



# California Consumer Privacy Act of 2018: What you need to know

DATA PRIVACY SOLUTIONS | OCT 29, 2019

It is impossible to miss articles about the California Consumer Privacy Act (the CCPA) and its expected impact on businesses across the U.S. The effective date of the law, January 1, 2020, is right around the corner. The California attorney general's office just released draft implementing regulations for the law. If you haven't started analyzing the law and what you need to do to comply, the time is now.

McDonald Hopkins has put together the infographic below to cover the basics of what you need to know about the CCPA. For help applying the law to your data collection practices, contact a member of the McDonald Hopkins [Data Privacy and Cybersecurity team](#).

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## CALIFORNIA CONSUMER PRIVACY ACT OF 2018

### WHAT YOU NEED TO KNOW

**EFFECTIVE DATE:** **JANUARY 1, 2020**

**WHO IS THE CCPA DESIGNED TO PROTECT?**

**CONSUMERS**  
A natural person who is a California resident. There are some limited exceptions for business-to-business contacts and employees.

**WHO MUST COMPLY WITH THE CCPA?**

**YOUR BUSINESS IF IT IS A:**

- ◆ Sole proprietorship
- ◆ Partnership
- ◆ Limited liability company
- ◆ Corporation
- ◆ Association

**OR IF YOU ARE** another entity organized for profit or financial benefit of shareholders/owners that...  
...collects consumers' "personal information," does business in California, and satisfies one or more of the following:

- ◆ Annual gross revenues of \$25 million.
- ◆ Annually buys, receives for commercial purposes, sells, or shares for commercial purpose, personal information of 50,000 or more consumers, households or devices.
- ◆ Derives 50 percent or more of annual revenue from selling consumers' personal information.

**WHAT DOES THE CCPA REQUIRE?**

- ✓ Let consumers know what categories of personal information will be collected and why/how the information will be used.
- ✓ Honor a consumer's request to access the personal information that you maintain.
- ✓ Inform consumers about their right to request that you delete any personal information about them.
- ✓ Disclose whether you sell personal information and give consumers a chance to opt out of such sales.

**PRIVATE CAUSE OF ACTION**

Any consumer whose nonencrypted or nonredacted personal information is subject to an unauthorized access and exfiltration, theft, or disclosure as a result of a business's violation of the duty to implement and maintain reasonable security procedures and practices may institute civil action:

- ◆ To recover damages in an amount not less than \$100 and not greater than \$750 per consumer per incident or actual damages, whichever is greater.
- ◆ For injunctive or declaratory relief.
- ◆ For other relief the court deems proper.

**PENALTIES**

A business that fails to cure any alleged violation of the CCPA within 30 days shall be subject to an injunction and liable for a civil penalty of:

- ◆ Not more than \$2,500 for each violation.
- ◆ Not more than \$7,500 for each intentional violation.

Penalties can add up quickly, so prepare to cure any alleged noncompliance within the allotted 30 days.

For more information, email us at [ccpa@mcdonaldhopkins.com](mailto:ccpa@mcdonaldhopkins.com) and visit [mcdonaldhopkins.com](http://mcdonaldhopkins.com)

If you suspect that your organization has suffered a data breach or privacy incident, call our 24/7 hotline at 855-MH-DATA1 (855-643-2821).

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