

A Political Analysis of the California Consumer Privacy Act

Michael Greene

Old Dominion University

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The Cambridge Analytica incident of 2018 demonstrated the need for policies addressing consumer data online. As a result, policymakers in California introduced the California Consumer Privacy Act or CCPA in an attempt to give consumers control and protection over their data. While this could be viewed by many as a reasonable response to wanting better protection and transparency for consumers, the CCPA raises valid concerns for policymakers across the United States. The regulation extends past its borders affecting other states, and the fear of organizations losing contributions to the local economy are political factors that policymakers are generally concerned with. This analysis will focus on the political implications raised by the CCPA both within the United States and Internationally.

The definition of personal data is not clearly or consistently defined within each state's law. The CCPA defines personal data as information that could individually identify a consumer or household including IP addresses, geolocation, user's electronic history, or any other distinguishing information (Illman & Temple, 2020). By incorporating information to identify a household, not only is the consumer protected, but others associated with the consumer or using the same device are also protected. This comes into conflict with policymakers in other states that do not recognize publicly available information as personal data (Voss & Houser, 2019). With the absence of a federal law governing personal information, the interpretation of personal data varies among states. Further issues resulting from inconsistent definitions could arise with organizations operating outside the United States. Organizations outside the United States already must comply with their local regulations, and attempting to enforce compliance with state law in another country wouldn't be feasible. Leading to another political complication associated with the CCPA.

Due to the nature of the internet with its ability to connect people across the world. Some would argue that the CCPA being a state law, overextends itself by regulating operations outside of California borders, typically handled at the federal level (Saquella, 2020). Should companies outside California want to conduct business with California residents, they must abide by the CCPA. Take for example a driver's license issued by one state and recognized across the entire United States due to a mutual agreement amongst all states. No such agreement currently exists in the handling and processing of consumer personal data, except medical and financial information. Regardless of the circumstance, the probability of a state challenging the CCPA is relatively low. The act was created in an attempt to protect the general public, and many states would not want to be seen as opposing protection to the general public. In fact, with the enactment of the General Data Protection Regulation or GDPR protecting consumer data across Europe, many companies had begun taking action toward compliance with the GDPR. The CCPA was originally modeled after the GDPR with similar rights to consumers, so this had been the opportune time to implement policy changes to accommodate other nations' consumer data laws.

With the sudden need for organizations to comply with the CCPA, the potential for driving away tech companies within California creates another concern for policymakers. Major companies such as Google, Facebook, and Apple are headquartered in California providing a robust job market for the local economy and providing financial contributions towards political campaigns. The financial cost of compliance would be extensive due to the high number of users on their platforms. Two prominent advocates of the CCPA Alastair Mactaggart and Rick Arney recognized this concern, however, believed that pressure from the general public would motivate these companies into compliance (Alpert, 2020). This belief would prove to be true, with the

previously mentioned tech firms remaining in California. Organizations that provide a service or product rely heavily on their reputation and public perception. Another contributing factor to willing compliance could be the result of the Cambridge Analytica and Facebook incident, to which the CCPA was created in response. This willingness could be interpreted as an attempt to counter the negative hit to their reputation resulting from the incident.

In summation, the CCPA is recognized as the first major step toward protecting consumer data within the United States, and understandably raises valid concerns with policymakers outside of California. Inconsistency in defining consumer data amongst states could complicate the situation should the federal government implement future regulations. However, with the extensive reach of the CCPA, the need for a federal regulation governing consumer data may not be seen as a priority since the CCPA already exists. There also remained the concern that big tech companies would resist compliance by moving operations outside the state. Ultimately, it appeared that policymakers justified their stance successfully by implying that protecting the general population was morally justifiable. Any opposition to the CCPA would possibly harm the reputation of that party. Laws and regulations governing consumer data are still a relatively new area to be addressed. Despite its faults, the CCPA is still recognized as an important step toward acknowledging consumer rights in an ever-increasing digital world within the United States.

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