



Katten Privacy, Data and Cybersecurity Newsletter

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Ever-Expanding BIPA Damages: Illinois Supreme Court Holds Each Collection or Dissemination of Biometric Data Constitutes a Separate Violation of BIPA

By Janet Widmaier, Geoffrey Young and Charles DeVore

In an eagerly-awaited decision in *Cothron v. White Castle System, Inc.*, the Illinois Supreme Court recently held, by a 4-3 margin, that a separate claim for damages accrues under the Illinois Biometric Information Privacy Act (BIPA) every time a private entity scans or transmits an individual's biometric identifier or information in violation of BIPA. In so holding, the Court rejected the commonly asserted position that a BIPA violation occurs only upon the first scan and first transmission. For businesses operating in Illinois that utilize biometric data, this holding could significantly expand potential BIPA damages. Because BIPA claims are often based on repeated actions, such as using a thumbprint scanner to clock in and out of work each day, the Illinois Supreme Court's ruling ratchets up potential damages dramatically. [Read more about the Illinois Supreme Court's decision and steps that businesses should take.](#)

California Regulator Approves the Proposed CPRA Regulations and Targets April Effective Date

By Trisha Sircar

The California Privacy Protection Agency (CPPA) Board unanimously voted 4-0 to finalize the proposed final California Privacy Rights Act (CPRA) regulations on February 3. The [proposed final CPRA regulations](#) were released on January 31, amending the CPRA [regulations](#) released on November 3, 2022. Along with the proposed final CPRA regulations, the CPPA [released](#) a draft final statement of reasons and appendices containing responses to the comments received during the public comment periods. [Read more about the proposed final CPRA regulations.](#)

President Biden Urges Congress to Prioritize Children's Online Privacy and Focuses on Transparency

By Trisha Sircar

At the [State of the Union](#) on February 7, President Biden reiterated the need to protect children online and address social media's mental health impact on children. Ahead of this year's address, the White House released a [fact sheet](#) presenting a renewed case for protecting kids online and embracing regulations popularized in the United Kingdom. President Biden called for bipartisan support to ban targeted advertising for children and young people online, and

demanding transparency about tech companies' algorithms and how they collect Americans' personal data. [Read more about President Biden's address and congressional developments.](#)

The European Union and Singapore Launch Digital Partnership

By Trisha Sircar

In a [statement](#) released on February 1, the European Union (EU) and Singapore strengthened their cooperation as strategic partners, following the [announcement](#) of a new Digital Partnership between the EU and Singapore. The Digital Partnership aims to facilitate the free flow of goods and services in the digital economy while upholding privacy and will promote digital cooperation between the EU and Singapore on a variety of areas. Singapore has also concluded negotiations on digital economy agreements with Chile, New Zealand, Australia, Britain and South Korea. [Read more about the EU-Singapore Digital Partnership.](#)

China Issues Final Standard Contract Clauses for Cross-Border Data Transfers

By Trisha Sircar

On February 24, the Cyberspace Administration of China (CAC) released the [final version](#) of the Standard Contract Clauses for Cross-Border Transfer of Personal Information (the SCCs) and the Measures for the SCCs (the Measures) under the Personal Information Protection Law (PIPL). The final version of the Measures and the SCCs almost mirror the draft version published in June 2022 and track closely to the [European Union's SCCs](#) for international transfers, pursuant to the General Data Protection Regulation (GDPR). [Read more about China's SCCs.](#)

FINRA Updates Its Sweep on Social Media Influencers, Customer Acquisition and Related Information Protection

By Susan Light

On February 28, the Financial Industry Regulatory Authority (FINRA) provided [an update](#) for its sweep on Social Media Influencers, Customer Acquisition and Related Information Protection. In September 2021, FINRA launched a sweep to review firms' practices related to their acquisition of customers through social media channels, as well as firms' sharing of customers' usage information with affiliates and non-affiliated third parties. This update provides findings from its review. [Read more about FINRA's update.](#)

SEC 2023 Examination Priorities

By Richard Marshall, James Brady, David Dickstein, Christian Hennion and Paul McCurdy

On February 7, the Securities and Exchange Commission's (SEC) Division of Examinations (Division) published its examination priorities for 2023. According to this statement, the Division's mission is to promote compliance, prevent fraud, monitor risk and inform policy. The Division noted that in fiscal year 2022, the Division examined approximately 15 percent of all registered investment advisers (RIAs). The Division stressed that moving forward increased examinations can only be achieved with "significant investments in human capital and technology resources." This statement raises the possibility that, in the future, the Division may recommend a significant increase in resources devoted to adviser inspections, such as through the creation of a self-regulatory organization. [Read more about some of the Division's examination priorities.](#)

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