

The CPRA (effective January 1, 2023) amends the California Consumer Privacy Act (“CCPA”) by granting California residents (“consumers”) additional privacy protections and imposing further restrictions on entities that collect, sell, or share (i.e., transfer for cross-context behavioral advertising) their personal information (“businesses”). Notably, the CPRA discontinues prior exemptions for personal information in employment and business-to-business contexts.

## Applicability

The CPRA applies to any for-profit business, including affiliates, joint ventures, and partnerships, that does business in California, collects the personal information of consumers (or has such personal information collected or processed on its behalf), and meets at least one of the following thresholds:

- Has an annual gross revenue in excess of **\$25 million** in the preceding calendar year,
- Annually buys, sells, or shares the personal information of at least **100,000** consumers or households, or
- Derives at least **50%** of its annual revenue from selling or sharing personal information.

## Practical Application for Businesses

### Consumer Rights:

- (1) **Right to Access**: the right to access and know what personal information is collected, sold or shared and to whom.
- (2) **Right to Correct**: the right to correct inaccuracies in the consumer’s personal information.
- (3) **Right to Delete**: the right to delete personal information concerning the consumer (subject to exceptions).
- (4) **Right to Data Portability**: the right to obtain the personal data in a portable and, to the extent technically feasible, readily usable format that allows the consumer to transmit the data to another entity without hindrance.
- (5) **Right to Opt Out**: the right to opt out of the sale or sharing of personal information.
- (6) **Right to Limit**: the right to direct a business to limit the use and disclosure of sensitive personal information.

### Business Obligations:

- At or before the point of collection, provide notice of (i) the categories of personal or sensitive information collected, (ii) purpose(s) for collection, (iii) if that information is sold or shared, and (iv) the retention period.
- Provide consumers with methods to exercise their rights.
- Act on consumer requests within **45 days**; provide notice of extensions as necessary.
- Enter into binding data processing agreements with requisite limitations for third-party processors.
- Limit processing of personal data to that which is reasonably necessary and compatible with disclosed purposes.
- Do not sell or share the personal information of a consumer under the age of 16 unless the consumer or the consumer’s parent (for consumers who are less than 13 years old) have affirmatively consented.
- Train employees how to handle consumer inquiries and requests.

### Recommendations for Businesses:

- Regularly update data maps to detail personal data collection, including sensitive information and sharing.
- Maintain clear and executable data retention policies and procedures.

### Penalties:

- The California Attorney General (through civil action) and the newly created California Privacy Protection Agency (through administrative proceedings) enforce the CPRA. Fines (1) up to **\$2,500 per violation**; or (2) up to **\$7,500 per intentional** violation or violation involving minors under age 16.
- For breaches, consumers may bring a private right of action to recover the **greater of (1) \$100-\$750 per incident** or (2) actual damages.