



**CALIFORNIA
CONSUMER
PRIVACY
ACT OF 2018**

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Presenters

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Overview of the CCPA

- Passed by California legislature on June 28, 2018
- Goes into effect January 1, 2020
- Protects “consumers,” which encompasses all natural California residents
- Many terms are defined broadly
- Does not apply to medical information covered by HIPAA or HITECH, or information covered by the GLBA
- Contains five individual privacy rights for consumers

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Who Must Comply with the CCPA?

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Any business that:

Does business with any (one) California resident, and either:

- Earns \$25,000,000/year in revenue;
- Annually buys, receives (for business' commercial purposes), sells, or shares for commercial purposes the personal information of 50,000 or more consumers, households, or devices; or
- Derives 50% or more of its annual revenue by selling personal information.

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What Information is Covered by the CCPA?

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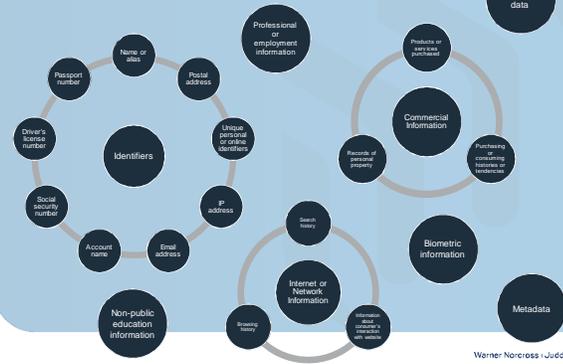


“Personal Information” of Consumers

Information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household.

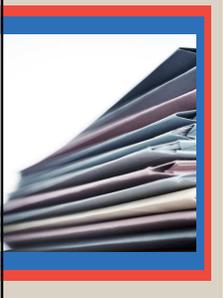
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Personal Information—Is it . . . ?



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Right to Know (Right of Disclosure)



Businesses must disclose the personal information collected, sold, or disclosed for a business purpose about a consumer

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Right to Access

Business must provide consumer with a copy of specific personal information a consumer requests

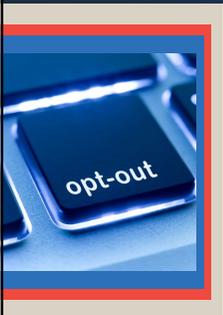
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**Right to Deletion
(Right to be Forgotten)**

Business must delete personal information collected about a consumer in response to a verifiable request, with certain exceptions

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Right to Opt-Out

Businesses must permit consumers to opt out of the sale of their personal information to third parties

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**Right to Equal Service
(Antidiscrimination)**



Businesses may not discriminate against consumers who choose to exercise their rights

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What Must a Business Do to Comply with the CCPA?

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Mandatory

- Provide consumers with at least two different methods for submitting requests
- Have information about a consumer's rights under the CCPA on their homepage, or put the CCPA information on a separate, readily accessible, California-specific page
- Respond to verifiable consumer requests within 45 days, free of charge

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Mandatory, continued

- Update privacy policies and notifications
- Ensure agreements between company and third-parties comply with the CCPA (and create agreements if not already in place)

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Additional Takeaways

- Implement protocols to handle consumer requests in regards to their personal information
- Consider adopting additional security measures that extend beyond minimum requirement of "reasonable" security measures

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Differences Between the CCPA and GDPR

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Differences

- CCPA regulates only for-profit businesses, while GDPR regulates more expansively
- Definition of "personal data" under the CCPA more expansive
- GDPR regulates "processing" generally, while the CCPA focuses on the sale of personal information
- CCPA includes a private right of action

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Consequences of the CCPA

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Consequences

No enforcement until either 6 months after publication of Attorney General's regulations or July 1, 2020, whichever is sooner; HOWEVER,

- Private right of action for California residents
- Action by Attorney General against businesses

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Changes That May Be Needed to Your Insurance Program

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Insurance Program

- CCPA emphasizes the importance of cyber/privacy liability insurance
 - The amount of per record liability exposure has the potential to create significant enterprise risk
 - Cyber insurance is one method to mitigate that risk
- It is important to ensure your cyber coverage is actually mitigating the risk
 - Confirm coverage for statutory damages and regulatory enforcement claims
 - Exposure for failure to delete information upon request vs. traditional "breach" coverage
 - CCPA may result in increased risk of litigation and litigation expense...are your limits sufficient?

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Conclusion

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Questions?

Thank you!

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