CALIFORNIA PRIVACY PROTECTION AGENCY
2101 ARENA BLVD.
SACRAMENTO, CA 95834
cppa.ca.gov



Date:	September 24, 2024
То:	California Privacy Protection Agency Board (Meeting of October 4, 2024)
From:	Philip Laird General Counsel California Privacy Protection Agency

Subject: Agenda Item 4 – Discussion and Possible Action on Proposed Regulations, Sections 7600–7605, Implementing Data Broker Registration Requirements, Including Possible Adoption or Modification of the Text

This memorandum provides staff's recommendation for the Board to adopt the proposed regulations, which add clarity and specificity to the registration requirements for the data broker registry, as required by the Delete Act.

Background

In 2023, Senate Bill 362 (Chapter 709, Statutes of 2023), known as the Delete Act, was signed into law, which transferred the responsibility for the data broker registry from the Attorney General to the California Privacy Protection Agency, beginning January 1, 2024. The Agency administered the registry for the first time this year and over 500 data brokers have registered.

The proposed regulations largely memorialize the Agency's existing practices related to the data broker registry, but also clarify key terms, concepts, and procedures. As a reminder, this package does not address the accessible deletion mechanism, which will be addressed in a separate rulemaking package.

During the May 10, 2024 board meeting, the Board voted to move the proposed regulations to formal rulemaking. Since that time, the Agency has completed the public comment period—which ran from July 5 to August 20—and held a hearing regarding the proposed regulations on the final day. The Agency received 3 oral and 18 written comment submissions from a total of 24 distinct entities, including data brokers, consumers, public interest groups, think tanks, law firms, political organizations, and private sector companies. These submissions resulted in 138 unique comments for the Agency to respond to. Staff has prepared responses to all comments and they are included in the draft Final Statement of Reasons (FSOR), which are included in the materials provided for this meeting. While the FSOR summarizes all comments, you can read specific comments on the Laws & Regulations page of the Agency's website at www.cppa.ca.gov/regulations. After consideration of the comments, and as indicated in the responses, staff does not believe it is necessary to make any modifications to the proposed text.

Recommendation

Staff recommends that the Board adopt the proposed regulatory text, which will codify registration requirements before the upcoming registration cycle, beginning January 1, 2025.