

Policy Paper One: CCPA

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The California Consumer Privacy Act (CCPA) is a necessary policy to protect consumer data from misuse and abuse by businesses who collect consumer data. It allows consumers to have more control over what data is collected, stored, and used by the businesses that collect their data.

What is the CCPA and why was it implemented?

The California Consumer Privacy Act, abbreviated to CCPA, is a policy that was implemented in 2018 and seeks to give customers a say in if or how their data is collected and what it is used for by businesses that operate within the state of California. The CCPA was born out of necessity and was originally proposed by the citizens of California due to their concerns about their data falling into the wrong hands. Its implementation came after several public data breaches that took place within California, leading citizens to propose the CCPA as a ballot proposition. Citizens then made a deal with legislators to instead introduce the CCPA as a law and the ballot proposition was withdrawn (Shatz-Chylik, 2019). In its general information section, the CCPA states that California residents “...may ask businesses to disclose what personal information they have about you, and what they do with that information, to delete your personal information, to direct businesses not to sell or share your personal information, to correct inaccurate information that they have about you, and to limit businesses’ use and disclosure of your sensitive personal information...” (Bonta, 2022). This provides residents with the tools needed to mitigate the possibility of their data falling into the wrong hands should another massive data breach occur. The CCPA originally did not allow for the rights to correct inaccurate information or the right to restrict the use of the information. These were added in an amendment known as Proposition 24, which was voted on in November of 2020 and went into effect in January of 2023. This act also prevents discrimination based on exercising these rights

and it is illegal for businesses to request you forfeit these rights in any way (Bonta, 2022). The CCPA also tasks businesses who operate in California with new responsibilities to ensure they are in accordance with the CCPA. These new responsibilities generally amount to providing customers with the information the business has collected from them upon request, deleting or updating this information as requested by customers, and informing customers before they collect certain types of information, such as phone numbers (Shatz-Chylik, 2019).

What effects has it had?

The CCPA has affected both California and the United States in numerous ways since it has been enacted. The Attorney General of California had announced in July of 2021 that 75% of businesses became CCPA compliant after receiving notice of a CCPA violation and that 25% were still under investigation as of the announcement (Shatz-Chylik, 2022). This showed that businesses were generally complying with the new CCPA rules and meant that user data was properly being handled by most businesses. It was predicted that the CCPA would result in the shrinking of the Data Processing industry and affect the employment of many who worked within the industry. This is because many companies in this industry rely on the collection of data as a main source of income. However, data has shown that the number of employees in this sector has increased since the implementation of the CCPA, despite what many believed (Putman, 2020). In addition, two more privacy acts were passed in Virginia and Colorado, named the Virginia Consumer Data Protection Act and Colorado Privacy Act respectively, as of 2022 (Shatz-Chylik, 2022). While these new acts' creation cannot be entirely attributed to the CCPA, it clearly influenced their creation and acted as an example of legislation that can work.

Conclusion

The CCPA was implemented as a possible answer to the privacy concerns of many in California who rightfully wanted more control over their data. Its long-term affects on businesses remain to be seen, but so far it seems to provide consumers with enough control over their data while not impacting businesses in an overly negative manner. It has laid the groundwork for other consumer privacy acts in the United States to be implemented and will likely be the example for many more in the future.

References

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