Consumer Privacy - What You Need To Know

California Consumer Data Privacy Act (CCPA) as amended by the California Privacy Rights Act (CPRA)



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In 2020, California became the first U.S. state to implement privacy legislation with protections comparable to those enjoyed by European Union residents. The legislation—the California Consumer Privacy Act or CCPA—reshaped the way businesses handle consumers' personal information. The CCPA was designed to give consumers more control over the personal information that businesses collect about them. Specifically, the law secures the following rights for California consumers, including:

- the right to know about the personal information a business collects about them and how it is used and shared,
- the right to delete personal information collected from them (with some exceptions);
- the right to opt-out of the sale of their personal information; and
- the right to non-discrimination for exercising their CCPA rights.

As a result of these new rights, businesses are required to notify consumers about their privacy practices through the publication of readily accessible privacy policies.

However, effective January 1, 2023, businesses must gear up to comply with additional privacy requirements imposed by the CPRA. Taking a page from the Europeans playbook, the CPRA establishes a new sub-category of —personal information called "sensitive personal information." Sensitive personal information includes:

- (a) social security, driver's license, state identification card, or passport number;
- account log-in, financial account, debit card, or credit card number in combination with any required code or credential allowing access to an account;
- (c) precise geolocation;
- (d) racial or ethnic origin, philosophical beliefs, or union membership; or

(e) mail, email, or text messages (unless the business is the intended recipient).

It also includes the consumer's biometric identification, finances, health, and exact location. Businesses collecting sensitive personal information will be required to notify consumers at or before the time of collection of:

- (1) the category of information the business will collect;
- (2) the retention period; and
- (3) whether the information will be sold by the business.

In addition, businesses will also be required to provide a "Limit the Use of My Sensitive Personal Information" link for consumers. The CPRA also extends its reach to employees' personal information and personal information shared among businesses which was previously exempt.

Hodgson Russ lawyers have extensive experience assisting companies with CCPA and CPRA compliance, including the following areas:

- development of overall compliance programs;
- drafting privacy policies, both internal and externalfacing;
- developing data subject access request protocols;
- assessing and developing CCPA-compliant contracts; and
- developing and conducting CCPA trainings.

Many companies outside California assume in error that the CCPA does not apply to them. However, doing business in California can be enough to subject your business to this onerous legislation.

For more information about how Hodgson Russ can assist your company with CCPA/CPRA compliance, email or call one of our Privacy and Security lawyers.

