

Even as landmark privacy law takes effect, California faces 2020 campaign for tighter privacy rules

18 Dec 19 | 03:08 GMT | Author: Mike Swift

In the unofficial launch of a political campaign that could have Californians voting next year on creation of the first US stand-alone privacy enforcement agency, the state attorney general has released the official summary for the proposed California Privacy Rights Act.

Backers of the proposed ballot initiative said the release of the official legal summary today (see [here](#)) will allow them, within a week, to begin gathering the 620,000-plus signatures of registered California voters required to get the CPRA measure on the statewide ballot for the presidential election in Nov. 3, 2020.

"We've laid an historic foundation for consumer rights in California with the passage of the California Consumer Privacy Act, and now it's time to seize that momentum and take the next step in enforcing and expanding the law to keep pace with an industry that is changing at a break-neck pace," said Alastair Mactaggart, a Bay Area real estate developer who spearheaded the ballot initiative that ultimately became the California Consumer Privacy Act, or CCPA.

The CCPA takes effect in less than two weeks, on Jan. 1. But Mactaggart says the tech industry which is so central to the Bay Area economy has worked aggressively to undermine the CCPA since it was signed into law in June 2018. Meanwhile, he says, the industry has doubled down on its efforts to mine the personal data of children and adult consumers.

"That's why we've introduced a new initiative that will further protect our most personal information, increase fines for violating kids' privacy, create more transparency and most importantly, establish an enforcement arm that truly looks out for consumers," Mactaggart said in a press release.

The proposed CPRA would triple the maximum penalty for privacy violations affecting children and teenagers under age 16, and it would establish the California Privacy Protection Agency to enforce and implement privacy laws and impose fines.

The proposed ballot initiative would also create a new category of sensitive personal information for consumer finances, race, biometric information, or data revealing health status or precise location. The CPRA would allow consumers to restrict the use of that information, and even block its use for all advertising or marketing.

Under the CCPA that takes effect Jan. 1, privacy enforcement is performed by the California Department of Justice, which is under the control of the state attorney general. Mactaggart says he spent \$3.5 million on the CCPA campaign in 2018, and he plans to underwrite the CPRA campaign as well, although he hasn't said how much he will spend on the 2020 CPRA campaign.

The annual fiscal impact of the proposed CPRA would be roughly \$10 million for the new state privacy agency, the state Legislative Analyst and Director of Finance estimates.

The proposed law would additionally cost California "potentially reaching the low millions of dollars annually" for the increased workload on the California DOJ and the state courts, but some or all of those costs would be offset by privacy penalty revenues, the state estimates found. The impact on state and local tax revenues due to economic effects from new privacy requirements for businesses is unknown, the state estimates found.

California Attorney General Xavier Becerra has budgeted about \$4.5 million annually to enforce and defend the new CCPA. The petition campaign for Mactaggart's organization, Californians for Privacy, has a higher mountain to climb this year than in 2018. California is unlike many other US states in that it allows voters to bypass the elected legislature, with registered voters deciding directly whether to pass proposed laws on election day — as long as backers can gather enough signatures to place an initiative on the ballot. The minimum threshold is 5 percent of the total votes cast for the office of governor in the previous gubernatorial election.

It's not a forgone conclusion that Mactaggart's forces will get the proposed measure on the November ballot. While they only needed about 366,000 signatures in 2018, they'll need about 623,000 in 2020 because of the strong voter turnout in the 2018 California governor's race.

Because some signatures are inevitably found to be invalid, Mactaggart has acknowledged (see [here](#)) he'll need to gather about 1 million signatures in 2020.