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**Robinson+Cole**

## Data Privacy + Cybersecurity Insider

Leveraging Knowledge to Manage Your Data Risks



### CYBERSECURITY

#### [Twenty-three Texas Municipalities Crushed by Coordinated Ransomware Attack](#)

We have definitely seen an uptick in the number of ransomware attacks against municipalities around the country. Thus far, the attacks have been against [single cities, towns, and court systems](#), and recently against a [Louisiana school system](#). [Read more](#)

### ENFORCEMENT + LITIGATION

#### [Court finds that Insurer's Quote Implied Coverage for Computer Hacking Losses](#)

In an interesting case from Indiana, a court recently ruled that language in the insurer's "quotes" for coverage in a crime policy led the insured to believe that losses for computer hacking would be covered under the policy if the insured purchased coverage. The case, *Metal Pro Roofing, LLC v. Cincinnati Insurance Company*, 2019 WL 3756738, found that the quotes provided to the insured stated: [Read more](#)

#### [Allscripts Announces \\$145 Million Preliminary Settlement with DOJ Related to an Investigation of Practice Fusion, a Recently Acquired EHR Company](#)

In its second quarter Securities Exchange Commission (SEC) filing, Allscripts [addressed](#) its announced agreement in principle with the Department of Justice (DOJ) to resolve investigations into certain alleged practices of Practice Fusion, an electronic health records (EHR) vendor acquired by Allscripts in February 2018 for \$100 million. Allscripts indicated the agreement is still subject to further negotiation and government approval, and would likely include additional non-monetary terms, including a deferred prosecution agreement, if a finalized settlement is reached. [Read more](#)

### DATA BREACH

#### [Choice Hotels Contacts 700,000 Customers of Data Breach Caused by Vendor](#)

In another example of a data breach allegedly caused by a vendor, Choice Hotels is contacting approximately 700,000 of its customers regarding a data breach caused by a third-party vendor that "copied the impacted data from our environment without authorization" to its server. While the data was being transferred to the third-party vendor's server, it

August 22, 2019

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was accessible on the internet for a few days. [Read more](#)

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## NEW + NOW

### [Initial Coin Offerings \(ICOs\) on SEC's Radar](#)

This month, the Securities and Exchange Commission (SEC) announced that it has entered into a settlement with SimplyVital Health, Inc., a blockchain company that offered and sold approximately \$6.3 million worth of securities to the public. The SEC alleged that the plan to conduct an initial coin offering (ICO) to raise money to develop a “healthcare-related blockchain ecosystem” was done without proper registration with the SEC. [Read more](#)

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## DRONES

### [Beyond Visual Line of Sight Drone Operations in Kansas](#)

Last week, the Federal Aviation Administration (FAA) gave the go-ahead for the Kansas Department of Transportation (KDOT) to conduct beyond visual line of sight (BVLOS) drone operations. The KDOT team, which includes Kansas State University Polytechnic, Westar Energy and Iris Automation, will fly a nine-mile track to evaluate technologies for power line inspections in rural Kansas without monitoring the drone by visual observers or ground-based radar. Westar Energy’s senior unmanned aerial systems (UAS) coordinator said, “Being able to operate under this waiver allows the [KDOT] team the ability to research and develop truly scalable BVLOS UAS operations for the automated inspection of linear infrastructure.” [Read more](#)

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### [North Dakota Sheriff's Department to Operate Drones Over People](#)

Last week, the Burleigh County Sheriff's Department in North Dakota received a four-year waiver from the Federal Aviation Administration (FAA) to operate drones over people. The Department will routinely conduct drone operations over people for purposes of public safety and monitoring. Currently, the Department has five drones –all equipped with a parachute recovery system. [Read more](#)

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## PRIVACY TIP #204

### [Has Your Doctor \(or other Professional\) Downloaded Apps With Microphone Access?](#)

Doctors and other professionals may be unknowingly sharing confidential information with apps on their phone. This week's privacy tip covers the risks associated with discussing personal or private information while having your phone's microphone on [Read more](#)



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