THE CALIFORNIA CONSUMER PRIVACY ACT (CCPA)

Compliance at a Glance for Website and Mobile App Operators

What is the CCPA?

The California Consumer Privacy Act, or CCPA, expands consumer protections for California (CA) residents, including those temporarily outside the state.

- **Businesses**: for-profit companies that do business in CA and meet any of the following criteria:
  - $25M+ in gross annual revenue
  - 50,000+ residents’ information processed
  - 50%+ annual revenue derived from processing and selling information about CA residents
- **Service Providers**: companies that process personal information in order to meet the terms of a contract with another business.
- **Third Parties**: entities that are neither a business collecting personal information, nor a company processing it on behalf of a business. For example, a third party that acquires personal information in a merger or business sale would qualify.

1. **Know** what personal information is collected and, if it’s shared or sold, to whom
2. **Access** and request deletion of their personal information
3. **Opt-out of the sale of their personal information**
4. **Receive equal service and price**, even if they exercise their privacy rights

Impacted parties

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Compliance

**BUSINESSES MUST:**

- Inform consumers what categories of personal information is collected and for what purposes
- **Enforce** contract terms with service providers and prohibit any actions outside these terms without notifying the consumer.
- Allow California residents to opt out of the sale of their information.
- **Disclose** to consumers, upon their request, what categories and pieces of personal information is collected.
- Offer a toll-free number or online form for consumers to access, request deletion, or opt out of the sale of their personal information.
- Obtain opt-in consent from children between ages 13-16 to sell their information; parent or legal guardian required to opt in on behalf of children under 13 years of age.
- **Provide** consumers who exercise their privacy rights the same product/service quality and price levels as consumers who don’t.

**SERVICE PROVIDERS MUST:**

- Ensure the process, use, or sale of consumer personal information complies with contract terms.
- **Verify** subcontractor activity aligns with contract terms.

**THIRD PARTIES MUST:**

- Notify consumers before selling their personal information and provide the ability to opt out.
- Use consumer information according to the promises made at the time of collection.

Top 5 things to do now:

1. **Map out current data processes from collection to sale/disclosure.** Document the categories and specific pieces of consumers’ personal information collected, the sources of the information, the purpose for collection, and the categories of third parties the information is shared with.
2. **Review and revise contracts, as needed, to ensure compliance.** Agreements may consist of those with service providers or third parties.
3. **Implement new procedures for digital assets, such as:**
   - continue monitoring of websites or mobile apps
   - define and distribute digital policies to partners
   - update consent management to accommodate
   - add access and deletion request forms to website/app.
4. **Update privacy policies with required information.** State the policy in simple, clear terms and make it accessible to users
5. **Operationalize data privacy and security**

Operations, legal, IT/security, and marketing should work together on understanding the law’s implications for the digital environment and the company’s revenue strategy.