Global Privacy and Cybersecurity Law Updates and Analysis

### February 2016

This Client Alert is a monthly update on privacy and cybersecurity developments as posted on Hunton & Williams' <u>Privacy and Information Security Law Blog</u>. If you would like to receive email alerts when new posts are published, please visit our <u>blog</u> and enter your email address in the subscribe field.

Recent posts on the Privacy and Information Security Law blog include:

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### European Commission Presents EU-U.S. Privacy Shield

On February 29, 2016, the European Commission issued the legal texts that will implement the EU-U.S. Privacy Shield, including a <u>draft adequacy decision</u> of the European Commission, <u>Frequently Asked</u> <u>Questions</u> and a <u>Communication</u> summarizing the steps that have been taken over the last few years to restore trust in transatlantic data flows. The new EU-U.S. transatlantic data transfer arrangement (the "Arrangement"), known as the EU-U.S. Privacy Shield, was reached on February 2, 2016, between the Department of Commerce and the European Commission. Once adopted, the adequacy decision will establish that the safeguards provided when transferring personal data under the new EU-U.S. Privacy Shield are equivalent to the EU data protection standards. In addition, the European Commission states that the new arrangement reflects the requirements that were set by the Court of Justice of the European Union (the "CJEU") in the <u>Schrems</u> case. <u>Continue reading...</u>

## President Obama Signs Judicial Redress Act into Law February 26, 2016

On February 24, 2016, President Obama signed the Judicial Redress Act (the "Act") into law. The Act grants non-U.S. citizens certain rights, including a private right of action for alleged privacy violations that occur in the U.S. The Act was signed after Congress approved an amendment that limits the right to sue to only those citizens of countries which (1) permit the "transfer of personal data for commercial purposes" to the U.S., and (2) do not impose personal data transfer policies that "materially impede" U.S. national security interests. <u>Continue Reading</u>...

# CJEU Hears Arguments Regarding Whether IP Addresses are Personal Data February 25, 2016

On February 25, 2016, the Court of Justice of the European Union ("CJEU") heard arguments on two questions referred by the German Federal Court of Justice (*Bundesgerichtshof*). The first question was whether or not IP addresses constitute personal data and therefore cannot be stored beyond what is necessary to provide an Internet service. <u>Continue Reading</u>...

## FTC Settles with Router Manufacturer over Software Security Flaws February 24, 2016

On February 23, 2016, the Federal Trade Commission <u>announced</u> that it reached a <u>settlement</u> with Taiwanese-based network hardware manufacturer ASUSTeK Computer, Inc. ("ASUS"), to resolve claims that the company engaged in unfair and deceptive security practices in connection with developing network routers and cloud storage products sold to consumers in the U.S. <u>Continue reading</u>...

# French Data Protection Issues Decision Regarding Data Processing for Litigation Purposes February 22, 2016

On February 19, 2016, the French Data Protection Authority ("CNIL") made public its new <u>Single</u> <u>Authorization Decision No. 46</u> ("Single Authorization AU-46"). This decision relates to the data processing activities of public and private organizations with respect to the preparation, exercise and follow-up regarding disciplinary or court actions, and the enforcement of those actions. <u>Continue reading</u>...

## California Attorney General Releases Report Defining "Reasonable" Data Security February 19, 2016

On February 16, 2016, California Attorney General Kamala D. Harris released the <u>California Data Breach</u> <u>Report 2012-2015</u> (the "Report") which, among other things, provides (1) an overview of businesses' responsibilities regarding protecting personal information and reporting data breaches and (2) a series of recommendations for businesses and state policy makers to follow to help safeguard personal information. <u>Continue reading</u>...

#### Department of Homeland Security Issues Procedures Regarding Sharing Cybersecurity Information February 18, 2016

On February 16, 2016, the Department of Homeland Security ("DHS"), in collaboration with other federal agencies, <u>released</u> a series of documents outlining procedures for both federal and non-federal entities to share and disseminate cybersecurity information. These documents were released as directed by the Cybersecurity Act of 2015 (the "Act"), signed into law on December 18, 2015. The Act outlines a means by which the private sector may enjoy protection from civil liability when sharing certain cybersecurity information with the federal government and private entities. These documents represent the first steps by the executive branch to implement the Act. <u>Continue Reading</u>...

## Article 29 Working Party Issues Statement on 2016 Action Plan for Regulation February 12, 2016

On February 11, 2016, the Article 29 Working Party (the "Working Party") issued a <u>statement</u> on the 2016 action plan for the implementation of the EU General Data Protection Regulation (the "Regulation"). The

action plan outlines the priorities for the Working Party in light of the transition to a <u>new legal framework</u> in Europe and the introduction of the European Data Protection Board (the "EDPB"). Accompanying the statement is a document, <u>Work Program 2016-2018</u>, detailing the tasks of the Working Party's subgroups during the transitional period between the adoption of the Regulation and its implementation. <u>Continue reading</u>...

# President Obama Signs Executive Order Establishing Federal Privacy Council February 9, 2016

On February 9, 2016, President Obama signed an <u>Executive Order</u> establishing a permanent Federal Privacy Council ("Privacy Council") that will serve as the principal interagency support structure to improve the privacy practices of government agencies and entities working on their behalf. The Privacy Council is charged with building on existing interagency efforts to protect privacy and provide expertise and assistance to government agencies, expand the skill and career development opportunities of agency privacy professionals, improve the management of agency privacy programs, and promote collaboration between and among agency privacy professionals. <u>Continue Reading</u>...

# Administrative Law Judge Orders Health Care Provider to Pay HIPAA Civil Monetary Penalty February 8, 2016

On February 3, 2016, the U.S. Department of Health and Human Services Office for Civil Rights ("OCR") <u>announced</u> that an Administrative Law Judge ("ALJ") ruled that Lincare, Inc. ("Lincare") violated the HIPAA Privacy Rule and ordered the company to pay \$239,800 to OCR. <u>Continue Reading</u>...

#### Article 29 Working Party Issues Statement on EU-U.S. Privacy Shield and Other Data Transfer Mechanisms February 3, 2016

On February 3, 2016, the Article 29 Working Party (the "Working Party") issued a <u>statement</u> on the consequences of the <u>ruling</u> of the Court of Justice of the European Union (the "CJEU") in the *Schrems* case invalidating the European Commission's Safe Harbor Decision. <u>Continue Reading</u>...

# New Deal Between EU and U.S. Reached Regarding Transatlantic Data Transfers February 2, 2016

On February 2, 2016, a new EU-U.S. transatlantic data transfer agreement was reached. Věra Jourová, European Commissioner for Justice, Consumers and Gender Equality, presented the new agreement to the European Commission (the "Commission") today. According to the Commission's <u>press release</u>, the new agreement will be called the EU-U.S. Privacy Shield. <u>Continue Reading</u>...



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