

Introduction to the 2026-2027 Edition

There have been many recent developments in the law of data security and privacy, including:

Chapter 1: Electronic Security Risks and the Need for Privacy

- The average cost of a data breach in the United States is still among the highest in the world: \$10.22 million compared to the global cost of \$4.4 million.
- Over 278 million notices were sent to victims of data breach in the United States in 2025.
- The number of ransomware victims in 2025 increased by 58% from 2024 yet the number of victims paying the ransom dropped in 2025.
- Data gathering about users on social media and video streaming services has expanded to users both on and off of the services.
- A section on phishing was added in 2026 as it has become one of the primary vectors used to insert ransomware on organization's information technology systems.

Chapter 6: Data Security Statutes

- Courts remain divided on the scope of the crime-fraud exception to the Electronic Communications Privacy Act, an issue that is increasingly arising in litigation involving website tracking technologies.
- New decisions from the Supreme Court and the Second Circuit further clarify the boundaries of the federal wire fraud statute.
- The Third Circuit has confirmed that the Computer Fraud and Abuse Act does not reach policy-based misuse by current employees who access systems using valid credentials.
- Federal prosecutors have obtained what the FBI has described as the first-ever conviction on artificial intelligence-related economic espionage charges.
- New appellate decisions in the Ninth and Tenth Circuits address key DTSA issues, including the level of particularity required to identify trade secrets and the distinction between ownership and possession.

Chapter 10: Corporate Security and Privacy Duties, Policies and Forms

- A billion-dollar settlement has been reached following alleged violations of biometric privacy law.
- Global data breach costs have decreased by nine percent, though average costs in the United States continue to rise.

Chapter 12. Health Care Privacy and the Health Insurance Portability and Accountability Act of 1996

- Recent enforcement actions by the U.S. Department of Health and Human Services Office for Civil Rights ("OCR") illustrate the agency's continued focus on cybersecurity, access rights, and risk analysis obligations under HIPAA.

Chapter 14: Personal Data Protection Laws Around the World

- Over the past year, new data privacy laws (and corresponding Data Protection Authorities) have emerged for several countries worldwide.