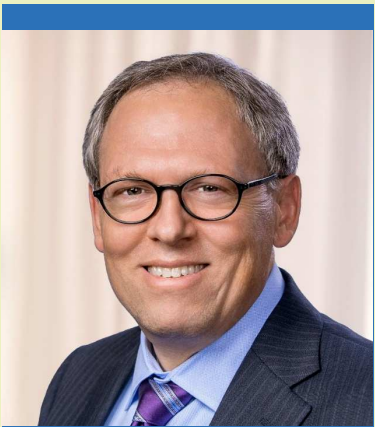


Preparing for the California Consumer Privacy Act (“CCPA”)

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Presenters



Norbert
Kugele



Kelly
Hollingsworth



Alex
Chitwood



Lexi
Woods

Overview of the CCPA

What does the CCPA do?

- Protects “consumers”
 - AKA California residents
- Focus is on rights of individuals
 - Information collected
 - Information shared with others
 - Right to opt out of sales of data
 - “Sale” includes any sharing of data without specific contractual restrictions on use.

Who must comply?

Any for-profit organization that (1) determines purposes of processing (alone or jointly with others); (2) does business with California resident; and (3) either:

- Earns \$25 million/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.

“Personal Information” of Consumers

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

Consumer Rights under the CCPA

- Right to Know (also called right of disclosure)
- Right to Access
- Right to Deletion
- Right to Opt-Out
- Right to Equal Service (also called antidiscrimination)

What's Changed?

Recent Amendments &
Proposed Regulations

CCPA Amendments

- Exempts employee data for 1 year
- Exempts B2B Information for 1 year
- Excludes aggregate or de-identified information
- Exempts activities subject to Fair Credit Reporting Act

CCPA Amendments (cont.)

- Differential treatment of consumers okay if reasonably related to value provided to the *business*
- Methods of contact requirements
- Verification of consumer requests

CCPA-Related Amendments

- Changes to breach notification laws
- Create a registry of data brokers

Proposed Regulations

Available at: <https://oag.ca.gov/privacy/ccpa>

- Disclosure Format
- Privacy Policies
- Methods of Contact
- Responding to Requests
- Verification
- Record Keeping

Proposed Regulations (cont.)

- Prohibits disclosure of certain sensitive data (e.g. SSNs, ID numbers, passwords, security questions/answers)
- Using data for additional purpose requires notice and explicit consent
- User-enabled privacy controls = valid request to opt out

Proposed Regulations (cont.)

- Requests to opt out:
 - Can't require verification
 - Must pass along the request.
- Disclosures on value of consumer's data
- High-volume metric requirements

Steps to Prepare for the CCPA

Map Your Data

- What personal information do you collect about California consumers and for what purposes?
- How do you collect this information and from what sources?
- Where and how is the information stored?
- With whom is the information shared?
- Why is the information shared and are there any contractual restrictions?

Review Security Controls

- Individual lawsuits allowed if certain unencrypted or unredacted data is compromised as a result of failure to utilize reasonable security practices and procedures
 - Statutory damages of \$100- \$750 per record; or
 - Actual damages, if greater
- Review data security and privacy policies and practices to mitigate risk of a data breach

Update Vendor Agreements

- Need appropriate contractual language to avoid “sale” of information
 - Restriction on ability to use information
 - Certification requirement
- Update current agreements with third parties and affiliated entities

Develop a Process for Handling Requests

- 10 day window to confirm receipt of request to know, delete
 - 45 day window to respond
- Must act upon request to opt-out within 15 days
- Challenges:
 - Staying on top of collection and use activities
 - Ability to locate structured and unstructured data
 - Ability to delete data
 - Who makes decisions of how to respond?

Develop a Process for Handling Requests (cont.)

- Verifying requests
 - Can you direct requests through user accounts?
 - If no user accounts, do you know enough about customer to verify request is valid?
 - Authorized Agents

Ready Your Website

- Determine whether to create California specific site
- List types of personal information you collect
- List the purpose for collecting information
- How you collect the information
- With whom you share the information
- The individual rights consumers have and how individuals may exercise their rights, including methods for consumers to submit requests
- Update privacy policies & provide links to policy

Ready Your Website:

Sale of Personal Information & Opting Out

- Determine whether or not you sell personal information
 - If so, how can individuals opt out of the sale?
 - Need to treat user-enabled privacy controls as a valid request to opt-out
- If you sell personal information, provide clear, conspicuous link titled “Do Not Sell My Personal Information”
- Determine whether you provide financial incentives in exchange for retention of consumer data

Record Keeping Requirements

- Must maintain records of consumer requests and responses for *at least 2 years*
- Records must include:
 - Date of request
 - Nature of request
 - Manner the request was made
 - Date of business's response
 - Basis of denial, if applicable

Train Your Employees

- Understanding individual requests and how to respond
- Importance of following data privacy and security policies and procedures
- Contracting with third parties

Questions?

Thank you!

Norbert Kugele: nkugele@wnj.com
Kelly Hollingsworth: khollingsworth@wnj.com
Alex Chitwood: achitwood@wnj.com
Lexi Woods: awoods@wnj.com



Warner Norcross + Judd