Global Privacy and Cybersecurity Law Updates and Analysis

June 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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- <u>Second Reading of China's Draft of Cybersecurity Law</u>
- Revised Privacy Shield Documents Leaked to Politico
- <u>China Publishes Provision to Regulate Internet Search Services</u>
- Draft Released in the Philippines Implementing Rules for the Data Privacy Act
- Ad Network to Pay Nearly 1 Million in Civil Penalties to Settle FTC Charges That It Geo-Tracked Consumers Without Permission
- UK Votes to Leave the EU: Data Protection Standards Unlikely to Be Affected
- The Bavarian DPA Issues Paper on Certifications Under the GDPR
- NTIA Releases Facial Recognition Technology Best Practices
- The New Wave of Consumer Class Actions Targeting Retailers: What is the TCCWNA?
- CNIL Launches Public Consultation on EU General Data Protection Regulation
- Belgian Privacy Commission Releases 2015 Annual Activity Report
- DHS and DOJ Issue Final Guidance on the Cybersecurity Information Sharing Act of 2015
- Lisa Sotto Interviewed: What Do You Do with a Hacked Law Firm? (Part 2)
- <u>U.S. Government Seeks to Join Schrems Case</u>
- EU and U.S. Sign Umbrella Agreement

FTC Increases Maximum Fines for Violations of Certain Sections of the FTC Act June 30, 2016

On June 29, 2016, the Federal Trade Commission <u>announced</u> that, to account for inflation, it is increasing the civil penalty maximums for certain violations of the FTC Act effective August 1, 2016. The FTC's authority for issuing these adjustments comes from the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015. The <u>Federal Register Notice</u> indicates which sections of the FTC Act the adjustments will apply to, and the corresponding increases. For example, the FTC has increased the maximum fine from \$16,000 to \$40,000 for certain violations of Section 5 of the FTC Act.

Second Reading of China's Draft of Cybersecurity Law June 30, 2016

On June 27, 2016, the Standing Committee of the National People's Congress of the People's Republic of China held a second reading of the <u>draft Cybersecurity Law</u> (the "second draft"). The law is aimed at strengthening the protection and security of key information infrastructure and important data in China. As we <u>previously reported</u>, the first draft of the Cybersecurity Law was published for comment almost a year ago, but the National People's Congress has not published the full second draft of the Cybersecurity Law to date. <u>Continue Reading</u>...

Revised Privacy Shield Documents Leaked to Politico June 29, 2016

On June 29, 2016, *Politico* reported that it has obtained updated <u>EU-U.S. Privacy Shield documents</u> following the latest negotiations between U.S. and EU government authorities. Certain aspects of the prior Privacy Shield framework were criticized by the <u>Article 29 Working Party</u>, the <u>European Parliament</u> and the <u>European Data Protection Supervisor</u>. <u>Continue Reading</u>...

China Publishes Provision to Regulate Internet Search Services June 29, 2016

On June 25, 2016, the Cyberspace Administration of China published its new Administrative Provisions on Internet Information Search Services (the "Provisions"). The Provisions will come into effect on August 1, 2016. <u>Continue Reading</u>...

Draft Released in the Philippines Implementing Rules for the Data Privacy Act June 28, 2016

On June 17, 2016, the National Privacy Commission (the "Commission") of the Philippines released draft guidelines entitled, Implementing Rules and Regulations of the Data Privacy Act of 2012 ("IRR"), for public consultation. <u>Continue Reading</u>...

Ad Network to Pay Nearly 1 Million in Civil Penalties to Settle FTC Charges That It Geo-Tracked Consumers Without Permission June 24, 2016

On June 22, 2016, the Federal Trade Commission <u>announced a settlement</u> with Singaporean-based mobile advertising network, InMobi, resolving charges that the company deceptively tracked hundreds of millions of consumers' locations, including children, without their knowledge or consent. Among other requirements, the settlement orders the company to pay \$950,000 in civil penalties. <u>Continue Reading</u>...

UK Votes to Leave the EU: Data Protection Standards Unlikely to Be Affected June 24, 2016

On June 23, 2016, the UK held a referendum to decide upon its continued membership in the European Union. The outcome has resulted in the decision for the UK to withdraw its membership from the European Union. Despite the result, data protection standards are unlikely to be affected. <u>Continue</u> <u>Reading</u>...

The Bavarian DPA Issues Paper on Certifications Under the GDPR June 23, 2016

On June 22, 2016, the Bavarian Data Protection Authority ("DPA") issued a short <u>paper</u> on certifications under Article 42 of the General Data Protection Regulation ("GDPR"). The GDPR will become effective on May 25, 2018.

This paper is part of a series of papers that the Bavarian DPA will be issuing periodically on specific topics of the GDPR to inform the public about what topics are being discussed within the DPA. The DPA emphasizes that these papers are non-binding. <u>Continue Reading</u>...

NTIA Releases Facial Recognition Technology Best Practices June 22, 2016

On June 15, 2016, the U.S. Department of Commerce's National Telecommunications and Information Administration ("NTIA") announced that its multistakeholder process to develop a code of conduct regarding the commercial use of facial recognition technology had concluded with the group reaching a consensus on a <u>best practices document</u>. As <u>we previously reported</u>, the NTIA announced the multistakeholder process in December 2013 in response to the White House's February 2012 privacy framework, which directed the NTIA to oversee the development of codes of conduct that specify how the Consumer Privacy Bill of Rights applies in specific business contexts. <u>Continue reading</u>...

The New Wave of Consumer Class Actions Targeting Retailers: What is the TCCWNA? June 21, 2016

TCCWNA. The very acronym evokes head scratches and sighs of angst and frustration among many lawyers in the retail industry. You have probably heard about it. You may have even been warned about it. And you may currently be trying to figure out how best to minimize your risk and exposure this very moment. But what is it and why has virtually every retailer been hit with a TCCWNA class action demand letter or lawsuit in the past few months? And why are most retailers scrambling to update the terms and conditions of their websites? <u>Continue Reading</u>...

CNIL Launches Public Consultation on EU General Data Protection Regulation June 17, 2016

On June 16, 2016, the French Data Protection Authority ("CNIL") launched a public consultation on the four priority topics identified by the Article 29 Working Party ("Working Party") in its February 2016 <u>action</u> <u>plan</u> for the implementation of the <u>EU General Data Protection Regulation</u> ("GDPR"). <u>Continue Reading</u>...

Belgian Privacy Commission Releases 2015 Annual Activity Report June 16, 2016

On June 9, 2016, the Belgian Privacy Commission (the "Belgian DPA") published its Annual Activity Report for 2015 (the "Annual Report") highlighting its main accomplishments. <u>Continue Reading</u>...

DHS and DOJ Issue Final Guidance on the Cybersecurity Information Sharing Act of 2015 June 16, 2016

On June 15, 2016, the U.S. Department of Homeland Security ("DHS") and U.S. Department of Justice ("DOJ") jointly issued final guidance on the <u>Cybersecurity Information Sharing Act of 2015</u> ("CISA"). Enacted in December 2015, CISA includes a variety of measures designed to strengthen private and public sector cybersecurity. In particular, CISA provides protections from civil liability, regulatory action and disclosure under the Freedom of Information Act ("FOIA") and other open government laws for "cyber threat indicators" ("CTI") and "defensive measures" ("DM") that are shared: (1) among businesses or (2) between businesses and the government through a DHS web portal. Congress passed CISA in order to increase the sharing of cybersecurity information among businesses and between businesses and the government, and to improve the quality and quantity of timely, actionable cybersecurity intelligence in the hands of the private sector and government information security professionals. <u>Continue Reading</u>...

Lisa Sotto Interviewed: What Do You Do with a Hacked Law Firm? (Part 2) June 15, 2016

In a recent <u>video segment</u>, "What Do You Do with a Hacked Law Firm?", from Mimesis Law's Cy-Pher Executive Roundtable held in May, <u>Lisa Sotto</u>, chair of the firm's <u>Global Privacy and Cybersecurity</u> <u>practice</u>, and other privacy professionals discussed the Federal Trade Commission's jurisdiction in bringing enforcement actions against law firms in a breach event. "There's no reason why law firms are exempt from [those actions]," says Sotto. However, if the information lost is financial information or trade secrets rather than personal information, "it's not as simple." She also discusses how law firms can manage their reputational risk and harm. Sotto says, "If somebody wants to get into your system, they will get in. The trick is being more secure than the next guy."

View the video.

U.S. Government Seeks to Join *Schrems* Case June 14, 2016

On June 13, 2016, the U.S. government expressed its wish to join the legal proceedings brought by Max Schrems concerning the validity of international data transfers under EU Standard Contractual Clauses.

Along with the U.S. government, the Irish Business and Employers Confederation and the Business Software Alliance, an industry trade group, also informed Ireland's High Court of their desire to be added to the case as amici curiae, or "friends of the court." <u>Continue Reading</u>...

EU and U.S. Sign Umbrella Agreement June 3, 2016

On June 2, 2016, the European Union and the U.S. signed an <u>Umbrella Agreement</u>, which will implement a comprehensive data protection framework for criminal law enforcement cooperation. The agreement is not yet in effect and additional procedural steps are needed to finalize the agreement. The European Council will adopt a decision on the Umbrella Agreement after obtaining consent from the European Parliament. <u>Continue Reading</u>...



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