CCPA Overview

Summary

The California Consumer Privacy Act (CCPA), enacted in 2018 (Cal. Civ. Code § 1798.100–199) and effective January 1, 2020, is a California state law that enhances consumer privacy rights and protections for California residents' personal information. Administered by the California Attorney General (AG) and enforced by the California Privacy Protection Agency (CPPA) starting July 1, 2023, the CCPA grants consumers rights to access, delete, and opt out of the sale or sharing of their personal data. It applies to businesses collecting personal information, with amendments like the California Privacy Rights Act (CPRA) (effective January 2023) expanding scope and enforcement. Non-compliance can result in fines of up to $7,500 per intentional violation, consumer lawsuits for breaches, and reputational damage. As of October 2025, the CCPA emphasizes transparency, data minimization, and protections for sensitive personal information (e.g., biometrics, financial data).

Key Requirements

The CCPA outlines consumer rights and business obligations to protect personal information (any data identifying or linkable to an individual, e.g., name, email, IP address, biometric data). Key requirements include:

1. **Consumer Rights**:
    - **Right to Know**: Consumers can request details about what personal information is collected, used, shared, or sold, and receive a response within 45 days.
    - **Right to Delete**: Consumers can request deletion of their personal information, subject to exceptions (e.g., legal obligations, transaction completion).
    - **Right to Opt-Out**: Consumers can opt out of the sale or sharing of personal information (e.g., for targeted advertising) via a clear "Do Not Sell or Share My Personal Information" link.
    - **Right to Non-Discrimination**: Businesses cannot discriminate against consumers exercising CCPA rights (e.g., by denying services or raising prices).
    - **Right to Correct**: Consumers can request corrections to inaccurate personal information (added by CPRA).
    - **Right to Limit Use**: Consumers can limit use of sensitive personal information (e.g., health, biometrics) to essential purposes (added by CPRA).
2. **Business Obligations**:

- **Privacy Notices**: Provide a transparent privacy policy at or before data collection, detailing data categories, purposes, and consumer rights.
- **Data Minimization**: Collect, use, and retain only necessary personal information (per CPRA amendments).
- Opt-Out Mechanisms: Implement a conspicuous opt-out link for data sales/sharing and honor opt-out signals (e.g., Global Privacy Control) immediately upon detection.
- **Service Provider Contracts**: Ensure contracts with third parties (e.g., vendors, ad networks) limit data use to specified services and comply with CCPA.
- **Security Measures**: Implement reasonable security practices to protect personal information (aligned with California's data breach law).
- **Response to Requests**: Verify and respond to consumer requests within 45 days (extendable to 90 days).

3. **Breach Notification**:
    - Notify consumers of data breaches involving unencrypted personal information that could cause harm.
    - Breaches trigger private right of action, with damages of $100–$750 per consumer per incident or actual damages.

Compliance Process:

- Maintain a privacy policy and update annually.
- Implement processes for handling consumer requests (e.g., dedicated email or toll-free number).
- Conduct regular data mapping and risk assessments to ensure compliance.
- No mandatory audits, but CPPA conducts investigations based on complaints or violations.

2025 Context: CPRA amendments strengthen enforcement, add sensitive data protections, and align with GDPR-like principles. Proposed 2024 regulations clarify automated decision-making (e.g., AI) and cybersecurity audits for high-risk businesses.

Who Is Affected

- **Businesses**:

    - For-profit entities operating in California that collect personal information and meet one of these thresholds:
        - Annual gross revenue >$25 million (adjusted for inflation).
        - Buy, sell, or share personal information of 100,000+ California consumers/households annually.
        - Derive 50%+ of revenue from selling/sharing personal information.
    - Includes online businesses, retailers, tech companies, and third-party vendors (e.g., ad tech, cloud providers).
- **Consumers**:
    - California residents whose personal information is collected, including employees and B2B contacts (per CPRA).
- **Service Providers/Contractors**:
    - Third parties processing personal information on behalf of businesses must comply via contracts.
- **Regulators**:
    - California AG and CPPA enforce CCPA through investigations and fines.
- **Impact of Non-Compliance**:
    - Fines: $2,500 per violation, $7,500 per intentional violation (adjusted 2025).
    - Consumer lawsuits for data breaches ($100–$750 per person or actual damages).
    - Reputational damage and loss of customer trust.

Informational Resources

- **California Privacy Protection Agency (CPPA)**: cppca.ca.gov (regulations, FAQs, enforcement updates).
- **California AG CCPA Page**: oag.ca.gov/privacy/ccpa (guidance, consumer complaint forms, proposed rules).
- **CCPA Full Text**: leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=CIV&division=3.&part=4.&title=1.81.5 (free access to statute and CPRA amendments).
- **Training and Tools**:

    - CPPA Webinars: cppca.ca.gov/webinars (free compliance training).
    - IAPP CCPA Training: iapp.org (paid certifications, e.g., CIPP/US).
    - TermsFeed CCPA Toolkit: termsfeed.com/blog/ccpa (free privacy policy templates, checklists).
- **Industry Resources**:
    - “CCPA Compliance Guide” (free PDFs from vendors like OneTrust, TrustArc).
    - Future of Privacy Forum: fpf.org (CCPA resources, comparisons to GDPR).
    - California Chamber of Commerce: calchamber.com/ccpa (business compliance guides).
- **Community Support**:
    - IAPP Privacy Community: iapp.org/connect (CCPA forums, events).
    - Privacy Rights Clearinghouse: privacyrights.org (consumer-focused CCPA advice).