and asked it to discontinue our funding. It was a clear and chilling message to the world of charitable foundations that they should not support activities of groups critical of Google. We had been working in good faith to be constructive critics and had a meeting scheduled in Mountain View to discuss our privacy concerns with your staff. Boorstin's ham-fisted attempt ended all that.

First quarter lobbying reports are now available from the Senate Office of Public Records. Google's report shows a total expenditure of \$880,000 on its own lobbying efforts during the period. The report documents lobbying on "online health-related

initiatives; issues relating to online personal health records, including in connection with H.R. 1: American Recovery and Reinvestment Act of 2009.”

In addition the Podesta Group Inc. reports receiving \$150,000 from Google to lobby on its behalf in the first quarter. That includes working for you in both the House and Senate on the general issue area of health on the specific area of “health information technology” and “online privacy.”

King and Spalding LLP received \$80,000 for their efforts in Google’s behalf. Their lobbying in the House and Senate included “online health-related initiatives, including health information technology provisions in H.R. 1, The American Recovery and Reinvestment Act.”

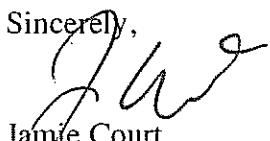
One of the key electronic medical records privacy issues as H.R. 1 progressed through Congress was whether the HIPAA provisions on privacy and forbidding sale of records would apply to third party electronic medical records providers like Google Health. Google has repeatedly maintained publicly that it is not covered by HIPAA. The economic stimulus act as passed does not hold Google to the standard of HIPAA providers, but does require Google to notify users of Google Health of security breaches of medical information.

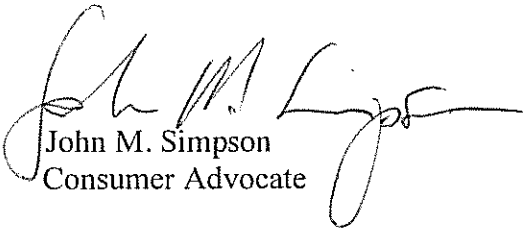
The public record shows that you were lobbying on H.R. 1. Based on the records and the issues being debated at the time, the only reasonable conclusion is that Google was lobbying to prevent the privacy provisions applicable to HIPPA providers from applying to Google Health – in plain English, that you were lobbying against strong privacy provisions and in favor of allowing the sale of information from medical records. Whether you now contractually promise not to sell medical records of Google Health members is far different from having the ability under law to do so when you please.

I suppose you could claim that all your effort was in favor of stronger privacy provisions on electronic medical records. There is a simple way to resolve this. Publicly release all the substance of Google’s lobbying efforts on H.R. 1. Google knows the drill: organize the information and make it universally accessible and useful.

Or does that mission apply only to everyone else’s information? You owe us and your users a clear explanation of what Google was doing in the Capitol. As it stands now, the available record only leads to the conclusion that you were misrepresenting your activities.

Sincerely,


Jamie Court
President


John M. Simpson
Consumer Advocate

Cc: Sergey Brin, Larry Page, Robert Boorstin, Pablo Chavez