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VIRTUAL



JUNE 30, 2020

# I. Re-Opening and Room Rates: Beware of Price Gouging Laws



# II. Data Privacy and Security Challenges During Re-Opening



# Price Gouging



# **What Is Price Gouging?**

**When a business that provides essential consumer goods or services takes advantage of abnormal market conditions caused by events such as natural disasters, armed conflicts or other crises, by raising prices to excessive levels.**

# Price Gouging Laws

- **State statutes**
- **Regulated by state consumer protection agencies**
- **Civil and criminal penalties**
- **35 U.S. states have anti-price gouging legislation**

# How Do These Laws Work?

- Make it illegal for a business to excessively raise prices or rates for essential goods or services during an emergency
- Usually triggered by declared state of emergency (president, governor, county, municipality)
- Usually impose specific price limitations for essential items or services
- Limitations usually in effect for days or weeks following the declaration of emergency

# **COVID-19 and States of Emergency**

- **COVID-19: Largest number of declarations of emergency in U.S. history**
- **Every governmental level: federal, state, county, municipality**
- **Many are still in effect**
- **Others may be reinstated upon COVID infection spikes**

# What Can You Expect If Your Hotel Is Investigated?

- Investigators want to compare rates prior to and during a declared emergency, looking for steep increases
- Hotels are required to disclose:
  - Lists of rooms and rates for periods before/after emergency
  - Lists of guests and contact info (potential gouging victims)
  - Occupancy data by individual day
  - Information on rate setting practices
  - Information on budgeted, forecasted and advertised rates



# **Have A Plan Before There's An Emergency**

## **Have an established procedure**

- 1. Create a written/ electronic form for communication**
- 2. Put someone in charge of sending the alert to the person who controls rates**
- 3. Learn the laws**
- 4. Stay on top of automatic pricing**
- 5. Document everything**



# Data Security & Privacy



# Remote Technology and Risk

Implementation of remote capabilities rushed

- Policies
- Training
- Testing
- Uncontrolled home environment

# Remote Technology and Risk

- Video Conferencing
- File Sharing
- Virtual Desktops
- Group Chat
- VPN
- Web-Based Applications and Tools

# **Cybercrime Explosion**

- **Social engineering**
- **Business e-mail compromise**
- **Hacking/malware**
- **Ransomware**

# **Taking Advantage of a Crisis**

## **USING FEAR AND CONFUSION**

- **Fake e-mails/websites – links to supposed COVID treatment, information**
- **PPP Program, stimulus program**
- **Unemployment Comp fraud**

# **Return to Work - Risks**

- **Duplication of remote and on-site systems**
- **Transport of data**
- **Rusty cyber training**
- **Hidden vulnerabilities – stolen credentials, dormant malware**

# **CCPA: Enforcement is Imminent**

## **CALIFORNIA CONSUMER PRIVACY ACT**

- **July 1, 2020: Enforcement Begins**
- **Hospitality companies that do business in CA, meet other thresholds, must comply with CCPA**
- **Protects California residents only**
- **Privacy Statements – disclosures**
- **Individual rights**



# CCPA and Temperature Scanning

- **Biometric Data: protected under CCPA (and under certain other states' laws)**
- **Thermal data can be biometric data**
- **Scanning temperatures at hotel entrance:**

**If you collect temperature of a CA resident without required disclosures: violation of CCPA**

**THANK YOU**