

Weekly DP Alert 2 January 2017

UK

Investigatory Powers Act Challenged in Court of Justice for the European Union

Judgment in <u>Case C-698/15</u> has held that the <u>general retention of traffic and location data is incompatible with EU Law</u>. The Court of Justice for the European Union (CJEU) found that the indiscriminate retention of traffic and location data, along with the ability to access that data without having to go through an independent body, was contrary to EU law. Although the case was brought to the CJEU in respect of the <u>Data Retention and Investigatory Powers Act 2014</u> (DRIPA), this legislation has now been replaced by the <u>Investigatory Powers Act 2016</u>, the content of which, if judged by the same criteria, is arguably more problematic than its predecessor.

US

New York Department of Financial Services Issues Revised Cybersecurity Regulation

The New York State Department of Financial Services (DFS) has released an updated version of its "Cybersecurity Requirements for Financial Services Companies." According to the DFS, the proposed regulation, which will be effective from 1 March 2017, will require banks, insurance companies and other financial services institutions regulated by the DFS to establish and maintain a cybersecurity programme designed to protect consumers and ensure the safety and soundness of New York State's financial services industry. DFS considered an array of comments and suggestions during a 45-day comment period that ended in mid-November. It is providing a further 30-day comment period on its updated version.

Privacy Implications of 21st Century Cures Act

The 21st Century Cures Act intended in part to address medical innovation and promote faster drug approval, also has privacy sensitive provisions. Privacy Tracker reports that "there are a handful of provisions that will impact certain elements of the healthcare privacy world", along with "a constant reminder throughout the law of the importance of personal data in all aspects of healthcare and the public interest in the appropriate utilisation of this information". Among other provisions, the law "gives medical researchers the ability to review certain data to develop research protocols remotely" subject to "appropriate security". Other provisions deal with existing rules regarding the disclosure of healthcare professionals to communicate with certain caregivers.

Case Under Illinois Biometric Privacy Law Settled

The Illinois' Biometric Information Protection Act (the Act) requires companies that collect biometric data, defined in the law to include physical identifiers such as DNA and fingerprints, to obtain written consent from the individuals and disclose how the collector will use and store the information.

The statute has spawned a number of class action lawsuits in the state. The most <u>recent settlement</u>, involving L.A. Tan Enterprise, Inc., required the company to put in place policies to bring its biometric data collection and storage practices into compliance with the Act, or destroy all non-compliant biometric data that it still held. The company will also pay out US\$1.5 million. According to the complaint, the company used fingerprint scans to identify its members without getting proper consent or providing disclosures detailing how the company uses, stores and shares biometric data.

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