

PRIVACY & INFORMATION SECURITY LAW BLOG

Global Privacy and Cybersecurity Law Updates and Analysis



August 2016

This Client Alert is a monthly update on privacy and cybersecurity developments as posted on Hunton & Williams' [Privacy and Information Security Law Blog](#). 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.

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WhatsApp Updates Privacy Policy to Share Information with Facebook **August 26, 2016**

On August 25, 2016, WhatsApp announced in a [blog post](#) that the popular mobile messaging platform updated its [Terms of Service and Privacy Policy](#) to permit certain information sharing with Facebook. After Facebook acquired WhatsApp in 2014, the Director of the FTC's Bureau of Consumer Protection wrote a [letter](#) to both Facebook and WhatsApp that discussed the companies' obligations to honor privacy statements made to consumers in connection with the acquisition. [Continue Reading...](#)

Lisa Sotto Speaks on Cybersecurity: Evolution of the Practice (Part 2) **August 24, 2016**

As we [previously reported](#), [Lisa J. Sotto](#), partner and head of Hunton & Williams LLP's [Global Privacy and Cybersecurity](#) practice group, spoke at Bloomberg Law's [Second Annual Big Law Business Summit](#) on changes in the privacy and security legal landscape. In Part 2 of her discussion, Lisa speaks about the evolution of privacy laws over the years. The "hundreds of [privacy laws] at the federal and state level," as well as data protection laws in countries all over the world, is a far cry from the landscape in 1999 when Lisa started the privacy practice at Hunton & Williams. To keep up with the evolution of data privacy, lawyers and regulators alike must understand that its "a 24/7 endeavor," and one that is global in nature. "Data is not constrained by state or country boundaries," says Sotto.

[View the second segment.](#)

China Enacts E-Hailing Regulation to Protect Driver and Passenger Data **August 23, 2016**

Last month, the People's Republic of China's Ministry of Transportation, Ministry of Industry and Information Technology and six other administrative departments jointly published the [Interim Measures for the Administration of Operation and Services of E-hailing Taxis](#) (the "Measures"). E-hailing is an

increasingly popular business in China and has already become a compelling alternative to the traditional taxi. The Measures seek to regulate this emerging industry, and will come into effect on November 1, 2016. Below is a summary of the key requirements. [Continue Reading...](#)

OMB Updates Federal Information Management Policies August 22, 2016

The Office of Management and Budget (“OMB”) recently [issued](#) updates to [Circular A-130](#) covering the management of federal information resources. OMB revised Circular A-130 “to reflect changes in law and advances in technology, as well as to ensure consistency with Executive Orders, Presidential Directives, and other OMB policy.” The revised policies are intended to transform how privacy is addressed across the branches of the federal government. [Continue Reading...](#)

China Publishes Regulation on the Use of Resident Identity Cards August 18, 2016

Recently, the People’s Republic of China’s Ministry of Public Security, the National Development and Reform Commission and six other administrative departments jointly published the Announcement on Regulating the Administration of the Use of Resident Identity Cards (the “Announcement”). The Announcement came into effect on July 15, 2016, the date of its issuance.

The Announcement reiterates existing prohibitions against leasing, lending or assigning a resident identity card to another person, and reiterates an existing requirement that resident identity cards must not be seized or held as a security by government agencies, related entities or their staff. [Continue Reading...](#)

Lisa Sotto Speaks on Cybersecurity: Changes in Legal Landscape (Part 1) August 18, 2016

[Lisa J. Sotto](#), partner and head of Hunton & Williams LLP’s [Global Privacy and Cybersecurity](#) practice group, recently spoke at Bloomberg Law’s [Second Annual Big Law Business Summit](#). In [Part 1](#) of the panel discussion, Lisa describes the dramatic changes in the legal landscape of privacy over the last 10 to 15 years, discussing the emergence of privacy laws such as “the Gramm-Leach-Bliley Act for the financial sector, HIPAA for the health care sector and...of course, the local implementation of the European Data Protection Directive.” She then continues to note an “explosion” in the legal landscape in 2005 due to the first data breach that drew national attention, after which, “cyber and privacy grew in parallel.”

[View this first segment.](#)

AIG Launches Cyber-BI and PD Policy August 11, 2016

As reported in the [Hunton Insurance Recovery Blog](#), insurance-giant American International Group (“AIG”) announced that it will be the first insurer to offer standalone primary coverage for property damage, bodily injury, business interruption and product liability that results from cyber attacks and other cyber-related risks. According to AIG, “Cyber is a peril [that] can no longer be considered a risk covered by traditional network security insurance product[s].” The new AIG product, known as [CyberEdge Plus](#), is intended to offer broader and clearer coverage for harms that had previously raised issues with insurers over the scope of available coverage. AIG explains its new coverage as follows. [Continue Reading...](#)

OCR Settles Largest HIPAA Violation Against a Single Covered Entity August 8, 2016

On August 4, 2016, the U.S. Department of Health and Human Services' Office for Civil Rights ("OCR") [entered](#) into a resolution agreement with Advocate Health Care Network ("Advocate"), the largest health care system in Illinois, over alleged HIPAA violations. The \$5.5 million settlement with Advocate is the largest settlement to date against a single covered entity. [Continue Reading...](#)

China's State Administration for Industry and Commerce Publishes Draft Regulations on the Protection of Consumer Rights August 8, 2016

The [State Administration for Industry and Commerce of the People's Republic of China](#) published a draft of its Implementing Regulations for the P.R.C. Law on the Protection of the Rights and Interests of Consumers (the "Draft") for public comment. The draft is open for comment until September 5, 2016. [Continue Reading...](#)

FTC Reverses ALJ Decision, Finds LabMD Liable for Unfair Data Security Practices August 2, 2016

On July 29, 2016, the Federal Trade Commission ("FTC") announced that it had issued an [opinion and final order](#) concluding that LabMD, Inc. ("LabMD") violated the unfairness prong of [Section 5 of the FTC Act](#) by failing to maintain reasonable security practices to protect consumers' sensitive personal information. The unanimous decision reverses a November 2015 administrative law judge's [initial decision](#) that, as we [previously reported](#), dismissed the FTC's charges against LabMD for failing to show that LabMD's allegedly unreasonable data security practices caused, or were likely to cause, substantial consumer injury. [Continue Reading](#)



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