Connecticut Data Privacy Act (CTDPA)

The CTDPA (effective July 1, 2023) governs certain entities that control ("controllers") or process ("processors") and, as applicable, sell, the personal data of Connecticut residents, other than in the employment or business-to-business contexts ("consumers"). It also grants Connecticut residents certain rights with respect to their personal data.

Applicability

The CTDPA applies to persons or entities conducting business for-profit in Connecticut or producing products or services targeted to Connecticut residents, and who during the preceding calendar year either:

- Controlled or processed the personal data of at least <u>100,000</u> consumers, excluding personal data controlled or processed solely for the purpose of completing a payment transaction, or
- Derived at least <u>25%</u> of their gross revenue from the sale of personal data and controlled or processed the personal data of at least <u>25,000</u> consumers.

Practical Application for Businesses

Consumer Rights:

- (1) <u>Right to Access</u>: the right to confirm whether a controller is processing personal data and access such data, unless it would require the controller to reveal a trade secret.
- (2) Right to Correct: the right to correct inaccuracies in the consumer's personal data.
- (3) Right to Delete: the right to delete personal data concerning the consumer.
- (4) <u>Right to Data Portability</u>: 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, provided the controller will not be required to reveal any trade secret.
- (5) <u>Right to Opt Out</u>: the right to opt out of the processing of personal data for purposes of (i) targeted advertising, (ii) the sale of personal data, or (iii) profiling for decisions that significantly affect a consumer.

Controller Obligations:

- Publish a privacy notice that contains requisite details and is reasonably accessible, clear, and meaningful.
- Obtain consent to collect sensitive data, including personal data of any consumers under 13.
- Provide consumers with sufficient methods to exercise the above-listed rights, including a website link that enables
 the right to opt out, and effective January 1, 2025, an "opt-out preference signal."
- Act on consumer requests within 45 days; provide notice of extensions and the appeals process 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.
- Conduct and document an impact assessment for each processing activity generated after July 1, 2023 that poses
 a "heightened risk of harm" to the consumer (e.g., selling personal data, processing sensitive data, or targeted
 advertising or profiling with certain foreseeable risks).

Recommendations for Controllers:

- Regularly update data maps to detail personal data collection, including sensitive data and targeted advertising.
- Train employees how to handle consumer inquiries and requests.
- Maintain clear and executable data retention policies and procedures.

Penalties:

The Connecticut Attorney General has exclusive enforcement authority. A violation of the CTDPA will constitute
an unfair trade practice, with civil penalties up to \$5,000 per violation.