# **ADLER & COLVIN**

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GDPR: What US Nonprofits Need to Know About the New EU Privacy Rules

Wondering why your inbox is suddenly inundated with all those "We've Updated Our Privacy Policy" messages? The answer is that the European Union (EU)'s new data privacy rule, known as the General Data Protection Regulation or "GDPR," goes into effect today (May 25, 2018).

GDPR applies to a wide variety of organizations, including nonprofits, that operate within the EU or that process the personal data of EU residents. That means that even US nonprofits that just collect data from EU residents are subject to its requirements and exposed to its penalties.

The GDPR establishes standards of practice for data protection, transparency, record keeping, and more. It also includes a 72-hour data breach notification requirement.

The EU is taking GDPR compliance very seriously; failure to comply with GDPR's many requirements could result in onerous fines of up to the HIGHER of 4% of an organization's total revenue or 20,000,000 euros.

Even if GDPR does not apply to your organization now, consider learning more about its requirements because many non-EU countries are looking to Europe as they develop their own data privacy regulations.

Here are some resources to get started:

https://medium.com/@forward\_action/gdpr-for-us-not-for-profits-what-you-need-to-know-4cfee1a1b8e3

https://www.dlapiper.com/en/uk/insights/publications/2016/12/a-guide-to-the-general-data-protection-regulation/

https://www.boardeffect.com/blog/will-gdpr-affect-nonprofit/

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Nonprofit Law Matters looks at legal issues in the nonprofit and tax-exempt organizations world. Written by the attorneys and paralegals of Adler & Colvin, it provides updates and analysis regarding philanthropy, charity, and other exempt organization issues.

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