

#### May 2014

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 blog and enter your email address in the subscribe field.

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

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- <u>CFPB Proposes New GLB Privacy Notice Rule</u>
- White House Releases Report on Big Data

### FTC Issues Report on Data Broker Industry, Recommends Legislation May 30, 2014

On May 27, 2014, the Federal Trade Commission <u>announced</u> the release of a new report entitled <u>Data</u> <u>Brokers: A Call for Transparency and Accountability</u>, detailing the findings of an FTC study of nine data brokers, representing a cross-section of the industry. The Report concludes that the data broker industry needs greater transparency and recommends that Congress consider enacting legislation that would make data brokers' practices more visible and give consumers more control over the collection and sharing of their personal information. <u>Continue reading</u>...

#### Google to Give Effect to Right to Remove Personal Data from Search Results

#### May 30, 2014

On May 30, 2014, Google posted a <u>web form</u> that enables individuals to request the removal of URLs from the results of searches that include that individual's name. The web form acknowledges that this is Google's "initial effort" to give effect to the recent and controversial decision of the Court of Justice of the European Union in <u>Costeja</u>, widely described as providing a "right to be forgotten." That Google has moved quickly to offer individuals a formal removal request process will be viewed favorably, but the practicalities of creating a removals process that satisfies all interested parties will remain challenging, and not just for Google. <u>Continue reading</u>...

#### Canadian Prime Minister Nominates Next Privacy Commissioner May 29, 2014

On May 28, 2014, Canadian Prime Minister Stephen Harper <u>nominated</u> Daniel Therrien as the next Privacy Commissioner of Canada. If approved, Therrien would take over from the interim Privacy Commissioner Chantal Bernier, who has been serving in this role after the previous Commissioner Jennifer Stoddart's term ended in December 2013. <u>Continue reading</u>...

#### Hunton Global Privacy Update – May 2014 May 28, 2014

On May 14, 2014, Hunton & Williams' <u>Global Privacy and Cybersecurity</u> practice group hosted the latest webcast in its <u>Hunton Global Privacy Update series</u>. The program provided a global overview of some of the most debated topics in data protection and privacy, including cross-border data flows, global data breach issues and the EU Cybersecurity Directive. In addition, we highlighted the latest information regarding the <u>GPEN enforcement sweep</u>. <u>Continue reading</u>...

### House Passes Bill Limiting NSA Data Collection May 27, 2014

On May 22, 2014, the United States House of Representatives <u>passed H.R. 3361</u>, a bill aimed at limiting the federal government's ability to collect bulk phone records and increasing transparency regarding decisions by the Foreign Intelligence Surveillance Court ("FISC"). The bill was approved by a vote of 323-121 by majorities of both Democrat and Republican members of the United States House of Representatives. It now moves to the Senate where it is likely to pass. <u>Continue reading</u>...

### FTC Seeks Privacy Protection for Personal Information in Bankruptcy Proceeding May 27, 2014

On May 23, 2014, the Federal Trade Commission <u>announced</u> that the FTC's Bureau of Consumer Protection sent a letter to the court overseeing the bankruptcy proceedings for ConnectEDU Inc. ("ConnectEDU"), an education technology company, warning that the proposed sale of the company's assets raises privacy concerns. ConnectEDU's assets include personal information collected from students, high schools and community colleges in connection with the company's website and affiliated services. <u>Continue reading</u>...

#### Virginia Governor McAuliffe Appoints Paul Tiao to Virginia Cyber Security Commission May 27, 2014

On May 16, 2014, Virginia Governor Terry McAuliffe <u>announced</u> the members of the Virginia Cyber Security Commission, including the appointment of Hunton & Williams LLP's <u>Paul M. Tiao</u>. Tiao, one of eleven citizen members elected to the group, is a partner in the firm's <u>Global Privacy and Cybersecurity</u> <u>Practice Group</u>. <u>Continue reading</u>...

### California Attorney General Releases Guidance on Recent Changes to CalOPPA May 21, 2014

On May 21, 2014, California Attorney General Kamala D. Harris <u>issued guidance for businesses</u> ("Guidance") on how to comply with <u>recent updates</u> to the California Online Privacy Protection Act ("CalOPPA"). The recent updates to CalOPPA include requirements that online privacy notices disclose how a site responds to "Do Not Track" signals, and whether third parties may collect personal information about consumers who use the site. In an accompanying <u>press release</u>, the Attorney General stated that the Guidance is intended to provide a "tool for businesses to create clear and transparent privacy policies that reflect the state's privacy laws and allow consumers to make informed decisions." The Guidance is not legally binding; it is intended to encourage companies to draft transparent online privacy notices. <u>Continue reading</u>...

### FCC Reaches Settlement Over Alleged Do-Not Call Registry Violations May 21, 2014

On May 19, 2014, the Federal Communications Commission <u>announced</u> that Sprint Corporation agreed to pay \$7.5 million to settle an FCC Enforcement Bureau investigation stemming from allegations that the company failed to honor consumers' requests to opt out of telemarketing calls and texts. Sprint also agreed to implement a two-year plan to help ensure future compliance with Do-Not-Call registry rules. <u>Continue reading</u>...

#### Singapore Personal Data Protection Commission Publishes Two Advisory Guidelines and Anticipates Promulgation of PDPA Regulations May 20, 2014

On May 16, 2014, the Singapore Personal Data Protection Commission (the "Commission") published advisory guidelines for the implementation of its Personal Data Protection Act (the "PDPA") for two industry sectors. The guidelines were published on the same day on which the Commission held its well-attended Personal Data Protection Seminar focusing on international perspectives on data governance. The advisory guidelines generally have the following content:

Continue reading...

### French Data Protection Authority Unveils 2013 Annual Activity Report May 20, 2014

On May 19, 2014, the French Data Protection Authority (the "CNIL") published its <u>Annual Activity Report</u> <u>for 2013</u> (the "Report") highlighting its main accomplishments in 2013 and outlining some of its priorities for the upcoming year. <u>Continue reading</u>...

## FTC Approves Consent Orders with Companies that Marketed Genetically Customized Nutritional Supplements

May 16, 2014

On May 12, 2014, the Federal Trade Commission <u>announced</u> that it has approved final consent orders with two companies that marketed genetically customized nutrition supplements. In addition to charges that the companies' claims regarding the effectiveness of their products were not sufficiently substantiated, the settlements also allege that the companies misrepresented their privacy and security practices. The two companies, Gene Link, Inc. ("Gene Link") and foru<sup>™</sup> International Corp. ("foru" – a former subsidiary of Gene Link), represented in their privacy policy that they had "taken every precaution to create a process that allows individuals to maintain the highest level of privacy" and that the companies' third-party service providers are "contractually obligated to maintain the confidentiality and security of the Personal Customer Information and are restricted from using such information in any way not expressly authorized" by the companies. <u>Continue reading</u>...

### French Data Protection Authority Reviews 100 Mobile Apps During Internet Sweep May 13, 2014

On May 13, 2014, the French data protection authority ("CNIL") <u>decided</u> to examine 100 mobile apps most commonly used in France.

In particular, the CNIL indicated that it will examine whether the mobile apps properly inform users of:

- the categories of personal data collected (such as location data, contacts and device identifiers);
- the purposes for which the data are collected;
- whether personal data are shared with third parties; and
- the right of mobile app users to object to the collection and sharing of their personal data.

#### Continue reading...

#### U.S. Chamber of Commerce and Hunton Release Report on the Importance of Cross-Border Data Transfers to Global Prosperity May 13, 2014

On May 12, 2014, the <u>U.S. Chamber of Commerce released</u> a report highlighting the benefits of crossborder data transfers across all sectors of the economy. Hunton & Williams LLP's <u>Global Privacy and</u> <u>Cybersecurity</u> team developed the report with the Chamber of Commerce. The report, <u>Business Without</u> <u>Borders: The Importance of Cross-Border Data Transfers to Global Prosperity</u>, presents pragmatic solutions for developing international mechanisms that both protect privacy and facilitate cross-border data flows. <u>Continue reading</u>...

#### FTC Announces Settlement with American Apparel for Falsely Claiming Compliance with the Safe Harbor Framework May 9, 2014

On May 9, 2014, the Federal Trade Commission <u>announced</u> a settlement with clothing manufacturer American Apparel related to charges that the company falsely claimed to comply with the U.S.-EU Safe Harbor Framework. According to the FTC's <u>complaint</u>, the company violated Section 5 of the FTC Act by deceptively representing, through statements in its privacy policy, that it held a current Safe Harbor certification even though it had allowed the certification to expire. <u>Continue reading</u>...

### FTC Announces Settlement with Snapchat After Alleged Privacy and Security Misrepresentations May 9, 2014

On May 8, 2014, the Federal Trade Commission <u>announced</u> a <u>proposed settlement</u> with Snapchat, Inc. ("Snapchat") stemming from allegations that the company's privacy policy misrepresented its privacy and security practices, including how the Snapchat mobile app worked. Snapchat's app supposedly allowed users to send and receive photo and video messages known as "snaps" that would "disappear forever" after a certain time period. The FTC alleged that, in fact, it was possible for recipients to save snaps indefinitely, regardless of the sender-designated expiration time. <u>Continue reading</u>...

# HHS Announces 4.8 Million Dollar Settlement with New York Hospital and Medical School for Potential HIPAA Violations May 8, 2014

On May 7, 2014, the Department of Health and Human Services ("HHS") <u>announced</u> that NewYork-Presbyterian Hospital ("NYP") and Columbia University ("CU") agreed to collectively pay \$4.8 million in the largest HIPAA settlement to date, to settle charges that they potentially violated the HIPAA Privacy and Security Rules. <u>Continue reading</u>...

### CFPB Proposes New GLB Privacy Notice Rule May 7, 2014

On May 6, 2014, the Consumer Financial Protection Bureau ("CFPB") <u>announced</u> a new <u>proposed rule</u> impacting privacy notices that financial institutions are required to issue under the Gramm-Leach-Bliley Act ("GLB"). Under the current GLB Privacy Rule, financial institutions must mail an annual privacy notice (the "GLB Privacy Notice") to their customers that sets forth how they collect, use and disclose those customers' nonpublic personal information ("NPI") and whether customers may limit such sharing. <u>Continue reading</u>...

### White House Releases Report on Big Data May 2, 2014

On May 1, 2014, the White House <u>released a report</u> examining how big data is affecting government, society and commerce. In addition to questioning longstanding tenets of privacy legislation, such as notice and consent, the report recommends (1) passing national data breach legislation, (2) revising the Electronic Communications Privacy Act ("ECPA"), and (3) advancing the Consumer Privacy Bill of Rights. <u>Continue reading</u>...

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