

California Consumer Privacy Act (CCPA)



The CCPA is a landmark consumer privacy law that requires significant changes for businesses, including those operating online, in regard to personal data of California residents. The law will go into effect January 1, 2020 and the Attorney General will begin enforcement on July 1, 2020.

Like the General Data Protection Regulation (GDPR) in the European Union, the CCPA is designed to give users more control of their personal data. Generally, companies who do business in California, share data with California businesses or have employees in California should review this information to determine whether the CCPA applies to them.

CCPA applies to business that meet the following criteria:

- for-profit organizations that collect personal information about residents in California;
- control the processing of that information;
- do business in California; and
- meets one or more of the following criteria:
 - annual gross revenues in excess of \$25,000,000; or
 - annually buys, receives, sells or shares for commercial purposes the personal information of 50,000 or more consumers, households or devices (alone or in combination with others); or
 - derives 50% or more of its annual revenues from selling consumers' personal information (consumers are simply natural persons residing in California).

What is Personal Information?

Personal Information is information that identifies, relates to, describes, is capable of being associated with, or could be reasonably linked, directly or indirectly, with a particular consumer or household. Personal Information includes but is not limited to:

- identifiers such as a real name, alias, postal address, unique personal identifier, online identifier such as Internet Protocol address, email address, account name, social security number, driver's license number, passport number or other similar identifiers;
- characteristics of protected classifications under California or federal law;
- commercial information, including records of personal property, products or services purchased, obtained or considered or other purchasing or consuming histories or tendencies;
- biometric information;
- internet or other electronic network activity information, including, but not limited to, browsing history and search history;
- geolocation data;
- audio, electronic, visual or similar information;
- professional or employment-related information; and
- education information.

Immediate Action Items:

If the CCPA applies to your business, here are some steps you should consider:

1. Be prepared to respond to consumer and employee data requests – know where your data is, where it came from and how it is being used.
2. Prepare for data access and deletion requests – have a system for tracking and replying to these requests and create two points of contact for consumers.
3. Have a system in place to track consumers who opt-out of data selling.
4. Update service-level agreements with third-party data processors.
5. Prepare necessary internal policies and train your employees – this is an opportunity to create clear and simple data flows and train employees to follow them.