

# Client Alert

## California Ramps up Consumer Privacy Enforcement

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### Contact

**Adam Fee**, Partner  
+1 646.745.4682  
[afee@milbank.com](mailto:afee@milbank.com)

**Tawfiq S. Rangwala**, Partner  
+1 212.530.5587  
[trangwala@milbank.com](mailto:trangwala@milbank.com)

**Christopher Gaspar**, Partner  
+1 212.530.5019  
[cgaspar@milbank.com](mailto:cgaspar@milbank.com)

**Jeremy Butt**, Associate  
+1 212.530.5284  
[jbutt@milbank.com](mailto:jbutt@milbank.com)

Proposition 24—a California ballot measure designed to increase consumer privacy protections—appears likely to become law in California. Today, with about three-quarters of the vote counted, just over 56% of voters have approved the measure. If it becomes law, Prop 24 would amend the *California Consumer Privacy Act of 2018* (“CCPA”) to enhance the privacy protections in what was already the most robust data privacy law in the United States.

Specifically, Prop 24 seeks to strengthen consumer privacy protections by expanding consumers’ rights to control their personal information and increasing the size and power of California’s privacy enforcers. There are three particularly significant expansions of consumer rights under Prop 24:

- **Limits on Sensitive Personal Information.** If a business collects certain types of “sensitive” personal information (like health information), consumers can direct the business to limit its use of such information to “key business purposes” and thus limit the business’s ability to, for example, use the information for marketing or advertising purposes.
- **Right of Correction.** Consumers can require businesses to correct inaccurate personal information.
- **Data Retention Limits.** Businesses cannot retain personal information for longer than reasonably necessary and must inform consumers of how long they intend to keep the information.

Prop 24 also establishes a new state enforcement agency—the California Privacy Protection Agency—dedicated to enforcing the CCPA. The agency will be led by a five-member board with expertise in privacy and consumer rights and will be empowered to enforce the CCPA through either civil suits or administrative hearings. The agency will also have rulemaking authority and would be required to promulgate revised CCPA Regulations by July 1, 2022. Along with this expansion of enforcement personnel and powers, Prop 24 would triple potential fines for businesses that violate the CCPA and eliminate the 30-day period businesses currently have to “cure” a CCPA violation.

The CCPA was already an expansive privacy law when compared to other US jurisdictions. But in the first 11 months of its existence, there has been little enforcement of its provisions by the state authorities. Assuming Prop 24 is approved, California will have more authority and, importantly, more personnel to pursue businesses that are not complying with the CCPA.

## Global Litigation Contacts

### London | 10 Gresham Street, London EC2V 7JD

Tom Canning	<a href="mailto:tcanning@milbank.com">tcanning@milbank.com</a>	+44 20.7615.3047
William Charles	<a href="mailto:wcharles@milbank.com">wcharles@milbank.com</a>	+44 20.7615.3076
Charles Evans	<a href="mailto:cevans@milbank.com">cevans@milbank.com</a>	+44 20.7615.3090
Julian Stait	<a href="mailto:jstait@milbank.com">jstait@milbank.com</a>	+44 20.7615.3005
Mona Vaswani	<a href="mailto:mvaswani@milbank.com">mvaswani@milbank.com</a>	+44 20.7615.3002

### New York | 55 Hudson Yards, New York, NY 10001-2163

George S. Canellos, <i>Global Head of Litigation</i>	<a href="mailto:gcanellos@milbank.com">gcanellos@milbank.com</a>	+1 212.530.5792
Daniel Perry, <i>Practice Group Leader</i>	<a href="mailto:dperry@milbank.com">dperry@milbank.com</a>	+1 212.530.5083
Wayne M. Aaron	<a href="mailto:waaron@milbank.com">waaron@milbank.com</a>	+1 212.530.5284
Antonia M. Apps	<a href="mailto:aapps@milbank.com">aapps@milbank.com</a>	+1 212.530.5357
Thomas A. Arena	<a href="mailto:tarena@milbank.com">tarena@milbank.com</a>	+1 212.530.5828
James G. Cavoli	<a href="mailto:jcavoli@milbank.com">jcavoli@milbank.com</a>	+1 212.530.5172
Scott A. Edelman, <i>Firm Chairman</i>	<a href="mailto:sedelman@milbank.com">sedelman@milbank.com</a>	+1 212.530.5149
Adam Fee	<a href="mailto:afee@milbank.com">afee@milbank.com</a>	+1 212.530.5101
Christopher J. Gaspar	<a href="mailto:cgaspar@milbank.com">cgaspar@milbank.com</a>	+1 212.530.5019
David R. Gelfand	<a href="mailto:dgelfand@milbank.com">dgelfand@milbank.com</a>	+1 212.530.5520
Robert C. Hora	<a href="mailto:rhora@milbank.com">rhora@milbank.com</a>	+1 212.530.5170
Alexander Lees	<a href="mailto:alees@milbank.com">alees@milbank.com</a>	+1 212.530.5161
Grant Mainland	<a href="mailto:gmainland@milbank.com">gmainland@milbank.com</a>	+1 212.530.5251
Atara Miller	<a href="mailto:amiller@milbank.com">amiller@milbank.com</a>	+1 212.530.5421
Sean M. Murphy	<a href="mailto:smurphy@milbank.com">smurphy@milbank.com</a>	+1 212.530.5688
Tawfiq S. Rangwala	<a href="mailto:trangwala@milbank.com">trangwala@milbank.com</a>	+1 212.530.5587
Stacey J. Rappaport	<a href="mailto:srappaport@milbank.com">srappaport@milbank.com</a>	+1 212.530.5347
Fiona A. Schaeffer	<a href="mailto:fschaeffer@milbank.com">fschaeffer@milbank.com</a>	+1 212.530.5651
Jed M. Schwartz	<a href="mailto:jschwartz@milbank.com">jschwartz@milbank.com</a>	+1 212.530.5283
Alan J. Stone	<a href="mailto:astone@milbank.com">astone@milbank.com</a>	+1 212.530.5285
Errol B. Taylor	<a href="mailto:etaylor@milbank.com">etaylor@milbank.com</a>	+1 212.530.5545

### Washington, DC | International Square Building, 1850 K Street, NW, Suite 1100, Washington, DC 20006

David S. Cohen	<a href="mailto:dcohen2@milbank.com">dcohen2@milbank.com</a>	+1 202.835.7517
Andrew M. Leblanc	<a href="mailto:aleblanc@milbank.com">aleblanc@milbank.com</a>	+1 202.835.7574
Michael D. Nolan	<a href="mailto:mnolan@milbank.com">mnolan@milbank.com</a>	+1 202.835.7524
Aaron L. Renenger	<a href="mailto:arenenger@milbank.com">arenenger@milbank.com</a>	+1 202.835.7505

### Los Angeles | 2029 Century Park East, 33rd Floor Los Angeles, CA 90067-3019

Lauren N. Drake	<a href="mailto:ldrake@milbank.com">ldrake@milbank.com</a>	+1 424.386.4320
Gary N. Frischling	<a href="mailto:gfrischling@milbank.com">gfrischling@milbank.com</a>	+1 424.386.4316
David I. Gindler	<a href="mailto:dgindler@milbank.com">dgindler@milbank.com</a>	+1 424.386.4313
Robert J. Liubicic	<a href="mailto:rliubicic@milbank.com">rliubicic@milbank.com</a>	+1 424.386.4525
Y. John Lu	<a href="mailto:jlu@milbank.com">jlu@milbank.com</a>	+1 424.386.4318
Alex G. Romain	<a href="mailto:aromain@milbank.com">aromain@milbank.com</a>	+1 424.386.4374

Munich | Maximilianstraße 15, 80539 Munich

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Ulrike Friese-Dormann	<a href="mailto:ufriese@milbank.com">ufriese@milbank.com</a>	+49 89.25559.3646
Peter Nussbaum	<a href="mailto:pnussbaum@milbank.com">pnussbaum@milbank.com</a>	+49 89.25559.3636
Alexander Rinne	<a href="mailto:arinne@milbank.com">arinne@milbank.com</a>	+49 89.25559.3686
Christoph Rothenfusser	<a href="mailto:crothenfusser@milbank.com">crothenfusser@milbank.com</a>	+49 89.25559.3656

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### Litigation & Arbitration Group

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