



bankers' compliance group®

California Privacy Protection Agency CCPA Rulemaking Update*

As reported in last month's BCG Newsletter, on February 3, 2022, the California Privacy Protection Agency (CPPA) voted to approve a final version of its updated regulations to implement the California Consumer Privacy Act (CCPA). The CCPA regulations address new statutory requirements created by the California Privacy Rights Act of 2020 (CPRA).

On February 14, 2023, the CPPA submitted the final rulemaking package of the updated CCPA regulations to California's Office of Administrative Law (OAL), which now has 30 business days to review the updated regulations. At the end of the review period the OAL may finalize the regulations or make additional changes. Thus, the CPPA is moving closer to having a final set of regulations take effect. Nevertheless, the effective date of the regulations could be pushed back further if the OAL rejects the CPPA's proposed regulations.

Additionally, the CPRA also requires the CPPA to issue regulations that address the following topics: (i) the circumstances under which businesses must perform a cybersecurity audit on an annual basis (and the scope of that audit); (ii) the circumstances under which a business must submit a risk assessment on a regular basis to the CPPA (and the scope of the risk assessment); and (iii) regulations governing access and opt-out requirements when a business uses "automated decision-making technology." This initial set of regulations approved by the CPPA and submitted to the OAL do not address these topics.

Similarly, on February 10, 2023, the CPPA issued an invitation for preliminary comments on Proposed Rulemaking on Cybersecurity Audits, Risk Assessments and Automated Decision-making (the "IPC"). The IPC indicates the CPPA is now seeking public input on the regulations the CPPA will be issuing regarding cybersecurity audits, risk assessments, and automated decision-making rules. The comment period is open until March 27, 2023 and comments may be mailed or emailed to the CPPA. As such, the CPPA is now gearing up for another fairly significant rulemaking effort. Thus, institutions should be prepared for additional changes to the CCPA regulations, even after this initial set is finally approved. Institutions can read the IPC on the CPPA's website at https://cppa.ca.gov/regulations/pre_rulemaking_activities_pr_02-2023.html.

For more information contact John M. Davis at JDavis@ABLAWyers.com.

Copyright © 2023
Aldrich & Bonnefin, PLC
All Rights Reserved

***Advertisement. This information is not, nor is it intended to be, legal advice. You should consult an attorney for advice regarding your individual situation. Contacting Aldrich & Bonnefin PLC does not create an attorney-client relationship. Please do not send any confidential information to us until such time as an attorney-client relationship has been established. Janet Bonnefin is retired from the practice of law with the firm.**