

Could GDPR-Like Regulation Be Coming to the United States?

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Those who learned harsh lessons about procrastination in compliance with the recent rollout of the European Union's General Data Protection Regulation might want to start preparing for the first American law that resembles it.

California has recently enacted the <u>California Consumer Privacy Act of 2018</u>, which, as currently structured, is the broadest, most protective online data privacy regulation in the United States. While there is no such law in Pennsylvania and there hasn't been any significant chatter about enacting one, the California law will affect anyone that directly or indirectly collects personal information from California residents.

The new law applies to entities conducting business in California that directly or indirectly control personal information collected from individuals residing in California. Personal information includes any information that directly or indirectly identifies, describes, or can reasonably be linked to a particular consumer or household.

Like GDPR, the CCPA requires companies to tell California residents what information the company is collecting, how it will use that information, and with whom it will be shared. It also gives those California residents the option to ask the company to delete or stop selling the information. Also like GDPR, the CCPA has a very broad definition of personal information that includes unique online identifiers such as IP addresses, browsing histories and location data. The inclusion of these unique identifiers means that the CCPA will require companies to give California residents the right to receive notice of what information is collected by the use of cookies and the right to ask the company to delete that information.

Unlike GDPR, the CCPA does not prevent the collection of personal information or give people the option to ask that their information stop being collected. However, much like GDPR, the new California privacy regulation will undoubtedly require companies to revamp their privacy policies, update them regularly and ensure the required notices are received at the right times.

While the CCPA passed in late June, it won't go into effect until January 1, 2020, but that doesn't mean companies doing business over the internet shouldn't be prepared. In fact, companies would be well advised to educate themselves and prepare well ahead of that date. As we have seen with the implementation of GDPR, advance preparation is better than last-minute uncertainty.

For assistance with preparing for the CCPA, or with current compliance issues related to GDPR, please contact me.