

A woman with dark hair, wearing black-rimmed glasses and a dark blazer over a light blue striped shirt, is looking down at a tablet she is holding. The tablet screen shows a world map with a network of white lines and dots connecting various locations. The background is a blurred blue-toned image of a world map with network lines.

Prolifics[®]

CCPA DATA PRIVACY GUIDE

Data privacy is at the forefront of everyone's mind in 2020. Data privacy is important because your customers and, frankly, your business deserve the protections that they provide but they can still cause quite a headache. One of the most stringent privacy laws ever enacted, the California Consumer Privacy Act, goes into effect on the first of July. The CCPA was created by the state of California; however, it is going to affect businesses all over the world. This is one of the most comprehensive pieces of data privacy legislation ever created and it comes with hefty fines for anyone who steps out of line. In this short guide, we're going to explore what the CCPA means for businesses and how it impacts the way they'll need to handle data privacy going forward.

WHAT BUSINESSES ARE IMPACTED BY THE CCPA?

In short, all of them. Even if your business is not located in the state of California or you're unaware of any customers that reside there, you still need to understand this act and make sure that you're compliant. According to the CCPA itself, if your business meets any of the outlined criteria then it is subject to the regulations that the act imposes. If any of the following are true, then your business is subject to the act:

- ✓ The business in question has a gross annual revenue of \$25 million or more.
- ✓ The business purchases, receives or sells personal data from 50,000 sources or more. Sources include individuals, households, or devices.
- ✓ The business earns 50% or more of its annual revenue through the sales of personal data.

Further, if your company has a website, even if none of the other criteria are met, you are still responsible for remaining compliant with the new regulations. This is because websites can be accessed from anywhere in the world including, of course, the golden state. As a business, you have the responsibility to make sure that you are compliant with any regulations that may apply to you. Failing to do so could result in very steep fines. When it comes to the CCPA, those fines start at \$2,500 per violation. If it is found that the violation was caused by any negligence on the business' part, that fine can triple to \$7,500.



WHAT DOES THE CCPA ACTUALLY DO?

Due to the growing public concern surrounding data privacy, California sprung into action when it created the CCPA. The primary goal of this legislation is to ensure that the data privacy of consumers is thoroughly protected. It gives consumers a long list of rights when it comes to their personal information.

Under the act, they will retain the right to know what information is collected, stored, shared, or sold by the businesses that they deal with. They also have the right to delete their personal information from the records of a business, opt-out of their data being sold, and more.

All of these new rights that have been granted to consumers have placed a significant list of responsibilities on the businesses that deal with them. Let's take a quick look at some of those new responsibilities. Under the CCPA, businesses must do the following:

- ✔ Notify customers in advance when personal data will be collected.
- ✔ Make it easy for customers to opt-out of having their data sold.
- ✔ Respond to consumers exercising their rights under the act in a specific timeframe.
- ✔ Verify the identity of consumers that make requests under the act.
- ✔ Disclose any financial incentives for collecting and selling the data. In addition, they must disclose how the value of the data was calculated and the reason that these incentives should be permitted under the act.
- ✔ Keep records of any requests and responses from consumers that are exercising their rights under the act.
- ✔ Maintain an inventory of data and track the flow of that data.
- ✔ Disclose all data privacy policies and how they are applied in practice.



“

Businesses are going to have to adapt to the CCPA in the ways that they handle data security, data management, and data governance as a whole to ensure full compliance. This compliance is important to protect from fines and lawsuits in the future. Getting in line with the new regulations now is key, especially given that the scope of these regulations will only expand in the future.

”

WHAT DOES THE CCPA MEAN FOR DATA PRIVACY?

A background image showing two men in business attire. One man, wearing glasses and a striped tie, is holding a tablet. The other man is pointing at the tablet with a pen. They are both smiling and looking at the device. In the foreground, there is a desk with a glass of water, a pen, and some papers.

When it comes to data privacy law, the best practice is always to err on the side of caution. Even though there will be a few businesses that don't technically fall under the CCPA, it is best for those businesses to adapt to the regulations as well; it is likely that they will eventually apply. In light of the recent rise in consumer concerns for data privacy, making sure that you are following regulations to the letter is an important part of providing your customers with the experience that they deserve.

This ensures that they will trust you and continue to use your products, services, and so on. One thing to keep in mind is that data privacy is a company-wide issue for all businesses. Let's take a look at how the CCPA will impact the way your business approaches data privacy.

DATA GOVERNANCE

Data governance is the overall process your business goes through to manage the availability, usability, integrity, and security of all of the data it collects. This is how your business ensures that all data can be formally managed, through clearly defined policies and procedures. Under the CCPA, many businesses will need to update their data governance to ensure that they remain compliant through every stage of the data lifecycle. The way that data is stored, accessed, shared, and eventually purged will need to meet all of the regulations outlined by the CCPA.





DATA SECURITY

Data security is the process of protecting all of the data assets within a business. Protection from unauthorized users within a business, and even from malicious forces from outside the business fall under the scope of data security. Under the CCPA, even a data breach from an outside source can be cause for concern. Businesses that are victimized by data breaches can be subject to additional fines and even lawsuits from the California Attorney General if the breach was a result of any negligence. Methods of protecting data, such as encryption, redaction, and proper purging are going to become even more important when the act goes into effect this year.

TRANSPARENCY

Because of all of the new rights that the CCPA grants consumers, transparency of how your business approaches data governance, data management, and data security will be extremely important.

Privacy policies will need to be updated to reflect the steps that your business is taking to protect the data privacy of consumers.

They will need to contain clear language, distinct procedures for consumers to exercise their rights, and they will need to be published in such a way that they are easy to access.





IN CONCLUSION

The CCPA is just the start of a torrent of new privacy laws that businesses are going to have to adhere to in the coming years, almost all of which will have a global impact on how businesses handle data privacy. Compliance with these laws is vital to the survival of your business, the fines can be crippling and consumers are not going to settle for anything less than the utmost care in handling their personal information.

CONTACT US

IS YOUR BUSINESS READY
FOR THE CCPA?

CONTACT US NOW TO GET
EXPERT GUIDANCE

TALK-TO-AN-EXPERT

