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MEETING OF THE
CALIFORNIA PRIVACY PROTECTION AGENCY

(Pages 1 - 137)

Location: Cannabis Control Appeals Panel Hearing Room,
Suite 330
400 R Street, Sacramento, CA
95811
Date: Friday, May 1st, 2026
Transcribed by: Samuel Murry

1 APPEARANCES:

2 BOARD MEMBERS (IN PERSON):

3 Jennifer M. Urban - Chairperson

4 Drew Liebert - Board Member

5 Jill Hamer - Board Member

6 Nicole A. Ozer - Board Member

7 BOARD MEMBERS (VIA ZOOM):

8 Alastair Mactaggart - Board Member

9 CPPA STAFF (IN PERSON):

10 Serena Carwile - Moderator

11 Tom Kemp - Executive Director

12 Philip Laird - General Counsel

13 Maureen Mahoney - Deputy Director of Policy and
14 Legislation

15 Michael Macko - Deputy Director of Enforcement

16 PUBLIC COMMENTERS (VIA ZOOM):

17 Matt Schwartz - Policy Analyst, Consumer Reports

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1 PROCEEDINGS

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3 CHAIR URBAN: Good morning. Welcome back to Day
4 2 of the California Privacy Protection Agency Board
5 meeting for April 30th and May 1st. It is May 1st, 2026,
6 and we are meeting in person in Sacramento.

7 I'm pleased to be here today with my fellow Board
8 Members in person and remotely, and to welcome members of
9 the public here in person and many of you joining on Zoom.

10 Before we get started, just a few of my usual
11 quick reminders. Please make sure your microphone is
12 muted when you're not speaking. If you're in person,
13 please silence your cell phone to avoid any interruptions,
14 and excuse me while I do that myself right now.

15 And finally and importantly, please note that the
16 meeting is being recorded. The meeting is in a hybrid
17 format. Four of my fellow Board Members -- sorry, four of
18 us on the Board and members of the agency staff are here
19 in person. Board Member Alastair Mactaggart will be
20 joining us remotely later in the meeting.

21 We continue to offer the public the opportunity
22 to watch and participate in today's meeting virtually or
23 to come in person. We are very committed to providing as
24 much accessibility as possible through these formats. It
25 does create technical complexities, so please bear with us

1 if we experience any technical issues. We will pause the
2 meeting to address them as needed.

3 Our location today is the Cannabis Control
4 Appeals Panel Hearing Room in Sacramento. We greatly
5 appreciate the CCAP team for their hospitality. Today's
6 meeting will follow the Bagley-Keene Open Meeting Act as
7 always and as required by law.

8 The agenda and supporting materials are available
9 here in Sacramento and on the California Privacy
10 Protection Agency website. You may notice Board Members
11 accessing our laptops, phones, or other devices during the
12 meeting. We are using these devices solely to access
13 board meeting materials.

14 The Board welcomes public comment, and I will
15 call for it as we move through our agenda today. Please
16 do note the rules for public comment. Each speaker will
17 have up to three minutes to make the comment on an agenda
18 item. Under the Bagley-Keene Open Meeting Act, both Board
19 Members and members of the public may only discuss items
20 that are listed on the agenda. Accordingly, comments must
21 relate to the agenda item currently being discussed.
22 Please contain your comments to that item.

23 There are two exceptions to that rule. One is
24 especially for the public. We have an item for general
25 public comment, Number 7 on the agenda for today, and it

1 is helpfully titled Public Comment on Items Not on the
2 Agenda. When we discuss this item, members of the public
3 can comment on any topic, including topics that are not on
4 today's agenda. Please know that the Board cannot do --
5 cannot comment and cannot respond.

6 Second, if you have a suggestion for a topic the
7 Board should consider at a future meeting, you can bring
8 that up during the Item Number 8 today, which is
9 designated for proposing future agenda items. Public
10 comment is welcome both in person and via Zoom. After
11 each agenda item, there will be an opportunity for
12 questions and discussion by Board Members. I will then
13 invite public comment, and each speaker will have their
14 three minutes per item.

15 If you -- if I happen to forget to call for
16 public comment, please raise your hand on Zoom or wave
17 your hand here in the room. The moderator will make sure
18 you're recognized.

19 If you're joining via Zoom and you wish to speak,
20 please wait till I call for public comment and use the
21 raise-hand feature under reactions at the bottom of your
22 Zoom screen. If you're participating via phone, please
23 strike star-9 on your phone, and that will show the
24 moderator that you're raising your hand.

25 When it is your turn, the moderator will call on

1 you and ask you to unmute. Zoom users, use your unmute
2 button, and phone users, you can press star-6 to unmute.
3 So it's 9 to raise your hand, 6 to unmute, and when you
4 complete your comment, the moderator will mute you again.

5 Please do note that the Board cannot see Zoom
6 participants. We'll only be able to hear your voice. If
7 you'd like, you may identify yourself when speaking. This
8 is optional, and you can use a pseudonym when logging in
9 via Zoom as well.

10 Participating in person, if you'd like to comment
11 on an item and you're here in person, please wait for me
12 to call for public comment and then proceed to the podium
13 on my right. When called, please speak very clearly and
14 closely into the microphone so remote participants can
15 hear you and your remarks can be recorded.

16 We apologize, the microphones are temperamental,
17 so you really do have to speak straight into them. And
18 again, we appreciate it if you identify yourself, but it's
19 entirely voluntary.

20 So I mentioned that hybrid meetings can be
21 complex. My thanks to Serena Carwile, our moderator, for
22 managing the technical side of today's meeting and all the
23 folks who help her if necessary. If you are attending
24 remotely and experience any technical issues, like, for
25 example, the audio dropping, we have an email address that

1 you should write to: info@cppa.ca.gov, which is India
2 November Foxtrot Oscar at
3 CaliforniaPrivacyProtectionAgency.ca.gov.

4 The inbox is monitored throughout the meeting,
5 and if anything comes up, we'll pause the meeting and fix
6 the problem, resume the meeting when the problem is fixed.
7 Please do note that the ninth item on the agenda today is
8 a closed session item. I will notify the public when we
9 take that item up, and when we are finished with a closed
10 session item, the Board will return to the public meeting.

11 We'll take some breaks today, including one for
12 lunch. I will announce each break and any information I
13 have about when we plan to return so that members of the
14 public can leave and come back if they wish before we
15 begin again.

16 My thanks to Board Members for their service and
17 to everyone helping make today's meeting possible,
18 including Executive Director Tom Kemp and Philip Laird,
19 who are joining us at the front today, and all of the
20 Agency team presenting today.

21 I would like to welcome our moderator, Ms. Serena
22 Carwile, and ask her to please conduct the roll call.

23 MS. CARWILE: Board Member Hamer?

24 MS. HAMER: Present.

25 MS. CARWILE: Board Member Liebert?

1 MR. LIEBERT: Here.

2 MS. CARWILE: Board Member Mactaggart? Board
3 Member Ozer?

4 MS. OZER: Present.

5 MS. CARWILE: Chair Urban?

6 CHAIR URBAN: Present.

7 MS. CARWILE: Madam Chair, you have four present
8 Board Members and one absent.

9 CHAIR URBAN: Thank you very much, Ms. Carwile.
10 The Board has established a quorum. I would like to
11 remind everyone that we will take a roll call vote on any
12 action items today.

13 Before we get started on Agenda Item Number 2, I
14 would like to take a moment to highlight that the upcoming
15 week, the week of May 4th is Public Service Recognition
16 Week. This annual California tradition honors all the
17 dedicated individuals who serve our communities at the
18 federal, state, county, and local levels.

19 Especially in today's political climate, I think
20 it's really important that we pause and recognize the
21 remarkable work of public servants and their commitment,
22 expertise, and the effect they have every day on improving
23 the lives of others. And you all have heard me multiple
24 times say this from the podium, but it bears repeating
25 again that we've got the best of the best, the A-team of

1 public service at this agency, and we are very, very
2 grateful for your service.

3 On behalf of the CPPA Board, I want to extend our
4 sincere appreciation to the staff of the privacy agency
5 and across government. We are grateful for your service
6 and your dedication, everything you do -- your work really
7 matters.

8 Well, now I turn to Agenda Item Number 2, which
9 is an Executive Director's Update and will be presented by
10 our Executive Director, Tom Kemp. Mr. Kemp, please go
11 ahead.

12 MR. KEMP: Thank you, Chair Urban, and good
13 morning, Board Members. I want to provide a quick update
14 on various activities since your last meeting. So first,
15 here are some updates on the Delete Request and Opt-Out
16 Platform, or commonly referred to as DROP.

17 As of today, there are 285,000 Californians that
18 have signed up in the first four months. We expect that
19 there will be accelerated interest in signing up as we
20 near the August 1st deadline for data brokers to begin
21 accessing the system and then performing deletions.

22 Furthermore, I am pleased to share that our DROP
23 media campaign is now fully activated. DROP ads are
24 running in airports across California, and banners and
25 brochures are being displayed in community locations such

1 as laundromats and convenience stores. Radio and podcast
2 ads are running in both English and Spanish, and our print
3 ads are appearing in multiple language -- languages in
4 ethnic newspapers.

5 We are also in the middle of our DROP road show
6 where we are taking our booth and informational materials
7 to community events, farmer markets, and universities
8 across the state. This grassroots component of our
9 outreach campaign not only helps more people to sign up
10 for DROP, but also broadens public awareness of the
11 Agency.

12 Since our February board meeting, we did publish
13 in late March the Data Broker Registry that showed a
14 record number of data brokers being registered. This
15 increase in registration is no doubt a consequence of our
16 bringing nearly a dozen enforcement actions against data
17 brokers, along with our significant engagement with data
18 brokers behind the scenes during ongoing investigations.

19 In addition to the record number of
20 registrations, we published an intuitive new user
21 interface that allows consumers to sort and filter on data
22 collection practices and entities they sell to. I am
23 proud that we have visually unlocked the new transparency
24 obligations that were called for by Senator Becker's SB
25 361, a bill that the agency supported last year and was

1 signed by the Governor.

2 Earlier this week, we also published an update to
3 the registry. This update shows the registry will
4 continuously be enhanced and improved to make it even
5 better for consumers. Californians will also notice an
6 uptick in the number of registered data brokers from the
7 original publication of the registry. There are now over
8 575 registered data brokers representing over 725 distinct
9 broker-operated websites.

10 I'm also pleased to announce that data brokers
11 now have access to the DROP Sandbox, a test environment
12 that data brokers may use to build and test their
13 integration with DROP for purposes of deletion request
14 processing. Finally, as Ms. Mahoney will mention, I want
15 to personally congratulate the State of Connecticut Senate
16 for passing SB 4, which is the first DELETE Act-style bill
17 outside of California to get this far.

18 I want to call out in particular Connecticut's
19 Senate Leader Duff and State Senator Maroney for their
20 hard work and commitment to this legislation. CalPrivacy
21 provided technical assistance and -- and shared its
22 learnings from its -- from our DROP implementation. As
23 part of Prop 24's mandate for the Agency to cooperate with
24 other agencies with jurisdiction over privacy laws, we
25 will continue to gauge (sic) with any other state to

1 discuss how to develop and implement a DROP-like system.

2 In fact, consider this an open invitation to
3 states considering such proposals to reach out and connect
4 directly with the staff that constructed DROP. We stand
5 ready to share technical details and lessons learned so
6 that the rest of the country does not have to start from
7 scratch when it comes to implementing their own instances
8 of this important tool.

9 Moving to audits, I am incredibly pleased with
10 the progress of our Chief Privacy Auditor, Ms. Ross. And
11 she will provide an update to her work in a future Board
12 meeting. But to answer the top question I've heard from
13 journalists, which is, will audits of select businesses
14 begin this year: the answer is yes.

15 Moving to Operations and Administration.
16 Ms. Chitambira gave a '26/'27 budget update where we
17 requested, via two Budget Change Proposals known as BCPs,
18 additional resources for both procurement and for
19 enforcement. Please see pages 141 and 142 of the
20 Governor's budget for more details.

21 I am pleased to report an update that the Senate
22 Budget Committee -- Subcommittee Number 4 on March 12th
23 unanimously approved our BCPs. On April 29th, this past
24 Tuesday, Assembly Budget Subcommittee Number 5 included
25 our BCPs on the agenda as non-presentation items. While

1 -- while the subcommittee has not yet voted on these
2 items, we remain cautiously optimistic that they will be
3 approved.

4 And finally, with respect to the legal team and
5 regulations, the Agency issued an invitation for
6 preliminary comments regarding reducing friction in the
7 exercise of privacy rights and opt-out preference signals.
8 That comment period closed, and the comments were publicly
9 -- are now publicly available on our website. We
10 appreciate the 40+ organizations and individuals who
11 provided the Agency their feedback.

12 We also opened an invitation for preliminary
13 comments regarding the forthcoming data broker audit
14 requirement under the DELETE Act, as well as preliminary
15 comments on employee data, and notices, and disclosures.
16 Both comment periods close in May, so there is still time
17 for the public to comment.

18 For the omnibus regulations that were approved
19 last year, as Mr. Laird mentioned in the last board
20 meeting, we plan to provide quick guides and compliance
21 checklist for cybersecurity audits, risk assessments, and
22 automated decisionmaking technology requirements. These
23 are on schedule to be released over the next six months,
24 with the risk assessment materials available later this
25 spring.

1 That concludes my updates. I look forward to any
2 questions.

3 CHAIR URBAN: Thank you very much, Mr. Kemp.
4 It's great news about the BCP, and thanks to our partners
5 in the Governor's Office and the legislature for
6 supporting the work and recognizing that we needed a
7 little bit of additional funding in order to continue this
8 great progress with DROP, with enforcement, and other
9 things.

10 So that all sounds really wonderful, and we'll
11 look forward to further updates. Are there questions or
12 comments from Board Members? Mr. Liebert.

13 MR. LIEBERT: Hey, thank you for that update. In
14 regards to -- in regards to DROP, I'm wondering, it's very
15 natural, I think, that over the last -- that's okay --
16 over the -- oh wow, it really does work. Okay, over the
17 last couple of months, I think it makes sense that we'd
18 have kind of a drop-off on the expansion of -- of -- of
19 folks joining it.

20 And so I'd love to get just a quick sense on the
21 advertising side, because I think we're in the -- the
22 process of -- of starting to beef up that -- that process
23 as well, right?

24 MR. KEMP: Board Member Liebert, that is correct.
25 We're now fully operational on the ads, so it does a nice

1 job of targeting you. So if you're listening to a sports
2 podcast, all of a sudden, a DROP ad will appear.

3 And we're very proud of the fact that we're going
4 after specific communities in California. We're -- we're
5 advertising in laundromats, convenience stores. The --
6 the signage is in Spanish, and we're also focusing on
7 ethnic newspapers and advertising in multiple newspapers.
8 So we're now fully operational.

9 Just over the last week or two, we finally kind
10 of hit that critical mass, and I think that will drive
11 increased usage and interest in the platform. And then we
12 also know that, you know, some people want to hold off and
13 say, "Well, I'll get to it later because the deletions
14 don't occur."

15 But the good news is, by the time the next board
16 meeting happens, the deletion process will have --
17 officially be opened, and we'll be able to report back to
18 you on the numbers of registrations, as well as provide
19 some visibility in terms of, you know, if any of the data
20 brokers have begun.

21 Now, take into account they have 45 days to do
22 that, so even into August, that -- and maybe in early
23 September, people still may hold off, but we encourage
24 people just to go ahead and do it.

25 And then furthermore, they can go back --

1 Californians can go back if they have a new zip code, a
2 new email address, a new phone number, if -- and we're
3 going to also be publishing information about how they can
4 get their mobile advertising ID. Sometimes initially
5 People don't understand that, and so we're coming out with
6 additional videos and educational material.

7 So it's perfectly okay for Californians to put in
8 some basic information like their phone number and email
9 address, but then they can come back and then they can add
10 additional zip codes, phone numbers, emails, and mobile
11 advertising.

12 So we see this as kind of a living, breathing
13 system in which Californians can come back, update, and
14 then they can check starting in August, they can see the
15 statuses of their updates as well. So it's -- it's --
16 it's a nice kind of a -- a two-way system where people put
17 information in and then they get information out in terms
18 of the statuses of their updates.

19 MR. LIEBERT: In regards to the registration by
20 the data brokers, I think you mentioned a number of --
21 like about 575 or so, have -- have so far registered. And
22 somehow in one of our meetings I remember that we think
23 there are many thousands of data brokers out there.

24 And so what are some of the techniques that we
25 are -- are able to use now to try to locate all these

1 other data brokers that are not registered?

2 MR. KEMP: Ms. Urban, I think that may be a topic
3 for Mr. Macko.

4 CHAIR URBAN: Yes, we do have an agenda item on
5 enforcement update. I think that'd be a great question.

6 MR. LIEBERT: Okay, great.

7 CHAIR URBAN: Deputy Director Macko.

8 MR. LIEBERT: Great.

9 CHAIR URBAN: Great. Ms. Ozer.

10 MS. OZER: Well, I just wanted to start by saying
11 that that's just an immense amount of work with such a
12 slim staff. So just, you know, deep appreciation for the
13 range of work and the -- just how quickly this work is
14 moving, because it -- it is a lot for everyone to be
15 handling.

16 One question I had about some of the outreach: Is
17 there -- has there also sort of been a plan to be
18 connecting with organizations that might work with
19 individuals and sort of have their own outreach capacity,
20 just to make sure that individuals who might have
21 relationships with organizations might sort of get the
22 information about DROP from a trusted source?

23 Because I can imagine that there might be some
24 communities that might be quite fearful about putting
25 information into systems that are government systems.

1 Obviously, the DROP system is very protected, but just
2 sort of want to make sure that, you know, as we're trying
3 to reach diverse Californians, sort of thinking about some
4 trusted relationships that might be able to connect with
5 people about -- about the system and that they -- they can
6 trust it.

7 MR. KEMP: I'm so glad you brought that up. We
8 have actually had focused outreach to civil society and
9 other community organizations, and so we're trying to meet
10 people where they're at, and we're also, you know,
11 participating in a road show where there's oftentimes, you
12 know, community events associated with specific entities
13 and organizations.

14 And then furthermore, we have published what we
15 call DROP in a Box, which is -- and it's available on
16 privacy.ca.gov/drop. It's the last menu item on the left
17 where there's precanned templates for emails, newsletters,
18 brochures, etc., that can be customized and tailored by
19 individuals or organizations to further promote that.

20 Furthermore, we're now in the process of creating
21 additional videos that will -- that will help people
22 utilize DROP that can also be referenced by communities.
23 Yeah. We -- we can't do it on our own, right? And it's
24 so important to have other organizations, other entities,
25 be able to promote this. And it's so nice that sometimes

1 you'll see someone post on Instagram, or a tweet, or
2 something like that, and we'll literally see a spike.

3 Like two weeks ago, a -- a very technical
4 gentleman posted something on Twitter, and that resulted
5 in 24 hours -- I'm going to guesstimate probably
6 influenced another 3,000 people signing up within 24
7 hours. So it's -- it's amazing that you just don't know
8 where this can come from in terms of individuals or
9 organizations being able to promote that.

10 We're also trying very hard to work with our
11 sister government agencies. And so I know that we've done
12 webinars with DFPI, CPUC, and others, and we thank them
13 very much for giving us their platform to communicate.

14 We're very appreciative of the Governor coming
15 out with the press release. We're very appreciative of
16 the Attorney General not only coming out with a press
17 release, but doing a very funny video with Senator Becker,
18 and also further promoting DROP in press releases that he
19 does on related consumer protection topics as well.

20 So yeah, we're -- we're really trying to get as
21 much leverage as possible from other entities and trying
22 to have this go viral and raise awareness through it. So
23 we just can't do it via advertising. And one particular
24 community that we've really focused on is seniors. And so
25 we've partnered with DFPI, the Contractors Board. We've

1 probably at least done 10 to 15 Senior Scam Stopper events
2 where we heavily promote -- I have personally done three
3 or four, so I've been in senior centers talking to senior
4 citizens.

5 We try to provide QR codes and try to make it
6 very easy, provide our information. So it's from top to
7 bottom, from the Public Affairs to -- to myself, we're out
8 there in the community.

9 But we know we can do better, and I certainly
10 encourage Board Members, if you have suggestions or
11 recommendations for particular organizations, all ears.
12 We'll -- we'll be there talking to them because it's so
13 important, the value proposition that DROP brings. And
14 we're trying to make it so that DROP is in a box where
15 people can promote it, and we're going to continue to go
16 down that path. So thank you very much.

17 CHAIR URBAN: Thank you, Mr. Kemp. Board Member
18 Hamer?

19 MS. HAMER: Yes, thanks. To follow up on the
20 point about some people might be fearful of registering,
21 you know, we learned a lot yesterday, and we already knew
22 that the data brokers are sharing with federal
23 governments. Does part of the educational program include
24 why you want to do this to specific communities that might
25 be fearful of putting themselves out there?

1 MR. KEMP: The answer is yes, and we try to do
2 that via FAQs, in our presentations. I've participated in
3 at least 10 podcasts, and up to this point the podcast had
4 been more focused on the privacy community because part of
5 that -- we want to make sure that businesses are -- are
6 aware of their obligations, and also privacy, you know,
7 centric consumers that may listen to these type of
8 podcasts.

9 But we're also in the process right now of
10 reaching out to specific communities and organizations
11 that have podcasts, community TV stations as well, that
12 target specific communities. And -- and we would educate
13 people on that.

14 And that's very common questions that people
15 have, that there is a fear, there is a nervousness that's
16 out there and even potentially giving their information to
17 us, the State, like, will something bad happen to that?
18 And we spend a -- we spend time walking people through the
19 security that we have, how the information is used, how
20 the information, you know, once you do the verification,
21 that we have no idea of -- of who the individual is
22 verifying, we just simply know that they're a California
23 resident.

24 So that is very much top of mind. And, yeah,
25 this is going to be something that we need to focus on

1 continuously.

2 MS. HAMER: More specifically, are we telling
3 people that data brokers are sharing their information
4 with federal agencies?

5 MR. KEMP: That we do. We do give that example.
6 And the good news is that the new registry allows you to
7 filter on what data brokers sell their information to what
8 type of entities. And so today you can go in and you can
9 actually click on, for example, foreign actors, which is a
10 defined term under federal government.

11 There are over 50 data brokers that sell to the
12 federal government, which you can see exactly who they
13 are. So if a Californian does not want to wait until
14 August, they can know exactly who sells it to the federal
15 government, and they can begin doing their manual CCPA
16 deletion request.

17 The filter also will tell you which data brokers
18 sell to GenAI developers. So there may be concern about
19 personal information being part of large language models
20 as well. So yeah, we do give visibility and we do educate
21 that these are the type of entities that would be
22 downstream purchasers of -- of your data.

23 CHAIR URBAN: Thank you. Mr. Liebert.

24 MR. LIEBERT: Just -- just a quick reminder about
25 this idea of possibly piggybacking on some notices that go

1 out to millions of people courtesy of the State of
2 California, whether it's the DMV or voter reg. I don't
3 know the legalities of that, but obviously there are
4 notice systems in place already that would be lovely to --
5 to be able to notify people this is a state program,
6 right? So something to -- I'd love to hear about if at
7 some point that could be possible.

8 MR. KEMP: That's certainly something that we've
9 discussed internally. I don't have anything to update,
10 but I 100% agree that every time -- it would be great if
11 when you get that car or your driver's license renewal,
12 that there's a little pink piece of paper with a raccoon
13 and the word DROP on it. And so, yeah. So we're
14 exploring all avenues and activities to -- to promote
15 this.

16 So thank you for -- you know, I think we're in
17 sync with your -- your -- your thinking on this as well.

18 CHAIR URBAN: I think the raccoons are great.
19 They're so cute. And also, we all know they're trash
20 pandas, so they're delightful.

21 To follow up on Board Member Hamer's question and
22 comment, I really recommend that folks look at the
23 registry and do the searches and sort. It's very
24 illuminating, and the additions to the requirements for
25 disclosure in the recent DELETE Act amendments are very

1 helpful to understanding what data brokers are -- are
2 doing.

3 I also want to underscore what Board Member Ozer
4 said in thanking everybody and being impressed by the
5 different levels and types of work from the Administration
6 Division, making sure that we have the contracts in place
7 to be able to continue to grow at a rapid pace, with DROP
8 -- to, of course, the technical expertise and the
9 regulations required and the public communication we've
10 been talking about. So it's exciting to see this come to
11 fruition for Californians. So thank you.

12 Is there any public comments on this item?

13 MS. CARWILE: This is for Agenda Item Number 2,
14 Executive Director's Update. If you'd like to make a
15 comment at this time, please raise your hand using the
16 raise-hand feature or by pressing star-9 if you're joining
17 us by phone. This is for Agenda Item Number 2, Executive
18 Director's Update.

19 Madam Chair, I'm not seeing any comments at this
20 time.

21 CHAIR URBAN: Thank you very much, Ms. Carwile.
22 In that case, we will move to Agenda Item Number 3, which
23 is a Legislative Update and Possible Action Authorizing
24 Agency Positions on some selected pending legislation. It
25 will be presented by Ms. Maureen Mahoney, our Deputy

1 Director of Policy and Legislation.

2 And I'll ask that everybody please turn your
3 attention to the materials for this agenda item. As we
4 admire the sheer multitude of bills that Ms. Mahoney will
5 cover for us in the materials, I'll let the Board know
6 that she plans to pause for questions or comments between
7 broad sections of the presentation: so federal, multi-
8 state, and then each California section so that we have a
9 plan for -- for discussion.

10 Thank you, Ms. Mahoney. Please take it away.

11 MS. MAHONEY: Thank you, Chairperson Urban, Board
12 Members. Very much appreciate the opportunity to discuss
13 our legislative work. And as usual, I wanted to
14 acknowledge my team members, Jamela Debelak and Elliot
15 Sangara, for all their work on this.

16 For this item, I'll do several things: First,
17 I'll provide an update on our federal engagement; second,
18 provide a high-level overview of several of the privacy
19 and tech bills that we're monitoring in states across the
20 country; and then I'll turn to California.

21 I'll give a brief update on CalPrivacy-sponsored
22 bills, then I'll talk about a number of privacy and tech-
23 related bills in California that we're watching, and at
24 the end I'll present for Board consideration several bills
25 that we recommend the Board consider taking a position on.

1 And these specifically amend the CCPA or the DELETE Act.

2 Again, after each section, I will pause. I will
3 say that this is a pretty long presentation. There's a
4 fair amount of material, so try to go slow. And if folks
5 want more or less detail, please let me know.

6 So first, turning to our engagement at the
7 federal level. With the -- between the time that these
8 slides were submitted and this meeting, the House Energy
9 and Commerce Committee filed a federal comprehensive
10 consumer privacy bill, the Secure Data Act, that includes
11 a broad preemption provision seeking to preempt any state
12 privacy law that relates to the provision of the Act.

13 This bill is substantially weaker than the
14 California Consumer Privacy Act and would seek to
15 eliminate many existing privacy rights and protections
16 that Californians depend on. We submitted a letter
17 opposing the bill this week where we highlighted just a
18 few of the many major issues with the bill.

19 Separately, House Energy and Commerce Ranking
20 Member Pallone, and several privacy advocacy groups,
21 highlighted their concerns with the bill as well.
22 Specifically, it would make it substantially harder for
23 California consumers to exercise their privacy rights.
24 For example, while the bill establishes a data broker
25 registry, it doesn't have a global deletion component like

1 DROP.

2 The Bill does not require businesses to honor
3 opt-out preference signals, so you wouldn't have this
4 one-step way of stopping the sale and sharing of your
5 personal information. It doesn't have a prohibition on
6 dark patterns, so businesses could nudge consumers into
7 sharing more information they intended.

8 Requires verification when consumers exercise
9 their opt-out rights, creating friction, potential
10 loopholes. And businesses can charge consumers or
11 disregard privacy requests in excess of two per business
12 per year. The Bill also weakens existing guardrails on
13 businesses. The data minimization provision only applies
14 to collection, not collection, retention, use, and sharing
15 like in California.

16 Doesn't have data retention limits, doesn't
17 require risk assessments, also has a much narrower
18 definition of sensitive personal information.

19 And finally, the bill has a weak enforcement
20 scheme. Enforcement authority is only granted to the
21 Federal Trade Commission and state attorneys general.
22 There's also a 45-day right to cure that does not expire.
23 So this is just a small sampling of the provisions are --
24 that are weaker than the CCPA. So in staff's view, it
25 would have a catastrophic effect on California's consumer

1 privacy and consumers in many states.

2 A hearing on the bill is expected in May. And
3 we'll continue to do outreach to raise our concerns with
4 the bill, including Executive Director Kemp, who's
5 planning a trip to Washington, D.C., in mid-May.

6 So I'm going a bit out of order on the slides.
7 Going to address the Gramm-Leach-Bliley Act bill because
8 an updated bill was formally introduced at the same time
9 as the Secure Data Act. So this bill was the Guard
10 Financial Data Act from the House Financial Services
11 Committee.

12 So it updates the Gramm-Leach-Bliley Act, which
13 as you know is the financial privacy law. It also
14 incorporates broad preemption language specifically
15 seeking to preempt any state law establishing consumer
16 data privacy or security requirements with respect to
17 financial institution.

18 So the Agency submitted an opposition letter on a
19 draft version of the bill last month, and we expect to
20 submit an opposition letter for this bill now that it's
21 been formally introduced. With respect to artificial
22 intelligence on the federal level, we are monitoring next
23 steps expected from President Trump's December executive
24 order on a national framework for AI.

25 The Secretary of Commerce is expected to publish

1 an evaluation of state AI laws that in their view would
2 conflict with the policy announced to enhance United
3 States global AI dominance and laws that should be
4 referred to the Department of Justice for legal challenge.
5 So this evaluation was expected in March, and it has not
6 yet been released.

7 The Administration did release a high-level
8 legislative framework for AI that seeks to preempt the
9 states, but again, this is just a framework and not
10 legislative language. But we may see a draft bill
11 fleshing out those ideas in the coming weeks. And then we
12 may also see continued efforts to place a state AI
13 moratorium in a must-pass bill.

14 So we're monitoring that. And then on children's
15 privacy, we've also been monitoring bills that would amend
16 the Children's Online Privacy Protection Act, or COPPA
17 2.0. The Senate recently passed their version. It has
18 favorable language with respect to the states, explicitly
19 allowing states to adopt stronger protections. So this is
20 a Senate version. Expand opt-in protections to minors
21 under 17, restrict targeted advertising, incorporate
22 purpose-use limitations, among other things. So this has
23 passed the Senate.

24 In the House -- House is considering their
25 version as well, much less favorable with respect to the

1 states, includes a preemption provision seeking to preempt
2 state laws that relate to that act. While the House
3 Energy and Commerce Committee was considering that bill,
4 the Senate version passed at the same time, so the House
5 took a step back to continue to -- to work on that
6 proposal. So we're continuing to monitor.

7 CHAIR URBAN: Thank you, Ms. Mahoney. Comments,
8 questions of the Board on the federal -- All right. For
9 the -- correct me if this is wrong, but for the Board and
10 the Agency, I will once again repeat that we cannot
11 support any law that has a broad preemption provision in
12 it. We believe that all Americans should have privacy
13 rights. It is unfortunate that this particular bill is so
14 very weak, as well as having a broad preemption.

15 But we can -- we can't accept and support -- we
16 certainly can't support a law that preempts Californians'
17 privacy rights. In particular, the fact that our bill has
18 a floor on protections, it can be amended to further its
19 purposes. I know I've said this multiple times, but I
20 will say it once again for the record because I think it
21 is important that we continue to make this point.

22 And now that we have nearly 20 states with
23 comprehensive privacy laws, I think it is particularly
24 important for the states to continue to lead. They are
25 developing -- they're developing a pattern of -- of -- of

1 privacy protections. And currently, with the behavior of
2 the federal government, it is especially important that
3 states lead. So it's especially important that we don't
4 accept this kind of broad preemption.

5 All right, I've made my little speech. Please
6 continue.

7 MS. MAHONEY: So next, I'd like to do a high-
8 level overview of what we're seeing at the state level.

9 CHAIR URBAN: I apologize, Ms. Mahoney, there was
10 actually something else that I wanted to say, which is
11 that I greatly appreciate the letter that staff put
12 together and sent on the Secure Data Act. It is
13 comprehensive, it is clear, and it is, I think, very
14 informative and helpful to the staff and the members of
15 Congress who seek to understand how that act would
16 interact with our laws and where it would fall short on
17 protections.

18 So it's an especially helpful letter, and thank
19 you for putting it together. I think it must have taken a
20 lot of work to -- to do something that is -- that is so --
21 that is so substantively good and clear. Thank you.

22 MS. MAHONEY: And again, thanks to my staff for
23 their work on that.

24 So next, I'd like to do a high-level overview of
25 what we're seeing at the state level across the country.

1 So as Executive Director Kemp said, as a reminder, the
2 CCPA directs the Agency to work with jurisdictions to try
3 to encourage consistency and privacy protections where
4 possible.

5 So over a dozen states considered privacy laws
6 this year. Several of them have wrapped up for the year
7 already. The bills are still pending in states like
8 Louisiana, Massachusetts, and Pennsylvania, just to
9 mention a few. So this work is ongoing. We have seen two
10 states this year adopt comprehensive privacy laws. This
11 is Alabama and Oklahoma, bringing the total number of
12 states with a comprehensive privacy law to, I think, 21 or
13 22, depending on if you count Florida, which has a pretty
14 high threshold.

15 However, both of these bills are weaker than the
16 CCPA, looking a little bit more like the federal bill that
17 I was talking about; not requiring businesses to honor
18 opt-out preference signals or prohibiting dark patterns.
19 However, DELETE-style bills grew in popularity this year.
20 Eight states considered DELETE-style bills.

21 And again, as Executive Director Kemp mentioned,
22 CalPrivacy staff spoke with lawmakers and legislative
23 staff in many of these states to share our experiences in
24 implementing DROP to encourage consistency. And as
25 Executive Director Kemp mentioned, Connecticut's SB 4

1 cleared the Senate and will up -- be up for House vote
2 next. If signed, it'll be the second state to adopt a
3 DELETE-style bill. Its provisions closely mirror the
4 California DELETE Act.

5 And then similar bills are still pending in New
6 York and Vermont. Likewise, very similar to California,
7 the Vermont bill would allow consumers to individually
8 request deletion with data brokers, but for a global
9 deletion component, that's in a study at this time. So
10 that's still pending.

11 And then between the time we submitted the slides
12 and today, Nebraska was considering a bill, but their
13 legislature closed without moving forward on that. But
14 again, staff are committed to being a resource to
15 interested states updates on, you know, all privacy
16 legislation.

17 I'll pause here before I move to the California
18 update.

19 CHAIR URBAN: Thank you. Comments or questions
20 from the Board on the multi-state. I think -- yes,
21 please, Mr. Liebert.

22 MR. LIEBERT: Just a congratulations for all the
23 work because this is exciting, right? We started with the
24 CPPA, and that's been a model across the country. And now
25 we've got our DELETE Act, and it's great to see that eight

1 states are considering this -- this approach, which is
2 really exciting. So keep up that great work.

3 CHAIR URBAN: Thank you. I am delighted that one
4 of my favorite CCPA provisions is on this slide and
5 appreciate everyone's work to fulfill that -- that role.
6 Please go ahead.

7 MS. MAHONEY: Okay, great. I'll now move to
8 California bills. So to give you a sense of where we are
9 in the legislative process, I'll begin with a roadmap of
10 the session. So we've passed the deadline for bills
11 anticipated to have a fiscal impact to make it out of
12 Policy Committee in the House in which they were
13 introduced.

14 Today is the deadline for non-fiscal bills to
15 advance out of the Policy Committee. May 15th is the
16 deadline for fiscal bills to make it out of Appropriations
17 and head to the floor, and then bills have to be out of
18 the chamber in which they were introduced by May 29th.

19 Then they'll cross over, the process will begin
20 again in the other house. Bills have to be out of the
21 legislature by August 31st of this year, and then the
22 Governor has to make his determination by September 30th.
23 And I want to start with an update on the bills. The
24 CalPrivacy is sponsoring this session.

25 So first is SB 923 from Senator Becker, the

1 Expanding Privacy Rights Act. And as we've discussed in
2 previous meetings, this bill does two things. It expands
3 the right to delete in the CCPA to cover information
4 collected about a consumer rather than information just
5 collected directly from a consumer. And it makes it
6 easier for consumers to submit privacy requests by
7 requiring online-only businesses with a direct
8 relationship to the consumer to provide an online method
9 for submitting rights to access, delete, and correct.
10 Currently, they just have to provide an email address.

11 So this bill passed the Senate Privacy Committee
12 -- that should say Senate Privacy Committee. Well, Senate
13 Privacy Committee is a new committee, so we're still
14 trying to remember that. It's been placed in the suspense
15 file in appropriations, meaning that the committee
16 estimated that the bill would cost more than \$50,000 to
17 the general fund or \$150,000 to a special fund to
18 implement. So they'll decide on May 14th whether it
19 advances further.

20 Next is AB 2021 from Assemblymember Schiavo.
21 That is the Whistleblower Protection and Privacy Act. And
22 it would add whistleblower protections to the CCPA and two
23 components: anti-retaliation provisions and incentives for
24 whistleblowers to come forward by allowing them to share
25 in the proceeds of a successful action.

1 Unfortunately, it does not look like this bill
2 will advance this year. This is an important and complex
3 bill that would add valuable changes to the CCPA's
4 enforcement framework, including a pipeline for the Agency
5 to access information leading to higher quality cases.
6 But we weren't able to have all the necessary
7 conversations before the Policy Committee deadline to
8 bring the bill along.

9 For example, the Assembly Privacy Committee feels
10 that existing whistleblower protections in the Labor Code
11 are sufficient, and that if a bill were to introduce
12 financial incentives to a whistleblower program, then it
13 should apply to a broad range of laws and not just the
14 CCPA.

15 Again, not enough time to work together to align
16 around solutions for that. Assembly Member Schiavo, the
17 author, remains committed to the concepts of the bill, and
18 we can look forward to pursuing these ideas again in a
19 future session, and are very grateful for her support.

20 And next, I'm going to provide brief updates on a
21 selection of bills that we're watching because they have
22 to do with the processing of personal information, but
23 we're not recommending that the Board take a position at
24 this time. Most of these do not amend the CCPA, or the
25 DELETE Act, or direct our agency to take action.

1 Additionally, because it's still early in the
2 legislative year, many of these bills we can expect will
3 be amended quite a bit. Over the next few months, we're
4 watching closely to see how they evolve. For bills that
5 staff determines could affect the Agency, we may want to
6 bring these back to the Board at a future meeting for
7 consideration.

8 And finally, we're highlighting some of these to
9 give the Board a sense of the bills that are getting a lot
10 of -- and issues that are getting a lot of attention. So
11 I'm going to start with several bills focused on kids'
12 online safety and privacy, which remains a high priority
13 for the legislature this year. This is actually just a
14 sampling of what's been introduced. And again, none of
15 these directly affect the Agency.

16 So first is AB 1159 from Assemblymember Addis.
17 This is a two-year bill that I've talked about in a
18 previous meeting, and at a high level amends student
19 privacy laws to prohibit the use of covered data to train
20 AI systems. This bill has passed the Assembly and the
21 Senate, and we'll continue to monitor this bill.

22 Next is AB 1700 from Assemblymember Lowenthal.
23 This bill would have established an eSafety Commission
24 tasked with developing age verification guidelines. This
25 -- this vehicle appears to have stalled out in committee.

1 I will note that a separate bill, AB 1709, from a
2 coalition of Assembly members, including Mr. Lowenthal --
3 it introduces a social media ban for minors under 16 and
4 establishes a similar eSafety Advisory Commission within
5 the Department of Justice that would be tasked with
6 advising the AG on a wide range of issues having to do
7 with harms to kids and age verification issues. So this
8 one is in Appropriations, as are most of the bills that
9 I'll be talking about.

10 Next is AB 2007 from Assemblymember Bauer-Kahan.
11 This bill prohibits non-school youth programs from using
12 covered information for any purpose, including marketing
13 purposes, without consent, and prohibits the sale or
14 sharing of covered data. And this bill has passed
15 Assembly Policy Committees and is in Appropriations.

16 Next is AB 2023 from Assembly Members Wicks and
17 Bauer-Kahan. This bill is a companion CHOP-OP bill. As
18 such, requires operators of these tools to do several
19 things with respect to child safety, including verifying
20 age, doing risk assessments, implementing child safety
21 policy.

22 But I'm flagging this bill because it does have a
23 privacy piece. It also restricts operators from targeting
24 ads at children, defined as kids under 18, and selling,
25 sharing, or using personal information of a child for any

1 purpose not authorized by the bill. And this bill is also
2 in Appropriations. There's also an identical CHOP-OP bill
3 pending in the Senate, SB 1119, from Senator Padilla.

4 And then the last kids' privacy bill I'll
5 mention, AB 2246 from Assemblymember Wicks. So this is a
6 modified version of the Age Appropriate Design Code. It's
7 in a separate part of the California Code than the
8 existing AADC, and it incorporates substantive provisions
9 of that law that have not been enjoined in the lawsuit
10 challenging that law.

11 I will note that the one part of the Age
12 Appropriate Design Code that is existing now that affects
13 us is that we have one appointment to the AADC Working
14 Group to provide legislative recommendations. This new
15 vehicle does not include the Children's Data Protection
16 Working Group. And just as a reminder, we appointed
17 Dr. Jennifer King of Stanford as our appointee before the
18 AADC was enjoined.

19 CHAIR URBAN: I'm sorry, I just have a quick
20 clarifying question. The -- the working group would
21 continue under the existing law that is being challenged,
22 or this would override the Working Group?

23 MS. MAHONEY: It's unclear. So, I mean, the AADC
24 would still be in one part of the code. This vehicle will
25 be in a different part of the code. It depends on what

1 the authors want to do moving forward. But I just wanted
2 to note that the Working Group is not in the new vehicle.

3 CHAIR URBAN: I see. Okay, thank you.

4 MS. MAHONEY: It's still up in the air about what
5 will happen. This bill is also in Appropriations.

6 Now I'm going to work -- walk through a few
7 workplace surveillance and workplace AI bills that we're
8 watching. They may overlap with but not conflict in our
9 view with CCPA obligations, and again, do not task our
10 agency with any responsibilities.

11 So first is AB 1883 from Assembly Member Bryan.
12 This bill regulates the use of workplace surveillance
13 tools and employers' use of worker data, including by
14 prohibiting the use of surveillance tools for certain
15 purposes and prohibiting the use of facial recognition
16 technology in the workplace.

17 And then you may recall last year that an
18 employment automated decisionmaking technology bill passed
19 the legislature but was vetoed by the Governor. That's SB
20 7 from Senator McNearney. So this year, two bills have
21 been introduced that each replicate one portion of the
22 bill. Again, these bills overlap with but do not conflict
23 with the CCPA/ADMT regulations.

24 So the first one is AB 1898 from Assemblymember
25 Schultz. This is a blanket notice requirement for

1 employers to provide employees with notice of the use of
2 all AI tools used by businesses both automated decision
3 systems and AI surveillance tools.

4 Additionally, the notice provided to employees
5 under this bill must include the results at a high level
6 of the risk assessments performed on any automated
7 decisionmaking technology in compliance with the CCPA.
8 This bill is also in Appropriations.

9 And the next -- the second piece, SB 947 from
10 Senator McNerney, is very similar in a lot of ways to SB 7
11 from last year. It prohibits certain employer uses of
12 automated decision systems, requires human review of
13 certain employment decisions made using automated decision
14 systems, and post-use notice for employees following such
15 decisions. Also in Appropriations.

16 And next, I'm going to turn to some key privacy-
17 related bills that we're watching. Again, categorized as
18 watch bills for now because they do not directly implicate
19 the CCPA or Agency. Let's see, AB 2169 from
20 Assemblymember Lowenthal. This is a data portability bill
21 that's intended to encourage competition between
22 platforms, and this bill is in the Business and
23 Professions Code.

24 It does two things: it gives consumers the right
25 to request that a social media company or AI model

1 operator provide in easily transferable form a copy of the
2 user's personal information and allows them to port it to
3 another platform.

4 This bill doesn't amend the CCPA or task us with
5 responsibilities; the AG is tasked with rulemaking and
6 enforcement. But we are watching this one closely to make
7 sure it interacts cleanly with the CCPA.

8 Next, AB 2561 from Assemblymember Valencia
9 doesn't amend the CCPA. We talked about this one at the
10 last meeting. It was recently amended to restrict
11 operating systems and application providers from undoing a
12 consumer's privacy settings without consent.

13 Next, AB 2564 from Assemblymember Ward. This is
14 a surveillance pricing bill, and this is a hot topic right
15 now across the country. Many states are considering them.
16 And this bill prohibits retailers from engaging in
17 surveillance pricing, defined to mean setting customized
18 prices for a specific consumer or group of consumers based
19 on personally identifiable information collected through
20 electronic surveillance.

21 And next, SB 354 from Senator Limon. This is the
22 Insurance Information and Privacy Protection Act. We've
23 talked about this in a previous meeting. It was
24 introduced last year. It's a two-year bill. Establishes
25 new privacy protections for insurance entities.

1 In staff's view, provides equal or greater
2 privacy protections in the CCPA and would negate our need
3 to adopt additional regulations to specifically address
4 insurance companies. This bill was recently amended as we
5 were going into the meeting, so we're currently reviewing
6 the updated bill. And that is in the Assembly Insurance
7 Committee.

8 Next, SB 1104 from Senator Cabaldon.

9 This one would affect us. It amends the DELETE
10 Act in two ways: It would codify the definition of direct
11 relationship that's in the regulations, so put it into the
12 statute; and it adds new disclosure requirements related
13 to how data brokers process and sell preferences about
14 certain sensitive data categories.

15 And then in an amendment to the Government Code,
16 not the DELETE Act, it charges the Office of Data and
17 Innovation with developing a privacy preference tool that
18 allows consumers to identify their privacy preferences and
19 use the tool to evaluate businesses' privacy practices.
20 So this one was also undergoing significant amendments
21 heading into this meeting. So rather than recommend
22 taking a position on this bill, we recommend continuing to
23 monitor it as it evolves and may bring it back before the
24 Board at a future meeting.

25 And then last, SB 1130 from Senator Reyes. So

1 this bill would amend CIPA in the Penal Code. It would
2 make it a crime to operate a wearable recording device to
3 capture video or sound of another person in any place
4 where that person has a reasonable expectation of privacy,
5 unless they have the person's consent. It would also make
6 it a crime to disable any lights that would indicate that
7 it's recording. So we're monitoring this one due to
8 concerns about new wearable devices hitting the market.

9 CHAIR URBAN: Thank you, Ms. Mahoney. Sorry for
10 -- I wanted to ask a clarifying question about AB 2561.
11 So that does not amend the CCPA? What does it amend or
12 create?

13 MS. MAHONEY: I believe it's in the Business and
14 Professions Code as a separate standalone.

15 CHAIR URBAN: I see. Thank you.

16 MS. MAHONEY: And there are also about a -- a
17 dozen new bills that we're tracking that establish new
18 administrative requirements for state agencies. Given the
19 number this year, we wanted to put it on the Board's radar
20 as a category of bills that we're watching. These would
21 impact the agency, but at this time we're just making sure
22 any efforts are in coordination with other state entities
23 and monitoring as they move through the legislature.

24 CHAIR URBAN: Sorry. What's the change to the
25 rulemaking process?

1 MS. MAHONEY: Well, there are several bills this
2 year that would provide amendments to the Administrative
3 Procedure Act. There's one that would require assessment
4 of cost of living impacts that a rule would have. That's
5 AB 2366. There's a bill, SB 986, that would allow the
6 legislature to disapprove a regulation. And there's one
7 requiring an assessment of the benefits and savings of a
8 proposed rule intended to kind of lower the threshold what
9 would hit major regulation.

10 CHAIR URBAN: Thank you.

11 MS. MAHONEY: Okay. So for the final portion of
12 the presentation, I'm going to walk you through three
13 bills that would affect the Agency.

14 CHAIR URBAN: Apologies. Would this be -- I -- I
15 have chimed in with questions. I apologize for doing
16 that. Is -- does anybody else on the Board have questions
17 or comments at this point? Board Member Hamer, please.

18 MS. HAMER: Thanks, (Inaudible.). So the SB --
19 SB 1130, what's the status of that? And that applied to
20 the Meta glasses?

21 MS. MAHONEY: I believe so. Yeah. I think that
22 was the intention for the bill. And yeah, the bill is
23 still moving. It's currently in Appropriations in the
24 first house, so being assessed for its fiscal impact.

25 MS. HAMER: Okay. Are we optimistic?

1 MS. MAHONEY: It's too early to tell at this
2 time, but I'll be happy to keep you updated.

3 MS. HAMER: Okay. Thank you.

4 CHAIR URBAN: On AB 1159, the Student Personal
5 Information used for training AI systems, how is student
6 defined? Is that K-12? Does it include university
7 students?

8 MS. MAHONEY: Yes. So that would amend COPPA, so
9 that would be K-12, and then it also amends the privacy
10 law that applies to university students as well.

11 CHAIR URBAN: Okay. Right. So Anybody who is
12 enrolled as a student, whether in K-12 or higher
13 education. Okay. Thank you. Other comments? Yes,
14 Mr. Liebert.

15 MR. LIEBERT: I'm sure that -- that you're all
16 kind of tracking all of these bills in terms of which
17 particular state agencies are being tasked with
18 enforcement efforts and potentially the - the privacy
19 realm that we're in.

20 And I think it would be helpful for you to alert
21 us at some point about that, because we have a great story
22 to tell in terms of what our agency is now capable to do
23 in terms of enforcement efforts, for example, and just the
24 technological strengths that we have. And -- and so kind
25 of keeping track of that and getting a sense of how this

1 is all being looked at by the legislature in terms of
2 which agencies make the most sense to be doing some of
3 this really important work. That'd be really helpful.

4 CHAIR URBAN: Thank you. Board Member Ozer.

5 MS. OZER: And -- and also, just piggybacking on
6 that, just a sense of sort of what the enforcement
7 mechanisms are more generally. In the informational
8 hearing yesterday, there was quite a lot of conversation
9 about, you know, also the importance of a private right of
10 action.

11 So it would just be good to know what actually
12 are the enforcement mechanisms that these bills are
13 considering, so that those bills, if they become law, are
14 not just -- you know, can actually be utilized and
15 enforced.

16 MS. MAHONEY: That's great feedback from both of
17 you. So just to make sure I'm understanding correctly, in
18 future updates and board meetings, just to make sure that
19 I'm talking about the enforcement mechanisms in each bill.

20 MR. LIEBERT: Yes. And also which particular
21 agencies might be getting tasked with those particular
22 provisions, whether it's the AG's office, or Technology,
23 whatever that might be. But it'd be nice to see how this
24 is being considered.

25 MS. MAHONEY: Yes. We'll absolutely do that.

1 MR. LIEBERT: Thank you.

2 CHAIR URBAN: Thank you both. Thank you,
3 Ms. Mahoney. Please go ahead.

4 MS. MAHONEY: Okay. So for the final portion,
5 getting into the home stretch a bit, I'm going to walk you
6 through three bills that directly affect the Agency,
7 either amending the CCPA or the DELETE Act. And actually,
8 before I get to that, I'm going to mention a couple other
9 bills.

10 So I do want to flag a couple bills from 2025
11 that are two-year bills bills that we took a position on
12 last year that are still active. And the first is AB 302
13 from Assemblymember Bauer-Kahan.

14 This bill amends the DELETE Act. It provides for
15 a process for elected officials and judges to have their
16 personal information deleted from data brokers by having
17 us collect the names of the elected officials, having the
18 Judicial Council send them to us, and we'd submit them to
19 DROP, and then there'd be a five-day turnaround time for
20 deletion. So we have a supportive amended position on
21 that bill.

22 Second, we have a support position on AB 322 from
23 Assemblymember Ward, which adds new protections for
24 location data, including strict data minimization,
25 prohibiting the sale of such data. And I think it came up

1 yesterday. So again -- again, we have a support position
2 on that bill. These bills are currently parked but may
3 start moving.

4 And the history on 302 is particularly relevant
5 for AB 883 from Assemblymember Lowenthal. So this is
6 another two-year bill, but it was gotten amended in early
7 2025 to mirror, in many, ways AB 302. Its intent was to
8 give more privacy protections for elected officials and
9 judges which is, you know, particularly an important goal.

10 But, you know, as it's been amended, it's very,
11 very similar to AB 302. Under the bill, effective January
12 1st, 2027, the Secretary of State is tasked with providing
13 a list of all elected state and local officials to the
14 Agency. However, we would be tasked with going back to
15 those elected officials and checking and -- and making
16 sure they wanted to be included in the list.

17 The Judicial Council is tasked with providing
18 CalPrivacy with a list of California judges to serve as
19 the judge's request for deletion. And under the bill,
20 CalPrivacy submits the deletion request into DROP and then
21 requires DROP to notify the data brokers of these requests
22 and process these requests within five days.

23 So again, very similar to AB 302, except the
24 Secretary of State would be required to provide the names
25 to us rather than us collecting them. So we -- we do

1 really appreciate that change. And this bill has -- yeah
2 -- passed the Assembly and is now in the Senate. So
3 again, staff very much agrees with the goals of the bill
4 to expand privacy protections to government officers in
5 this time of increasing violence against state officials.

6 But we do flag some issues with implementation.
7 So first, in staff's view, this bill is not feasible
8 without delayed implementation. So again, its
9 requirements would kick in January 1st, 2027, and the
10 technological features required by this bill is something
11 that'll take time and resources to build that -- that the
12 bill does not account for.

13 Second, we do have some privacy and security
14 concerns about the deletion request process. As currently
15 drafted, the bill requires the Secretary of State and
16 Judicial Council to transfer the data to us that we would
17 then put into DROP, and this would create new security
18 vulnerabilities at each step of the process.

19 So staff has suggested amendments with a couple
20 of suggestions, options. One would be having the
21 Secretary of State and Judicial Council notify the
22 relevant officials to create their own DROP account, or
23 have the Judicial Council and the Secretary of State
24 create a DROP request with a minimal amount of data, like
25 an email request, and then have the elected official or

1 judge build out the -- the DROP request to make it more
2 effective.

3 And finally, the bill still tasks the Agency with
4 responsibilities or outside its mandate, CalPrivacy would
5 have to reach out to all elected officials, estimated to
6 be 25,000 people, to verify that they want to be included
7 on the deletion list. It'd be much more streamlined and
8 intuitive to have the appropriate entity, such as the
9 Secretary of State, provide a list that only includes
10 folks that want to be -- want to have DROP requests
11 submitted.

12 So for these reasons we recommend a support-if-
13 amended position on this bill.

14 CHAIR URBAN: Board Member Hamer.

15 MS. HAMER: Yeah. So assuming that we can get
16 the list that is only the people who want to participate
17 in the DROP, can you just help me understand the technical
18 requirements that can't be implemented by 2027? Because
19 wouldn't that just be in our current DROP system?

20 MS. MAHONEY: Sure. So I will point out January
21 1st, 2027 sounds like it's really far away, but, you know,
22 we wouldn't know until fall whether or not the bill had
23 been adopted. And then we would have to reconfigure the
24 system to be able to provide a turnaround time for five
25 days for the elected officials. So that's -- that's what

1 we need resources for.

2 CHAIR URBAN: Board Member Liebert.

3 MR. LIEBERT: We've had great help by this
4 author, so I assume that there's a lot of cooperation in
5 trying to address these issues, obviously. I get a little
6 nervous about the Agency being on the hook for mistakes
7 made where somehow the system leads us to put someone in
8 the -- the DROP system that doesn't want to be there, for
9 example. So it's good that you're being very sensitive to
10 that.

11 I'm sure there isn't much of a precedent here,
12 right, for an agency like ours being responsible for this
13 kind of process without there being adequate assurances
14 that that particular individual on any long list of 20,000
15 or whatever definitely wants to -- to have us do this
16 work. Yes?

17 MS. MAHONEY: Correct. Yes.

18 MR. LIEBERT: Yep.

19 CHAIR URBAN: Thank you.

20 MS. MAHONEY: Okay. I'm moving to the next bill
21 that we recommend the Board consider a position on, AB
22 1542 from Assemblymember Ward. In staff's view, this bill
23 meaningfully advances consumer privacy by strengthening
24 privacy protections with respect to sensitive personal
25 information under the CCPA, specifically by prohibiting

1 the sale or sharing of such data.

2 So, again, the Board has previously taken a
3 position on similar bills last year, like AB 1355 and AB
4 322, that sought to increase protections for location data
5 by prohibiting at sale, among other things. So we think
6 this bill is important. Sensitive data is deserving of
7 heightened protections. The sale of this data related to
8 health conditions, race, immigration status, can lead to
9 discrimination and harassment.

10 Similarly, disclosures of personal identifiers
11 and financial data can cause identity theft and fraud. So
12 limiting both the sale and sharing of sensitive personal
13 information would provide protection against significant
14 risks of fraud, discrimination, and even extortion or
15 blackmail that can occur from the widespread circulation
16 of this data.

17 Additionally, this bill would enable California
18 to keep pace with Maryland, which has recently enacted a
19 privacy law that prohibits the sale of all sensitive
20 personal information, and other states that have
21 prohibiting -- prohibited the sale of geolocation data.
22 So this bill is also passed Assembly Privacy and is in
23 Appropriations.

24 CHAIR URBAN: Board Member Ozer?

25 MS. OZER: Can you just remind us of what is the

1 definition of sensitive personal information?

2 CHAIR URBAN: It's in the memo. Okay. Sensitive
3 personal information is a -- oh, this is among other
4 things -- a subset of personal information that includes,
5 among other things, Social Security numbers, precise
6 geolocation information, citizenship or immigration
7 status, genetic data, and the contents of messages. I
8 think there are a couple of other categories in there as
9 well.

10 MS. MAHONEY: We've added neural data.

11 CHAIR URBAN: Neural data. Yeah.

12 MS. MAHONEY: Goodness. Do you want me to read
13 it off?

14 MS. OZER: No. I -- I guess just, you know, one
15 of my points is, you know, the California constitutional
16 right to privacy protects all personal information. And
17 so, you know, just sort of creating, you know, some
18 dichotomies there. So just wondering sort of where we are
19 with that.

20 CHAIR URBAN: So when we discuss the bills, maybe
21 Board Member Ozer, you can expand on -- it sounds like a
22 concern about having different buckets of personal
23 information with different levels of protection?

24 MS. OZER: I just wanted to clarify.

25 CHAIR URBAN: Oh, okay. All right. I don't -- I

1 just certainly don't mean to put a position in your mouth.
2 I'm just trying to be helpful. So we'll return to this
3 when we have our discussion. Thank you.

4 MS. MAHONEY: Okay. And then finally, we have SB
5 1106 from Senator Cabaldon, and that one amends the DELETE
6 Act. So that would require data brokers to respond to
7 requests to delete in 30 days rather than 45 days.

8 So staff recommends a support position on this
9 this bill because this change ensures that consumer
10 requests will be promptly addressed. When a consumer
11 takes affirmative action to request their personal
12 information be deleted, you know, we think businesses
13 should respond quickly to do so. So we think it's
14 reasonable for businesses and respectful of consumers. So
15 this bill actually has passed out of Appropriations and is
16 eligible for a vote on the floor of the Senate.

17 CHAIR URBAN: Thank you, Ms. Mahoney. I just
18 wanted to pause to welcome Mr. Mactaggart, who's joining
19 us remotely now. Good morning, Mr. Mactaggart.

20 MR. MACTAGGART: Thank you, Chair. I apologize
21 for my absence, but I had another commitment, and here I
22 am. So thank you very much.

23 CHAIR URBAN: Wonderful. Thank you.
24 Ms. Mahoney, please go ahead.

25 MS. MAHONEY: And this concludes my presentation.

1 CHAIR URBAN: Oh goodness. I should have just
2 held on for 10 seconds. All right. So you would like us
3 to discuss positions on three bills, as I understand it:
4 AB 883, AB 12 -- 12 -- 1542, and SB 1106. All right.

5 So why don't we sort of -- why don't we proceed
6 in order and start with AB 883? And then, reminder, staff
7 recommends a support-if-amended position on this bill,
8 similar to the position that we took on a similar bill in
9 the past after discussion.

10 And I will open it up. Do Board Members have
11 comments or questions? No? Okay. It seems pretty
12 similar to the work that we have been doing to understand,
13 you know, this very important goal and how the Agency can
14 reasonably and meaningfully be helpful within the bounds
15 of our capabilities, but also what is the sort of
16 appropriate work for the Agency. So I hope that we can
17 all continue to work together with the legislature to help
18 address this important issue of personal data for state
19 officials.

20 So we will -- I will propose motions to cover
21 this after we finish discussing the bills. The next one
22 is -- is AB 1542, which is the Sensitive Personal
23 Information Bill that would amend the CCPA to prohibit
24 seller sharing of sensitive personal information to third
25 parties. And Ms. Ozer had a question about it. Is there

1 further comments or questions on this bill? All right.

2 And then finally --

3 MR. MACTAGGART: I had a --

4 CHAIR URBAN: Oh, I'm sorry. I'm sorry,

5 Mr. Mactaggart. I did watch for your hand.

6 MR. MACTAGGART: No, no, I was late doing that,
7 Chair. All I'll say is I thought it was a really elegant,
8 very precise edit, and I'm a big -- big -- big supporter
9 of it, so. Thanks.

10 CHAIR URBAN: Thank you, Mr. Mactaggart.

11 MS. OZER: I have one other comment.

12 CHAIR URBAN: Yes, Ms. Ozer.

13 MS. OZER: Just, you know, given sort of the
14 computing power and sort of the world that we're now
15 living in, you know, many forms of personal information
16 can become sensitive, and so, you know, just very
17 cognizant of that. And a lot of important research that's
18 been recently published on this issue.

19 CHAIR URBAN: Thank you, Board Member Ozer.
20 Board Member Liebert. Oh, your microphone is green, so I
21 -- I read too much into that, I suppose.

22 MS. MAHONEY: And then can I mention --

23 CHAIR URBAN: Yes, please.

24 MS. MAHONEY: -- one thing that Mr. Laird
25 reminded me of. So one aspect of the CCPA is it

1 explicitly authorizes the agency to expand the categories
2 of sensitive personal information by regulation. So
3 welcome continued feedback from the Board on that.

4 CHAIR URBAN: Thank you both. We also have SB
5 1106 from Senator Cabaldon in front of us, and that's the
6 one that changes the access requirements for data brokers
7 from 45 days to 30 days. Comments or questions on that
8 bill? Yes, Ms. Hamer.

9 MS. HAMER: We make it 5 days. So everybody's on
10 the same page. Just kidding.

11 MS. MAHONEY: I will say that New Jersey has 10
12 days for their --

13 CHAIR URBAN: There is 10. Yes -- yes,
14 Mr. Mactaggart. I do see your hand this time.

15 MR. MACTAGGART: All I'll say is it's always -- I
16 always find it ironic that they say it takes so long to
17 stop selling your information, yet literally within
18 fractions of a second of you landing on a page or seeing
19 an ad, your information has been auctioned and someone's
20 bought it. So I think -- I think 30 days is eminently
21 doable.

22 CHAIR URBAN: Thank you, Mr. Mactaggart. I quite
23 agree. All right. So please feel free to chime in if
24 additional thoughts occur. But thank you, Ms. Mahoney,
25 for a very comprehensive presentation and very clear

1 memos, which I think I think the reason we aren't asking
2 you a ton of questions is because you have briefed us so
3 very effectively. So thank you to you and all of the
4 staff in the Public Policy and Legislation Division.

5 So I will open it up for public comment in a
6 moment. I will first request motions in line with what
7 staff recommends. So the first would be to authorize
8 Agency staff to support AB 1542 and to authorize staff to
9 continue to support AB 1542 as stated, even if amended, if
10 in the staff's discretion the amendments are consistent
11 with the objectives set out in the memos before us today
12 in our discussion today, and to authorize staff to remove
13 support for or oppose AB 1542 if amended in staff's
14 discretion, it is no longer consistent with the objectives
15 set out today, with the materials for today, or our
16 discussion for today.

17 Secondly, a motion to support SB 1106 and to
18 authorize staff to continue to support SB 1106 as stated,
19 even if amended in the staff's discretion, the amendments
20 are consistent with the objectives set out in the memos
21 distributed to us in our discussion, and to authorize
22 staff to remove support for SB 1106 or oppose it if
23 amended, if in staff's discretion it is no longer
24 consistent with the objectives set out today in the
25 materials for today or our discussion for today.

1 And then finally, to support AB 883 if amended to
2 meet the criteria described in staff's recommendation memo
3 and to authorize staff to continue with that position even
4 if the bill is amended, if in staff's discretion the
5 amendments are consistent with -- actually, let me start
6 over, because if it's amended in the way we would like,
7 then we would like to -- I -- I would like to propose that
8 we could authorize you to support or to move to
9 opposition, I suppose, if -- if -- if things went really
10 south, which I don't expect. So I -- let me start that
11 motion over.

12 To authorize Agency staff to support AB 883, if
13 amended, to meet the criteria described in staff's
14 recommendation memo, and furthermore, to authorize staff
15 to support AB 883 if it is amended, and in staff's
16 discretion, the amendments fulfill the requirements that
17 we discussed today and set out in the memos before us on
18 AB 883, and to authorize staff to remove support for or
19 oppose AB 883 if amended, if in staff's discretion it's no
20 longer consistent with the objectives that we set out
21 today with the materials or our discussion for today.

22 So it's three motions: two that are as similar as
23 I could make them in the moment, for AB 1542 and SB 1106
24 to -- to adopt staff's recommendation that we support
25 these bills, and one for AB 883 that would be support if

1 amended. So now that I have set those out, let's start
2 with SB 1106, and I'll just double-check if there's any
3 additional comment on that one. Okay. Yes. AB 1542.
4 Okay. And AB 883. All right.

5 I will -- yes -- yes, Mr. Mactaggart.

6 MR. MACTAGGART: You're the attorney and expert,
7 and I'm not. I noticed that a group I'm affiliated with,
8 California for Consumer Privacy, was supporter of 883.
9 And just want to know -- I mean -- I actually think that
10 the amendment request is good. So I think I probably
11 should have put that in my letter, whatever. What do you
12 want me to do? I could do anything you want here.

13 CHAIR URBAN: Sorry. So, okay -- so they've
14 supported the bill. You can recuse yourself from the
15 vote.

16 MR. MACTAGGART: Sure.

17 CHAIR URBAN: Okay. All right. So Board Member
18 Mactaggart will recuse himself from the vote on AB 1542.

19 MR. MACTAGGART: No. 883.

20 CHAIR URBAN: Sorry. 883. I'm sorry. Okay.
21 Let me -- let me say for the record the correct
22 information, which is that Board Member Mactaggart will
23 recuse himself from the vote for AB 883 should someone
24 propose the motion and I get a second. Mr. Liebert, is
25 your microphone green to speak this time?

1 MR. LIEBERT: Just tell me when I can --

2 CHAIR URBAN: Oh, please go ahead.

3 MR. LIEBERT: Similar to you, Board Member
4 Mactaggart, I will be recusing myself from SB 1106 and
5 1542.

6 CHAIR URBAN: Thank you. Board Member Liebert
7 will recuse himself from the vote for SB 1106 and AB 1542.

8 MR. LIEBERT: Yep.

9 CHAIR URBAN: Okay. All right. Let's ask if
10 there's any public comment on this item.

11 MS. CARWILE: This is for Agenda Item Number 3,
12 Legislative Update and Authorization of Agency Positions
13 on Pending Legislation. If you'd like to make a comment
14 at this time, please raise your hand using the raise-hand
15 feature or by pressing star-9 if you're joining us by
16 phone. This is for Agenda Item Number 3. I do have a
17 hand raised. Matt Schwartz, I'm going to unmute you at
18 this time. You'll have three minutes. Go ahead and begin
19 when you're ready.

20 MR. SCHWARTZ: Good morning. My name is Matt
21 Schwartz. For the record, I'm a policy analyst at
22 Consumer Reports. Thank you for the opportunity to speak
23 today. Consumer Reports urges the Agency to officially
24 support AB 1542, a bill to ban the sale of consumers'
25 sensitive data.

1 This will provide default protections that
2 preserve the privacy, autonomy, and physical safety of all
3 Californians. California's current -- current protections
4 for sensitive data lag behind those in many other states.
5 In order to protect themselves, California consumers must
6 affirmatively opt out or invoke their right to limit
7 sensitive information, a right that few consumers likely
8 even know about, let alone how to exist -- exercise.

9 As a result, consumers' sensitive information is
10 regularly sold to hundreds of third parties without their
11 awareness. This has led to a number of harmful downstream
12 uses of this data.

13 In recent years, for example, car companies have
14 been caught secretly collecting and selling consumers'
15 location data with insurance companies. Health websites,
16 period trackers, and mental health apps have been caught
17 secretly selling consumers' medical information to social
18 -- social media websites. And data brokers have amassed
19 enormous portfolios of sensitive consumer data that they
20 have failed to protect.

21 The Joint Economic Committee recently reported
22 that four recent data broker breaches cost consumers \$20
23 billion alone related to identity theft. In some of these
24 cases, consumers theoretically provided their consent to
25 such uses of their data, but in practice, many companies

1 obtain this consent through Byzantine and confusing
2 privacy policies that hide the ball. Or that simply
3 require the consumer to consent to all possible uses of
4 data as a condition of signing up for the service.

5 Despite laws that purport to address this issue,
6 we've had years of evidence that consent is easily gamed
7 and that we need a stronger approach. In fact, this
8 legislation would help California join the movement of
9 states heading in that precise direction.

10 For example, in 2024, Maryland banned the sale of
11 all sensitive information as part of its comprehensive
12 privacy law. Last year, Oregon also banned the sale of
13 certain subsets of sensitive information, and this year
14 several states have considered similar bans, including in
15 Maine, Massachusetts, and Vermont. Californians deserve
16 the same level of protection.

17 We think that this is a goal well worth fighting
18 for and worthy of the Agency's time and attention this
19 session. Again, thank you for the opportunity to speak,
20 and we're happy to provide any support for this initiative
21 in any way that we can. Thanks.

22 MS. CARWILE: Thank you for your comments.
23 Again, this is for Agenda Item Number 3. If you'd like to
24 make a public comment, you can do that by raising your
25 hand using the raise-hand feature or by pressing star-9.

1 Madam Chair, I'm not seeing any additional hands raised at
2 this time.

3 CHAIR URBAN: Thank you very much, and thank you
4 for the public comment. With that, I will ask if I may
5 have a motion on AB 883, which was the support-if-amended
6 -- a support-if-amended position recommended by staff from
7 a member of the Board other than Mr. Mactaggart. I have a
8 motion from Ms. Hamer. May I have a second?

9 MS. OZER: Second.

10 CHAIR URBAN: Thank you. I have a motion on the
11 table from Ms. Hamer and a second from Ms. Ozer.
12 Ms. Carwile, will you please conduct the roll call vote?
13 And Mr. Mactaggart is recusing himself.

14 MS. CARWILE: This is a roll call for the motion
15 as stated by Chair. Board Member Hamer?

16 MS. HAMER: Approve.

17 MS. CARWILE: Board Member Liebert?

18 MR. LIEBERT: Aye.

19 MS. CARWILE: Board Member Mactaggart?

20 MR. MACTAGGART: I recuse myself.

21 MS. CARWILE: Board Member Ozer?

22 MS. OZER: Aye.

23 MS. CARWILE: Chair Urban?

24 CHAIR URBAN: Aye.

25 MS. CARWILE: We have four yeses and one recusing

1 themselves.

2 CHAIR URBAN: Thank you very much. The motion
3 passes with a vote of four to zero. Let's move on to AB
4 1542. Thank you, Mr. Liebert, for letting us know you
5 will recuse yourself on that one. May I have a motion
6 from someone other than Mr. Liebert for -- as stated
7 before public comment, and that is broadly speaking to
8 authorize staff to support the bill. I have a motion from
9 Ms. Hamer. May I have a second?

10 MR. MACTAGGART: Second.

11 CHAIR URBAN: Thank you. I have a second from
12 Mr. Mactaggart. Ms. Carwile, would you please conduct the
13 vote?

14 MS. CARWILE: This is a roll call for the motion
15 as stated by Chair. Board Member Hamer?

16 MS. HAMER: Approved.

17 MS. CARWILE: Board Member Liebert?

18 MR. LIEBERT: Recused.

19 MS. CARWILE: Board Member Mactaggart?

20 MR. MACTAGGART: Aye.

21 MS. CARWILE: Board Member Ozer?

22 MS. OZER: Recuse.

23 MS. CARWILE: Chair Urban?

24 CHAIR URBAN: Aye.

25 MS. CARWILE: Madam Chair, you have three ayes

1 and two recusing themselves.

2 CHAIR URBAN: Thank you very much. The motion
3 carries with a vote of three to zero with two recusals.
4 Thank you very much, the Board Members, for their
5 recusals. And let's move to SB 1106. Mr. Liebert is
6 recusing himself on this bill, so may I have the motion as
7 stated before the public comment to support this bill from
8 someone other than Mr. Liebert?

9 MR. MACTAGGART: So moved.

10 CHAIR URBAN: Thank you. I have a motion from
11 Mr. Mactaggart. May I have a second? Thank you. I have
12 a second from Ms. Hamer. Ms. Carwile, will you please
13 conduct the vote?

14 MS. CARWILE: Board Member Hamer?

15 MS. HAMER: Aye.

16 MS. CARWILE: Board Member Liebert?

17 MR. LIEBERT: Recused.

18 MS. CARWILE: Board Member Mactaggart?

19 MR. MACTAGGART: Aye.

20 MS. CARWILE: Board Member Ozer?

21 MS. OZER: Aye.

22 MS. CARWILE: Chair Urban?

23 CHAIR URBAN: Aye.

24 MS. CARWILE: Madam Chair, we have four yeses and
25 one recusal.

1 CHAIR URBAN: Thank you very much. The motion
2 carries with a vote of four to zero, with one recusal.
3 Thanks very much, Ms. Mahoney, and to your staff as well,
4 for a typically comprehensive and crystal-clear
5 presentation of the complicated legislative landscape
6 around personal information and data, which is complicated
7 because of the incredible importance of the issue.

8 So we appreciate the legislature's attention to
9 these issues, and thank you and your staff very much for
10 your briefing and for identifying bills for us that we
11 should -- that we should consider for a position. I
12 suggest we take a short break. How much time do folks
13 need? 10 minutes?

14 MR. LIEBERT: Sure.

15 CHAIR URBAN: All right. Ten minutes. So let's
16 return at ten to 11:00. Thank you all very much.

17 (Whereupon, a recess was taken.)

18 CHAIR URBAN: Turn to Agenda Item Number 4, which
19 is our Annual Enforcement Update and Priorities. It will
20 be presented by Mr. Michael Macko -- Macko, excuse me --
21 Deputy Director of Enforcement. And I'll ask you,
22 Mr. Macko, to please go ahead. We do have a slide
23 presentation I'll ask everyone to turn their attention to.

24 MR. MACKO: Great. Thanks very much. Good
25 morning. Mike Macko, Deputy Director of Enforcement. I

1 was here to present about six months ago for the Annual
2 Enforcement Update. Happy to be here today to talk more
3 about the very busy few quarters it's been since we last
4 saw each other at the last meeting. Let's get these
5 slides started. Okay. We got it.

6 So back in September, we talked about really
7 three different categories of things for enforcement. The
8 first was what we've heard from consumers, what we're
9 seeing in consumer complaints. The second big category
10 was our evolution, our growth as an enforcement division.
11 And the third was our enforcement activity and our
12 priorities where we sought the Board's input.

13 So I'm going to follow the same format. I'll
14 stick with those same categories today to give the Board
15 updates on what has transpired since. I'm mindful, as
16 well, that we have two newer Board Members, so I'll also
17 add some context as I go relating to our enforcement
18 division.

19 And of course, as always, please feel free to
20 interrupt me at any point in time. I know Board Member
21 Liebert, you in particular, had a question earlier during
22 the Executive Director's Update about data brokers. I
23 will turn to that as well when we talk about data brokers,
24 but of course anything else that comes up, please stop me.

25 So let's start with consumer complaints and where

1 we are now. As the Board knows, our -- our law requires
2 us to receive complaints from consumers. It's been a
3 really valuable resource for us as an enforcement division
4 to have -- to -- to see those complaints and to have
5 access to those.

6 We launched our complaint portal in July of 2023,
7 so it was one of the first infrastructure projects we had
8 as an enforcement division, aside from kind of building
9 our staff. The portal and the complaints have been a
10 great success for us within enforcement. Through the end
11 of March -- so through the end of last month -- we've now
12 received 12,546 consumer complaints in total, going back
13 to when we launched the system.

14 So the chart on the screen shows you kind of the
15 steady growth that we've seen and the aggregate growth
16 we've seen in consumer complaints over time. Kind of the
17 rate isn't obvious from this chart, but it's a -- if you
18 were to compare year over year, we're about a 125%
19 increase in consumer complaints.

20 So in other words, we are seeing the volume of
21 consumer complaints that we have, that, that's been
22 increasing each year. It hasn't plateaued yet. I do
23 expect at some point it will plateau, and we will get more
24 of a, a predictable number each month, each year. I think
25 we're still in a phase where Californians are learning

1 about their rights, they're -- they're becoming more
2 assertive in taking control over their personal
3 information, and that is leading to more awareness of --
4 of the complaint system and more awareness of those
5 rights.

6 This is no doubt a function of the work of our
7 Public Affairs team that has been working for the last few
8 years on making public education a priority and on making
9 rights more visible for people. And for us in
10 Enforcement, the growth tells us a couple things:
11 consumers in California care a lot about their privacy.
12 We know this, of course, from Prop 24 that created our
13 agency. But when you look at charts like this and when
14 you see volume like this, it is reaffirming that
15 Californians continue to care a lot about -- about their
16 privacy rights.

17 And second, there's a need for more enforcement.
18 We are likely the largest agency in the United States
19 devoted solely to privacy. But we are a fraction of the
20 size of data protection authorities in certain other
21 countries, even though our population is quite large,
22 sometimes larger than -- than other jurisdictions, and we
23 are the fourth largest economy in the world. So the
24 volume of complaints that we are seeing tells us from an
25 enforcement perspective that there's more we can do.

1 In terms of what the complaints look like, I --
2 on your screen is a slide from the last meeting just to
3 level set about where we left it and what complaints
4 looked like then. You will see the most common and least
5 common categories of consumer complaints that we're
6 getting.

7 So the right to delete being the most common,
8 followed by complaints about collection, use, storing of
9 personal information, and the right to limit. And then
10 the least common side, right to correct, children's
11 privacy, financial incentive programs. And you'll see
12 that the percentages don't add up to 100% because a single
13 complaint can and often does relate to more than one
14 category.

15 Let's look at the updated metrics for consumer
16 complaints. So this shows most common and least common
17 complaints from inception through the end of last month.
18 And you can see that the trends have basically held
19 steady. The breakdown is roughly the same. The
20 percentages haven't meaningfully changed, and the most and
21 least popular categories are in fact the same.

22 But if you were to break it down into kind of
23 smaller slices, we do see variability based on quarters,
24 and we -- we look at -- look for trends at different
25 points in time. And if you look -- were to look, for

1 example, at Quarter 1 of this year, you will see some
2 slightly different percentages.

3 Although the categories the same, we had more
4 complaints about the collection, use, storing, and sharing
5 of personal information in the first quarter of this year.
6 That was because there were some large data breaches early
7 in -- earlier in the year that received some media
8 attention, and that did prompt complaints.

9 In the longer term, our data has been more
10 consistent, and you'll see kind of a smoothing out into
11 the -- the percentages that I shared earlier. So these
12 complaints are --

13 CHAIR URBAN: Can I ask a question about that?

14 MR. MACKO: Please.

15 CHAIR URBAN: How noisy is this? If we have a
16 total of 12 to 13,000 complaints and we are looking at, at
17 any given time, a snapshot of three to six months, the
18 numbers that we have could mean that the statistics are
19 pretty, pretty noisy. Because you're not going to have a
20 lot of significance. Is it noisy like that, or do you
21 feel confident that these are solid trends?

22 MR. MACKO: There are solid trends in terms of
23 those -- the cat -- the most common and least common
24 categories by and large being pretty consistent even month
25 over month. You do see a lot of noise in terms of the

1 specific issues. You do see occasional blips where you
2 will have one particular issue dominate. For example, a
3 data breach.

4 CHAIR URBAN: A data breach. Okay. Thank you.
5 Have you seen any -- well, you know what, I will withdraw
6 the question. I think you answered it. Thank you.

7 MR. MACKO: So for us, well, look, when we look
8 at this data, it's pretty affirming to us about about the
9 priorities that we've sketched out for enforcement.

10 We know that consumers care a lot about how
11 businesses are collecting and using their personal
12 information. The right to opt out is obviously central to
13 that. It's central to how businesses share our
14 information. We have made that a priority through our
15 enforcement activity from the start. More on that
16 shortly.

17 The next kind of broad category for today,
18 something that I touched upon in September, involves our
19 enforcement team overall and the growth that we've seen.
20 We've built our enforcement team similar to how -- similar
21 to how I used to do staff fraud cases. So as some on the
22 Board know, I was a prosecutor at the Department of
23 Justice and a trial attorney at the SEC before I came to
24 the Agency.

25 And when you're building a fraud case in those

1 contexts, the way you do it is you -- you typically have
2 one attorney or more on the legal side, you have an agent
3 -- federal agent kind of doing the factual investigation
4 with you, partnering with you, but they're doing the
5 factual development, and then you have legal support
6 professionals supporting both. And that's a common team
7 in a lot of different kinds of cases and a lot of
8 different prosecutions.

9 We have built our enforcement division and -- and
10 there -- we staff our cases in -- in a similar way, but
11 we've made it unique to privacy. So instead of federal
12 agents out there in the field gathering facts, we have
13 research technologists who perform that role for us. So
14 research technologists hold PhDs in computer science and
15 related fields, and they're analyzing privacy practices,
16 looking at data flows, identifying potential privacy
17 violations, collaborating closely with the others on the
18 team to find violations.

19 And some of these violations that we see might be
20 easier to spot or more transparent. A lot of other
21 privacy violations can be highly technical and difficult
22 to -- to identify and prove. So our technologists are
23 building the evidence, advising attorneys on the facts,
24 and they serve as really critical partners on -- on our
25 cases.

1 One of our early priorities in Enforcement,
2 besides building out that complaint system, was staffing
3 up in Enforcement. So we have staffed deliberately. We
4 filled all of our positions within -- within enforcement.
5 The research technologists have been a particular area of
6 growth for us. We, in addition to kind of the full-time
7 team that we have, we've partnered with California
8 universities to hire part-time technologists.

9 So they supplement and serve as important
10 partners for our team on the evidentiary side. And
11 through these university collaborations, we're able to
12 work with folks who are usually far along in their
13 dissertations, enrolled in PhD programs, and have been a
14 really wonderful addition to the team.

15 We do expect additional growth within the
16 Enforcement Division. The Governor's budget proposes
17 funding for five additional attorney positions and one
18 additional legal support professional.

19 CHAIR URBAN: Thank you. I think Mr. Liebert has
20 a question.

21 MR. LIEBERT: I -- I want to just turn back for a
22 second, Mike, about just the tremendous growth in
23 complaints that your chart showed, and I'm struggling to
24 imagine how you're dealing with that with a relatively
25 small enforcement staff. It seems like it would be pretty

1 overwhelming.

2 And how is that process working when you have
3 this many thousands of complaints that are coming in?

4 MR. MACKO: Well, the large number -- the high
5 volume of complaints to us means that if we have more
6 staff, there -- there's definitely more we can do. So we
7 do -- we have to be really strategic and look for the most
8 impactful investigations to pursue, the most promising.
9 So it results in a lot of hard decisions.

10 But it doesn't mean that we sacrifice anything at
11 all on an individual case basis. What I mean by that is
12 when we pursue a matter, when we conduct an investigation,
13 we do have the resources to handle that appropriately and
14 to pursue it to the fullest extent that we can. But the
15 -- the staffing levels do present concerns for us in terms
16 of the -- the number of those matters that we can do at
17 any given time, and that's -- that's important.

18 MR. LIEBERT: So if I'm a consumer and I make a
19 complaint, you're going to get back to me to acknowledge
20 that complaint, but as to what else happens, that's where
21 the metal hits the road, right?

22 MR. MACKO: That's correct. We do respond to
23 consumer complaints consistent with our law, and we -- it
24 takes a lot of resources to do -- to do that. But on top
25 of that, many consumer complaints can spawn lengthy

1 investigations that are extremely resource-intensive, and
2 that's appropriate to get into the technical details of
3 any given privacy violation or possible violation, but it
4 does take a lot of resources.

5 CHAIR URBAN: Thank you. Mr. Mactaggart also has
6 a question. If I may follow up on Mr. Liebert's -- my
7 guess is that from the complaint system, you will --
8 you've given us sort of the broad trends. My guess is
9 that you also see trends that are more specific than you
10 could share with us here that would help you make those
11 choices about what cases to take, so that you can kind of
12 broader range of consumers without necessarily having a
13 full investigation on every single one.

14 MR. MACKO: You're hitting it right on the head,
15 Chair Urban. Yes, there -- there -- when you get into the
16 data more specifically, or when you look at individual
17 companies or -- or types of practices, we are absolutely
18 looking for those kinds of trends, looking for themes,
19 looking for ideas that would support our -- the types of
20 general priorities that we've talked about.

21 CHAIR URBAN: Thank you. Mr. Mactaggart.

22 MR. MACTAGGART: Yeah. Thanks. You know,
23 Mr. Macko, I was just wondering, is this an area where
24 you've considered using any -- any of the AI platforms
25 just to kind of -- you know, you have thousands and

1 thousands of complaints, you have an understaffed agency
2 by definition, just -- I would just think that maybe just
3 to kind of go through and assess, okay, this one's got
4 merit, this one really we can't do much about, this one's
5 not even about privacy, that kind of thing. Have you been
6 using that at all or thought about using it?

7 MR. MACKO: We have thought about that, and there
8 have been initiatives more recently at the state level
9 that authorize the use of different products internally,
10 and in a secure way, and in appropriate way, and we are
11 talking with the -- our IT professionals about ways of
12 doing that.

13 We do contemplate improvements to the complaint
14 system for efficiency gains, both improvements we can make
15 without a procurement and without the need to bring in
16 something new, and improvements that may require a
17 procurement and something new. So I -- I do think this is
18 an -- an area that will evolve for us over the coming
19 years, kind of in our processing of consumer complaints.
20 I do expect it will become more efficient over time.

21 CHAIR URBAN: Thank you. Please go ahead.

22 MR. MACKO: So the growth that I'm describing
23 that we're talking about in consumer complaints and in our
24 team, I should mention that it isn't limited to
25 CalPrivacy, that this is actually a trend that we're

1 seeing nationwide. States across the country have been
2 enacting comprehensive consumer privacy laws. They've
3 been increasing their own staffs with technologists and
4 with attorneys.

5 We regularly collaborate with those states
6 through the Consortium of Privacy Regulators, and we're
7 just seeing that growth across the board. And I want to
8 credit the -- the other states for working with us in that
9 way and -- and for experiencing the same kind of growth
10 that isn't unique to us.

11 Relatedly, we've seen a growth in enforcement
12 actions. So not only do we have complaints, we have teams
13 growing, we have states that are growing, and we have more
14 enforcement activity. So the first CCPA enforcement case,
15 as the Board knows, was -- was in 2022, the Sephora case.
16 That was before we had our enforcement authority. And
17 since then, CCPA enforcement has grown significantly, and
18 it's continuing to grow behind the scenes.

19 So publicly, there are now a dozen CCPA
20 enforcement actions between our agency and the California
21 Attorney General. And of course, we share enforcement
22 jurisdiction with the Attorney General and the Attorney
23 General's Office is an important partner for -- for us.
24 On top of those actions, we've brought nearly a dozen
25 additional enforcement actions against data brokers under

1 the DELETE Act.

2 Our agency alone has brought six enforcement
3 actions just since the September meeting. That's about
4 one a month on average if you were to spread them out
5 evenly, and it doesn't include include the Attorney
6 General's additional actions.

7 Since I presented to the Board in September,
8 we've brought enforcement actions against Ford Motor
9 Company. That was in just last month, one of the
10 connected vehicle manufacturers. In the same month, we
11 brought an enforcement action against PlayOn Sports. That
12 was a digital ticketing platform for youth sporting events
13 and other types of youth events.

14 In January of this year, we brought an action
15 against DataMasters, a data broker that was selling lists
16 of people with Alzheimer's disease, seniors, lists of
17 people based on their political views. We brought an
18 action that month against S&P Global, another data broker
19 that had not registered.

20 The month before that, we brought an action
21 against ROR Partners. That's a Nevada marketing firm that
22 catered to fitness brands, and it was selling custom
23 audiences, building custom audiences, and it was not
24 registered as a data broker. And then in September, we
25 brought an action against Tractor Supply Company. That is

1 the nation's largest rural lifestyle retailer. It's a
2 Fortune 500 company. And the fine amount there was \$1.35
3 million.

4 On top of those enforcement actions, we've issued
5 three enforcement advisories, the most recent of which was
6 in December of 2025.

7 And on the topic of this growth in enforcement
8 actions, the bipartisan Consortium of Privacy Regulators
9 has also continued to grow and include additional
10 agencies. So there are some themes, or I guess through
11 lines, if you were to look at this enforcement activity in
12 the aggregate and consider what we've been up to over the
13 last even six months.

14 So the first is that in multiple previous Board
15 meetings, we have discussed how the Enforcement Division
16 intended to prioritize cases that would advance the
17 breadth and scope of the law. We -- we've spoken about
18 the importance of building a -- a corpus of -- of cases, a
19 corpus of Board decisions under different topics, under
20 different aspects of the law.

21 And we've done that by intentionally focusing on
22 various parts of the law and on different types of
23 industries, different types of businesses. So from just
24 the list that I mentioned in the last six -- of cases from
25 the last six months, you can see kind of a wide variety of

1 -- of industries, a wide variety of different types of
2 businesses.

3 So we -- we haven't limited our enforcement to
4 any one industry or what some might consider to be just
5 big tech. We've intentionally gone broader. And you'll
6 also see, if you're looking for through lines and of --
7 from the cases so far, that we have been following through
8 on the proposal that we had a few years ago, to focus on
9 the implementation of privacy rights.

10 Looking more broadly for a moment at actions over
11 time, there have been the cases involving Honda, Todd
12 Snyder, Ford, PlayOn Sports, Tractor Supply; there may
13 even be others. All of these cases have involved, at
14 least in part, a failure to implement privacy rights or a
15 failure to implement those rights correctly.

16 And you'll also see, in terms of themes, a focus
17 on opt-out rights. Opting out, as the Board knows, is --
18 is a real innovation in California, but it was also a bit
19 of a compromise. If we're going to have an opt-out
20 regime, the trade-off was that it needs to be easy.

21 So we have brought multiple cases for the Board's
22 consideration that involve opt-out mechanisms that were
23 not easy. And we've said from the beginning that we would
24 be focusing on opt-out rights. We continue to -- to -- to
25 do so, and we -- and we plan to continue doing so.

1 And finally, you'll see, in terms of themes, a
2 focus on data brokers and the data broker industry. And
3 it's getting me to a question from Board Member Liebert.
4 We launched a data broker enforcement strike force in the
5 fall, so a focused initiative to tackle issues in the data
6 broker industry. We are continuing to engage with data
7 brokers about compliance with the DELETE Act, and we know
8 that data brokers are an important component of the
9 privacy ecosystem, and that's something that we are
10 considering.

11 Board Member Liebert asked about having seen
12 reports or discussions about there being thousands of data
13 brokers out there. So I want to pause here and just
14 address that question head-on that came up at the
15 beginning. First of all, I want to validate the concern
16 that consumers have and that perhaps even the Board
17 shares, about the special risks attendant to the data
18 broker industry and data brokers.

19 We've seen this, of course, play out in multiple
20 data breaches, and -- and we know the sensitivity of -- of
21 the role that data brokers play in the industry. We want
22 to bring actions to give consumers more visibility into
23 that and more control over how that industry operates as
24 it affects them.

25 We have brought a number of cases against data

1 brokers to make sure that the registry reflects all data
2 brokers who are operating here and who -- who meet the
3 definition of data broker under California law. There are
4 currently 577 registered data brokers in our registry.

5 If you look at the enforcement activity we've
6 taken over the last few years, and you look at the
7 trajectory of data broker registrants, the number has
8 increased every year. I don't think that's a coincidence.
9 I think it's a product of the fact that we have been
10 diligent about pursuing that -- pursuing unregistered data
11 brokers.

12 As for the -- sometimes the reports that you'll
13 see in the public domain about thousands of data brokers,
14 there may indeed be thousands of data brokers, lowercase
15 data brokers. The question for us is, from an enforcement
16 perspective, which of them are data brokers under
17 California law and under our definition? And that is more
18 nuanced.

19 I think the real number of data brokers under
20 California law is somewhere between the number that is
21 currently registered and the number that's maybe operating
22 in -- in a more generic sense. As for where exactly that
23 number is, that's something we are working to identify
24 through our investigations. We have a lot of
25 investigations going on right now against potential data

1 brokers, involving potential data brokers, to try to make
2 sure that we close any gap. There shouldn't be a gap
3 between the registry and the number of data brokers who --
4 who qualify under California law.

5 I don't think the public reports about data
6 brokers in the generic sense reflects or is necessarily
7 the number that is for California, but I also am not
8 convinced that we have all of the data brokers in the
9 registry who should be registered. And so we're looking
10 for -- to see what that gap really is. I don't have the
11 answer to it yet, except that that's where we're spending
12 a lot of our time right now, is on those kinds of
13 investigations.

14 So I'll pause there to see if there are any
15 follow-up questions on that, since we -- we were talking
16 about it earlier.

17 MR. LIEBERT: Well, first of all, thank you for
18 that explanation. And obviously getting that factor
19 correct is so helpful to the overall functioning of the
20 DELETE Act, right? Because when I as a consumer am saying
21 I want to, you know, have my data back, we got to make
22 sure that we're collecting it as broadly as possible. So
23 -- so I'm glad that that's the focus that you have.
24 That's great to hear. Thank you.

25 MR. MACKO: Yeah. It doesn't work if not all

1 data brokers are registered. Moving on to investigations,
2 we are in the middle of continuing to advance all of these
3 priorities and themes through the ongoing investigations
4 within the Enforcement Division. Most of our time within
5 enforcement is spent in this investigative process. It's
6 a really time-consuming and kind of resource-intensive
7 part of what we do, but it is important.

8 It's -- we spend most of our time engaging with
9 businesses, gathering the facts. Our goal is fairness,
10 and it's getting to the right result. And it's -- it's --
11 the goal is to bring cases when we think that there's been
12 a violation, and to make sure that we are engaging with
13 businesses to get to the right answers, not rushing to
14 judgment, but at the same time bringing actions as
15 efficiently as possible.

16 I was happy to hear earlier today Chair Urban's
17 comment about her favorite provision in the CCPA, which
18 relates to collaboration with other jurisdictions and the
19 kind of the -- the law's mandate.

20 CHAIR URBAN: One of my favorites.

21 MR. MACKO: One of -- one of --

22 CHAIR URBAN: I have many favorite children. Oh,
23 like I say, they're Mr. Mactaggart's children. I'm fond
24 of them as well.

25 MR. MACKO: Well, we will -- I will confess that

1 that -- the collaboration provision is one of
2 Enforcement's favorites as well, and it really does give
3 us the mandate to do collaborative work with other -- with
4 partners in other states and other jurisdictions. We --
5 this is an area that I mentioned in particular because
6 it's been an area of special growth over even the past six
7 months and over the past year.

8 We propose to continue devoting energy to
9 fostering the relationships that we have with other
10 states. The goal for us is for those collaborations to
11 show up in public enforcement actions at appropriate
12 times. But for now I can say that the collaboration
13 between states, between us and other enforcement
14 authorities, is very much underway in a manner consistent
15 with -- with that statutory provision.

16 Collaboration with the newly created Audits
17 Division is something I think we'll see -- it's already
18 started, but it's something you're -- we will see more of
19 over the coming year.

20 I'm especially excited about the Audits Division
21 because of how I used to work with auditors in other roles
22 and how I have seen other agencies successfully have a
23 collaboration between an audit function and an enforcement
24 function. There's a lot of precedent out there for that
25 kind of parallel and collaborative work and I'm really

1 excited about building that out on, on the enforcement
2 side, and I think those functions will complement each
3 other well.

4 And lastly, with the DROP requirements that are
5 going into effect this fall, we do expect to devote
6 significant enforcement resources to look for potential
7 violations. Data brokers will need to be deleting the
8 personal information of Californians who request deletion
9 through DROP. We do expect to spend considerable time on
10 those investigations.

11 With that, I am grateful for the -- to the Board
12 for the opportunity to provide these updates, and I'm
13 happy to answer any additional questions.

14 CHAIR URBAN: Thank you very much, Mr. Macko, and
15 thank you to your whole team for all of the really
16 effective, thoughtful, strategic, and high-quality work
17 that it has been doing. I know that, as with every
18 division, my guess is that it sometimes has been pretty
19 intense. And so our thanks to you on behalf of the people
20 of California.

21 Comments, questions? Okay. Mr. Liebert.

22 MR. LIEBERT: I've been so impressed with with
23 what your division has been able to do these past couple
24 years that I've been here. And to say punching above your
25 weight is -- is an understatement. So I just want to

1 congratulate you in that regard.

2 And it -- it strikes me how important the
3 enforcement process is when consumers don't have a private
4 right of action to protect themselves in that regard. So
5 they're really depending upon our agency to do that for
6 them. And I -- I just found your presentation really
7 encouraging as to how we're working this through. So
8 thank you very much.

9 MR. MACKO: Thank you.

10 CHAIR URBAN: Thank you, Mr. Liebert. Board
11 Member Hamer?

12 MS. HAMER: Yes. I echo those comments as well.
13 You're doing a great job with the shoestring staff, so
14 thank you. This is -- how -- how do you go about finding
15 data brokers that aren't complying, that aren't
16 registered, that should be registered?

17 MR. MACKO: I'm --

18 CHAIR URBAN: Without revealing investigative
19 techniques.

20 MS. HAMER: Okay. Okay.

21 MR. MACKO: How did you know the disclaimer that
22 was coming? Yes, exactly. I was trying to think of a way
23 to answer that without doing exactly what Chair Urban
24 said.

25 MS. HAMER: You can abstain if you need to.

1 MR. MACKO: But I can -- I can answer. It's --
2 look, we -- we have, between the attorneys on the team,
3 the research technologists, and our legal support staff,
4 we look at a variety of different sources and in
5 collaboration with other states, try to find any gap. And
6 there's a lot that goes into that, and it's not easy. And
7 what you might assume at the outset is something that may
8 appear to be, for example, a data broker, might, when you
9 get deeper into it, not be.

10 And that's not a failure at all of the
11 enforcement process, that's a - that's a feature. You
12 want to be able to make those determinations efficiently
13 and correctly. You don't want to bring cases and spend
14 significant time on investigations where it's not
15 warranted. And that's -- that's our challenge, is to
16 strike that balance. But I would underscore that it's not
17 an easy -- it's not an easy process, but it is a necessary
18 very one for us.

19 MS. HAMER: Of course. And then one other
20 follow-up on -- at the Audits Division, I know is pretty
21 new, but prioritization, you know, how are you deciding
22 where to focus there?

23 MR. MACKO: On the Audits Division, I would defer
24 to our Chief Privacy Auditor Sabrina Ross on those
25 aspects. I can tell you from enforcement side of it,

1 though, a priority for us is making sure that we are
2 supporting the Audits Division in any way we can as it
3 builds its own infrastructure in the same way that we have
4 done on the Enforcement side.

5 There are certainly lessons we've learned from
6 enforcement that we want to share with Audits, and a
7 priority for us will be making sure we're providing that
8 support as Audits grows and as Audits shares more of its
9 priorities.

10 MS. HAMER: Thank you.

11 CHAIR URBAN: Thank you. Board Member
12 Mactaggart.

13 MR. MACTAGGART: Thank you, Chair. Mr. Macko,
14 could you just elaborate? I think I brought this up
15 before, but where do we stand on our thinking or in
16 practice? You know, my sort of -- my, my dream is that
17 every website that I show up on, it's super clear within
18 the first kind of landing page that either they're not
19 selling and sharing my information, or there's somewhere I
20 can click and say don't sell or share my information.

21 And ideally my browser is set to, you know, don't
22 sell or share, and it just acknowledges somehow to me that
23 we're not. Or if I go to the privacy policy, it's -- it's
24 obvious. And I'm always surprised, you know, by going --
25 if I, you know, we never have the time, but you go to the

1 privacy policy, you can't tell immediately or worse, it
2 says, you know, "Here's the link to the advertiser, you
3 know, the Google kind of master thing, and this is their
4 practice. It's not our fault," whatever.

5 It's just always still very opaque to me. And
6 then every once in a while, I get to a website that's just
7 clearly, you know, either we don't sell or share, or
8 here's the CCPA opt-out. What's the -- where do we --
9 what's your thinking about just a mass kind of like, hey,
10 here's what's going to happen, and people who are not
11 compliant with this are going to get dinged a certain
12 amount of money. Here's our -- here's a template you must
13 adhere to.

14 I just feel like these -- the -- it's -- it
15 should -- it must be and, like, you want to also be doing
16 these big things you've been doing so well with the --
17 with these -- with these, you know, actions against data
18 brokers or against retailers that aren't -- that aren't
19 complying, and congratulations to you on that.

20 But I also think that, you know, this mass kind
21 of approach to trying to say to people who do business in
22 California, "Hey, this is the law and you can't just, you
23 know, not be clear about it." What's your thinking there?
24 And sorry for the long, complicated question -- not
25 complicated, but just not, not well said.

1 MR. MACKO: Given the staff that we have, our
2 strategy for tackling that issue is to look for the most
3 impactful ways of getting at that problem. Another
4 approach might be if we had more resources, or certainly
5 if we -- even if we had unlimited resources, we could go
6 after all of those problems and have a huge impact.

7 We know that that's not feasible for a lot of
8 ways, and so the way we've approached it is trying to
9 identify cases that we can pursue that present common
10 problems along the lines of -- that you're describing and
11 pursue them. It doesn't mean that, you know, if we do
12 multiple enforcement actions, for example, over opt-out
13 implementation or failure to offer an opt-out, that it's
14 going to solve the problem everywhere.

15 I do think it reduces the number of violations,
16 and it does bring businesses into compliance when they see
17 that the Agency has taken that requirement seriously and
18 brings actions. But in terms of like a larger-scale
19 effort to do it, we are still being strategic about which
20 of those cases we can bring and which ones we have
21 capacity to do.

22 MR. MACTAGGART: I just -- just on that though,
23 on that point, I -- I guess I -- I would just urge you to
24 maybe consider an and approach because, you know, think
25 about like we all had to get REAL IDs, right? And then

1 you saw flying in an airport that you weren't going to be
2 able to use your old ID. And, you know, eventually the
3 pain point was going to be that you couldn't go through
4 the TSA anymore.

5 You know, to the extent that we, we were kind of
6 loud about saying, "okay, this is -- you know, we're going
7 to get serious about this particular thing," I mean, this
8 strikes me as an area that is absolutely perfect for AI,
9 right? You set up the agents and say, "Just, you know, go
10 through these websites and tell me which ones are not
11 compliant." Then you send them a letter and you say, you
12 know, "You have 60 days to get in compliance. We're going
13 to do this again, and then it's going to be X thousand
14 dollars a day."

15 That could be -- I just wonder if that's also not
16 a use, a wise use of the resources, because it's -- you
17 know, I think with AI, some of the stuff is now -- it's --
18 it's really pretty extraordinary what we can achieve at
19 scale.

20 MR. MACKO: Yeah. An AI tool can get you so far
21 with that kind of analysis. There's a second step is
22 then, of course, is a business actually selling or sharing
23 information such that those requirements are triggered in
24 the first place, which then requires additional layers?

25 So where an AI may -- theoretically can be useful

1 in that approach is giving you some universe from which to
2 draw from. We have a lot of technical tools at our
3 disposal that give us a universe and that help us with
4 that, but we -- we're taking some other steps on top of
5 that to go deeper. And for us, it's not as simple as
6 finding all sites that don't have that link, let's say,
7 because there's often more to the story.

8 So that -- that's just a complication, Board
9 Member Mactaggart, for -- for us, but it is not at all
10 diminishing your point about our -- we should consider
11 which tools are available and how we can develop more
12 tools to identify more violations. That's absolutely
13 something we're doing on the technologist side and what
14 our technologist team has been working to build.

15 So I'm with you there, and I know the whole team
16 has been -- we spend a lot of time in our own meetings
17 talking about ways of finding violations more effectively,
18 more efficiently, and at a broader scale, to have impact,
19 so.

20 MR. MACTAGGART: Yeah. I think I'm -- I'm almost
21 more saying it's ones where they condemn themselves,
22 right? Their own website is not in -- just forget what
23 they actually do. They're just -- their website's not in
24 compliance. That's the kind of thing I'm thinking.
25 That's the easy, low-hanging fruit.

1 And I feel like there's a lot of them where they
2 -- where they -- they do kind of prevaricate and they sort
3 of, they -- they -- they hem and they haw on their
4 websites and you're like, well, are you or aren't you?
5 And so -- and they say, "We may sell," you know, stuff
6 like that.

7 So, I don't know. I -- I think it's really
8 important what you're doing, so I don't want to -- please
9 don't take this as criticism -- the -- the sort of the,
10 the big game hunting, so to speak, of the big -- of the
11 bigger entities. But I also think that there could be a
12 parallel and very complementary effort to try to just
13 clean up on the low-hanging fruit that these -- these --
14 the tens and, you know, millions of entities that -- that
15 do business in California that are not -- just overtly not
16 -- not compliant with the law.

17 CHAIR URBAN: Thank you, Mr. Mactaggart.
18 Ms. Hamer.

19 MS. HAMER: So I echo Mr. Mactaggart's concerns
20 just in logistics to come to this meeting and even
21 ordering lunch. I -- you know, the websites that say, "By
22 continuing to use this website you're agreeing to our
23 privacy policy," that's a low-hanging fruit. And I know
24 toward the beginning of enforcement and there were some
25 letters from the AG's office that said, "We're looking at

1 this, you guys take a look at your own house and clean it
2 up." That's not what they're doing with the information,
3 but when I see that, I'm like, you know, that -- like
4 blatant violation.

5 So that probably can be handled with limited
6 resources, even if there's just some sort of enforcement
7 heads up, "You guys, we're going to take a look at this
8 stuff," because it's pretty easy to just go on the
9 websites and say, you know, okay, this one's not in
10 compliance, and no, I don't want to read your privacy
11 policy right now because I'm driving and I have to find
12 you, you know, that kind of thing.

13 MR. MACKO: Great. We -- we do occasionally, as
14 the Board knows, announce investigative sweeps in
15 different topics and so we'll certainly take all of this
16 feedback into account as we think about an appropriate way
17 of doing the next effort like that.

18 CHAIR URBAN: Yes, Ms. Ozer.

19 MS. OZER: I -- I just want to commend you all
20 for the work that you are doing, and also to note, you
21 know, it -- it didn't seem to be on the sort of how -- how
22 the team is spending its time, but I am also seeing you
23 all quite out and about at events where you are talking to
24 the legal community or talking to the business community
25 so that there are also people who are advising those

1 companies, you know, to sort of be able to increase the
2 reach of, you know, the responsibilities and the -- the
3 requirements of the law. So I just did want to also
4 commend that -- that is happening and, and how important
5 that is as well.

6 MR. MACKO: Thank you for that feedback. That --
7 you know, in our earlier days, it -- we -- it was harder
8 for us to do as much of that as we -- as we probably
9 should have, as we had to build out early infrastructure.
10 We have, more recently, tried to do that more
11 intentionally because we have the public affairs -- public
12 education component of our mandate, and that is a
13 complementary function with our Public Affairs Division.

14 But from an Enforcement perspective, we realize
15 that that is useful and it helps, hopefully, reduce the
16 number of violations that we see the more that the -- the
17 industry knows what we've been focusing on. So thank you
18 for that.

19 CHAIR URBAN: Thank you, Ms. Ozer. I want to
20 pick up on a number of things that have been said and --
21 and echo them. I just really want to commend you again,
22 as I have in previous meetings, but with more detail
23 behind it as you continue to develop, for your broad,
24 broad approach to helping businesses understand their
25 obligations through enforcement actions that educate them

1 on how the law should be interpreted through the public
2 outreach that Ms. Ozer mentioned and through the public
3 advisories as well.

4 All of those components are really important, and
5 I'm incredibly excited to hear more about the consortium
6 of states because that's another way, of course, to build
7 out that knowledge base that companies need in order to
8 understand, most effectively and efficiently, how they can
9 comply with the law.

10 Accountability is crucially important, as we
11 know. It's also really important for us to provide
12 information for those good-faith businesses, of which
13 there are many, who would like to comply. And I think
14 that's one of the ways that you get the most privacy,
15 which is, you know, the most reasonable privacy for
16 Californians, which I think is always our ultimate goal.
17 And so I really commend the team for that.

18 I'm just a tiny -- I'm hesitant at the idea of
19 sending agents out because, just like I don't want them to
20 make decisions about people without us thinking this
21 through, I wouldn't necessarily want them to make
22 decisions about businesses. But I don't -- I don't think
23 that's what Mr. Mactaggart was saying, but I appreciate
24 the team's apparent really thoughtful approach to
25 developing and exploring tools that can be used to broaden

1 the scope as much as possible without, of course, drawing
2 dolphins into the net. So thank you very much for that.

3 And I guess my -- my question beyond the comment
4 is, is there anything that you would request of the Board?

5 MR. MACKO: No requests except to express
6 appreciation for the Board's support for -- for our work
7 and support for our plans for continued growth as a -- as
8 a division.

9 CHAIR URBAN: Okay. Is there public comment on
10 this item, Ms. Carwile?

11 MS. CARWILE: This is for Agenda Item Number 4,
12 Annual Enforcement Update and Priorities. If you'd like
13 to make a comment at this time, please raise your hand
14 using the raise-hand feature or by pressing star-9 if
15 you're joining us by phone. This is for Agenda Item
16 Number 4.

17 Madam Chair, I'm not seeing any hands raised at
18 this time.

19 CHAIR URBAN: Thank you, Ms. Carwile. Thank you
20 again, Mr. Macko and everyone with the engage -- for the
21 engagement with this topic. Now, you had a bit of a -- a
22 smaller window between your annual updates this time
23 because we did have a lot to do with rulemaking last year.
24 So we will look forward to seeing you for next year's
25 update, which is -- this is the regularly scheduled one, I

1 believe. And of course, we will welcome you back anytime
2 that you have something you wish to share with us or need
3 us to make a decision on.

4 MR. MACKO: Thank you very much.

5 CHAIR URBAN: All right. Thank you. With that,
6 we will move to Agenda Item Number 5, which is a review of
7 adequacy requirements with the European Union and the
8 existing EU-US adequacy decision by the European
9 Commission.

10 It will be presented by Deputy Director of Policy
11 and Legislation, Maureen Mahoney, and our General
12 Counsel Philip Laird, and I think we're all quite
13 interested to hear about this. It's been on our upcoming
14 potential future agenda items for a while, just to learn
15 more about the possibilities here. And so we look forward
16 to hearing from you.

17 I -- oh, there are some materials in your packet.
18 Please do turn your attention to those. And Ms. Mahoney
19 or Mr. Laird, please go ahead.

20 MS. MAHONEY: So we'll be splitting up this
21 presentation. I'm going first. So thank you, Chairperson
22 Urban and Board Members. We know that the Board has been
23 interested in learning more about whether California may
24 legally obtain its own adequacy decision under the
25 European privacy law, the GDPR, to facilitate cross-border

1 data flows from the European Union, which I'll refer to as
2 the EU, to California.

3 So staff has explored this issue through meetings
4 with the European Commission and a detailed legal analysis
5 by Phil's team, and we're pleased to share some
6 information about the adequacy process, the current lay of
7 the land regarding data transfers between California and
8 the EU, and an initial analysis of the potential for a
9 California adequacy decision.

10 So first, what is an adequacy decision? So it's
11 a determination from the European Commission, which is the
12 executive arm of the EU, that a country outside of the EU
13 or a sector within that country, or territory, or an
14 international organization, offers an adequate level of
15 data protection. So this enables personal information to
16 lawfully flow from the EU to that non-EU organization
17 without further safeguards, and we'll get more into those
18 safeguards and why that's important in a minute.

19 To obtain an adequacy decision, a non-EU
20 organization must be able to demonstrate that the level of
21 data protection is essentially equivalent to that
22 guaranteed in the EU. The non-EU organization must meet
23 certain substantive requirements. Those are: demonstrate
24 adequate content principles such as transparency, rights
25 to access, rectify, and delete; restrictions on onward

1 transfers; have procedural and enforcement mechanisms,
2 such as an independent supervisory authority to enforce
3 compliance with privacy requirements; and provide
4 essential guarantees limiting access to personal data for
5 law enforcement and national security purposes.

6 So specifically, the non-EU organization must
7 ensure that personal data processing is based on clear,
8 precise, accessible rules, is necessary and proportionate
9 to the legitimate objective pursued, is subject to
10 independent oversight, and that effective remedies are
11 available to individuals. So this brings us back to the
12 question of why adequacy is important.

13 So an adequacy decision is particularly valuable
14 because the alternatives for data transfers without one
15 require substantial time and resources. Without an
16 adequacy decision, organizations must rely on other
17 methods to lawfully transfer data, such as standard
18 contractual causes or binding corporate rules. Binding
19 corporate rules are typically used by multinational
20 corporations. They're legally binding data protection
21 policies that govern -- govern the transfer of
22 information, you know, within organizations.

23 Standard contractual clauses are one-to-one or
24 multi-party agreements that govern the transfer of
25 personal information outside the EU between those parties.

1 So these can require preapproval of the European
2 Commission or the lead EU data protection authority,
3 completing a transfer impact assessment, and notification
4 to EU partners when public authorities access data.

5 There currently is an adequacy decision in place
6 that facilitates the flow of personal information between
7 the EU and the US, and that's been in place since 2023.
8 It relies on the EU-US data privacy framework. So this is
9 a voluntary framework that 3,500 US-based organizations
10 have opted to participate into as of March 2026.

11 These organizations must publicly commit to the
12 framework network and annually self-certify that they meet
13 its requirements. And these public commitments serve as a
14 basis for enforcement. For example, the Federal Trade
15 Commission could take action if the company fails to live
16 up to its public commitments.

17 Adequacy decision also explicitly relies upon
18 Executive Order 14086 and Department of Justice
19 regulations that were issued pursuant to that executive
20 order. So together, Executive Order and the regulations
21 address deficiencies that were found in previous EU-US
22 frameworks. Specifically, an EU court found previously
23 that there were insufficient limits on the federal
24 government's collection and use of personal information
25 for national security purposes, and a lack of effective

1 remedy for EU citizens whose data was transferred.

2 So in response, this creates The current
3 framework restricts, through the executive order, US
4 intelligence activities to what's necessary and
5 proportionate, subjects those activities to oversight, and
6 the regulations establish an independent and binding
7 mechanism that includes the Data Protection Review Court,
8 through which EU residents can seek redress.

9 Adequacy Decision that's in place now has been
10 subject to challenge, brought by a French Member of
11 Parliament. That's still pending. In addition, another
12 privacy advocate, Max Schrems, has also suggested he may
13 challenge the decision, as he has previously for previous
14 agreements. Those who question the Adequacy Decision
15 commonly point to its reliance on a -- on an executive
16 order that can be rescinded at any time, and an alleged
17 lack of independence regarding the data protection review
18 court that the data privacy framework relies upon.

19 I'll turn it over to Phil.

20 MR. LAIRD: I'll give Ms. Mahoney a break.
21 Turning now to consider pursuing a potential California-EU
22 adequacy decision. So in staff's view, with the existing
23 US-EU adequacy decision in place, a separate California-EU
24 decision would provide no additional or immediate legal
25 benefit. California businesses already enjoy the benefits

1 of adequacy and can transfer data from the EU to the US
2 under the existing US-EU framework.

3 However, if the US adequacy decision were to be
4 invalidated due to the vulnerabilities previously
5 mentioned, US businesses would need to find alternative
6 ways to transfer data, raising the question of whether a
7 California-EU decision could fill that need. However, if
8 the EU-US decision were invalidated, it would most likely
9 be due to concerns about the federal government's
10 collection and use of -- of personal information, which we
11 heard a lot about yesterday.

12 California would be unable to address some of
13 those concerns because, as was alluded to in the
14 presentations yesterday, the supremacy of the US
15 Constitution and federal law prevent California from
16 limiting the federal government's processing of personal
17 information for law enforcement or national security
18 purposes.

19 Additionally, there are some differences between
20 California law and the GDPR that could make an adequacy
21 decision challenging, including the fact that CCPA
22 generally only applies to for-profit businesses and not
23 government or non-profit entities.

24 So at a foundational level, the risk that
25 California and California businesses will ultimately be

1 required to provide personal information to the federal
2 government despite California's objections is a
3 vulnerability outside of the State's control that could
4 impede an adequacy decision. Slide.

5 So in conclusion, at the moment, it does not
6 appear that an adequacy decision between the EU and
7 California would have any impact on our existing
8 circumstances, since California does enjoy the benefits of
9 the decision currently. If that were to change, however,
10 it is not clear that California would meet the EC's
11 requirements given the supremacy of federal law.

12 And in any case, pursuing an adequacy decision
13 for California will likely require significant time and
14 resources, not just from Agency staff, staff, but close
15 coordination and work amongst other state stakeholders
16 such as the Governor and the legislature. So with that
17 all in mind, staff today recommends that the Agency remain
18 in a monitoring posture with respect to this topic and
19 re-evaluate the need and interest to pursue an adequacy
20 decision for California if the existing EU-US decision is
21 overturned in the future.

22 That concludes our presentation, and at this time
23 we're happy to turn to the Board for discussion and any
24 questions you may have.

25 CHAIR URBAN: Thank you very much, Mr. Laird.

1 Comments or questions from the Board? Mr. Mactaggart?

2 MR. MACTAGGART: Thanks for that. I mean, it's
3 always been apparent to me that, you know, California was
4 not going to be able to just kind of waltz in and get
5 adequacy. But I've also always been intrigued that GDPR
6 has -- explicitly says not just countries but territories.

7 And what's -- what I've always thought of the
8 benefit of trying to start the adequacy discussion has
9 been sort of self-preservation. You know, we keep on
10 seeing these efforts, and I know that Ms. Mahoney and
11 Director Kemp have been very involved in trying to head
12 off attempts at preemption in -- in D.C. recently, and
13 that's going to be a constant battle as -- as the more
14 effective we become, the more the tech industry tries to
15 get rid of us by doing an end around up -- up in D.C.

16 And so I think, you know, I've always thought
17 that if we could start the work and just get a sense of
18 what has to be changed, and of course there -- it would
19 have to be sort of a hybrid adequacy where -- where it
20 would be like, hey, for-profit entity -- because we don't
21 cover non-profits yet, we don't cover the government --
22 but hey, for-profit entity, here's how, you know, if you
23 comply with -- with California's law here and whatever,
24 then -- and if you subject yourself to California's
25 regime, then you'll be adequate.

1 First of all, that's a huge incentive for
2 companies around the United States to -- would be a huge
3 incentive for them to, you know, to adhere to our
4 standards. It would help make our standards more
5 universal, sort of the same way the EPA, you know, the Cal
6 standards became for -- for a while there, the standards
7 for the country.

8 And this administration won't last forever. Now,
9 who knows, the next one may come in more hostile to -- to
10 -- but at the same time, I feel like, certainly this isn't
11 something where we can just go -- I wouldn't say -- expect
12 within six months to have negotiated it, but I think it
13 would be useful to start the discussion with the
14 regulators in the EU just to sort of get a sense of what's
15 missing.

16 Because it was always apparent to me that they
17 were going to come back with a laundry list of things and
18 say, "Well, forget the non-profit stuff, there's going to
19 be these other things within business." And so we would --
20 we would need to know, okay, what do we need to go to the
21 legislature in Sacramento and say it needs to be changed?
22 This is a longer process, not a shorter process.

23 And so without devoting a tremendous amount of --
24 of -- of staff time, I -- I think at a high level, whether
25 it's the Director, or the Chair, or someone meeting

1 someone in Europe and sort of starting the discussion of
2 what's lacking for us, I just think that would be useful
3 because who knows when we're going to need to, you know,
4 hope that we have it.

5 CHAIR URBAN: Thank you, Mr. Mactaggart.
6 Comments from Mr. Laird or Ms. Mahoney on that thought?
7 To sort of more assist -- I -- I -- if I can restate what
8 I can -- what I thought I heard your proposal to be,
9 Mr. Mactaggart, to be sure that I have it right. It would
10 be to explore with -- with the European officials where
11 California law has gaps. We do understand the issue with
12 the national security supremacy. We understand the issue
13 with the fact that our law extends to commercial entities.
14 And then within that more limited landscape, what things
15 might we be able to change?

16 MR. MACTAGGART: Exactly. And -- and Chair, it
17 would almost be like the way the standard contractual
18 clauses, which I don't think anybody loves, but you know,
19 if -- if we became a version of that, and the company
20 adopting said, "We comply with CCPA, and therefore we, you
21 know, we're good to go." And we all understand that the --
22 you know, we have a constitution here which preempts our,
23 you know, state -- I mean, the federal preemption, so.

24 But I just don't know, are we describing a world
25 -- I mean, it may come back that there's no possibility,

1 and it may come back that there, you know, these five
2 things need to be changed, which are possible. I just
3 think unless we have -- start the conversation
4 legislation, which by definition is going to be longer
5 than we expect it to be, we're missing a potential
6 opportunity here to bring California onto par with -- with
7 the rest of the world, which would be tremendously
8 beneficial for our regime and for the State, I think.

9 CHAIR URBAN: Thank you.

10 MS. MAHONEY: Sure. I think that's really
11 helpful feedback. You know, staff has had initial
12 conversations with the European Commission without doing a
13 deep analysis of what might be required for this issue,
14 and, you know, identifying a few things.

15 I think a further analysis with the European
16 Commission about what would be required would involve a
17 lot of resources, commitments with multiple stakeholders
18 within California and potentially within the European
19 Commission. So I think, you know, we wanted to do kind of
20 a deeper analysis of potential benefits of adequacy before
21 engaging in that resource-intensive effort, and that's
22 what we're presenting today.

23 MR. MACTAGGART: Can I just say, I spent a lot of
24 time with the Europeans when I was drafting this to make
25 sure that weren't any sort of landmines that would trip us

1 up that would be, you know, okay, that's a never-never.
2 And I -- I'm pretty sure, because I was talking to people
3 who would have made the adequacy decision at the time, and
4 they were like, "Yep, this is all good. There's nothing
5 that we see here that would prevent it."

6 And so I, I don't know that we need to spend --
7 have a white paper on the benefits. I think the benefits
8 are somewhat self-evident, that if we had this regime,
9 we'd be the only state in the country to have this. And I
10 get it would be limited. I -- again, I'm not -- I guess
11 I'm -- maybe I'm oversimplifying, and I could be, but I
12 just think that at the next IAPP, or whatever, some kind
13 of a place, if the Chair or the, you know, was going, or
14 if the Executive Director -- but just to authorize them to
15 kind of start that discussion of -- or to encourage them
16 to start the discussion of, okay, let's -- you know, and
17 they would probably do the work for you and say, "Okay,
18 here, we've looked at your law. Here's what's missing."
19 That might be a start.

20 I just think leaving this for -- because it'll be
21 a multi-year process no matter what to get this thing to
22 work. And so I just think, you know, sort of, if you want
23 the tree to be 100-feet tall, when do you plant it?
24 Tomorrow, you know.

25 CHAIR URBAN: Thank you, Mr. Laird.

1 MR. LAIRD: I think I would just suggest, if
2 going down that approach, the first issue to be discussed
3 would be constitutional issues before we focus further on
4 amendments to California law, because if that's
5 insurmountable, I don't think there would be further
6 discussion on the other components.

7 MR. MACTAGGART: Mr. Laird, just remember, we're
8 not doing anything. They make the determination. This
9 isn't -- we don't have to enter into a treaty. It's not
10 -- the Governor doesn't have to say, okay, we -- it's
11 literally they come along and they deem our regime
12 adequate. It's got nothing to do with an extraterritorial
13 -- we just sit there and we have our law and they've said,
14 yep. It's sort of like the ISO 9000 or whatever.

15 CHAIR URBAN: Ms. Ozer and then Ms. Hamer.

16 MS. OZER: I -- I apologize because obviously I'm
17 new to the Board, so I wasn't here for the conversation
18 decisions that sort of led up to this, but I -- I do want
19 to understand a little bit more what sort of is the
20 foundation of this thinking in terms of what the benefits
21 would be to do this.

22 I -- I understand if the -- if the existing
23 adequacy decision did not exist from the US and EU. But
24 are there other things that have been sort of -- I mean,
25 because that does exist right now, so obviously there

1 could be the -- the threat of it not existing, but I'm
2 trying to understand, are there other benefits that have
3 been surfaced that is sort of motivating this? Because I
4 -- I do hear you about sort of the -- the resources, so
5 I'm just trying to get up to speed.

6 MR. MACTAGGART: Could I try to answer that,
7 Chair?

8 CHAIR URBAN: Yes, please go ahead,
9 Mr. Mactaggart.

10 MR. MACTAGGART: At least from my perspective.
11 So the existing framework, I mean, if you keep on -- they
12 keep on putting, you know, Scotch tape and -- and -- and
13 string to get this together, and Max Schrems keeps on
14 suing successfully; I think we're on the third iteration
15 now.

16 And so there's a lot of sort of emperor-has-no-
17 clothes kind of arrangement about how we get to protect
18 this, you know, very important ability to transfer data
19 between these -- these entities. There's every reason to
20 expect that this will not be the last iteration.

21 And so I think, okay, you do have the Department
22 of Commerce and the federal government that have these
23 frameworks that keep on getting challenged, keep on
24 getting -- keep on getting ruled to be inadequate by EU,
25 and so then we come up with another workaround. It would

1 be great if there if there was a conversely based-in-law
2 framework that American companies could just point to and
3 say, we comply with California, therefore we're good.

4 Now, I get that the -- the -- the US government
5 could come along at some point and say, "Well, now you
6 have to share all your data with the -- with the CIA and
7 the FBI." Okay, that makes us inadequate. But at this
8 point, if we -- if there were a way where we could become
9 the legal standard and another -- another way of American
10 companies saying, "Yeah, if we comply with California, the
11 EU has deemed the California regime for for-profit
12 companies adequate," I think that would be a tremendous
13 benefit.

14 And I think most importantly for me, it would be
15 yet another argument when Congress comes after us and
16 tries to preempt, to say -- well, you might have
17 businesses saying to Congress, "Hey, wait a second, maybe
18 don't preempt California because they're doing something
19 useful here. I -- I -- I can comply with them and I can
20 send all my data to the EU. I don't have to worry about
21 it."

22 CHAIR URBAN: Thank you. Ms. Hamer.

23 MS. HAMER: So I would love nothing more than a
24 California adequacy situation. I think that -- I mean,
25 the federal situation is precarious. ISA 702 keeps

1 getting kicked down the road, and it is a Scotch tape
2 situation. However, to Mr. Laird's point, I have trouble
3 envisioning a way around the federal government's
4 authority to issue subpoenas, gag orders and subpoenas, to
5 for-profit businesses that are complying with CCPA.

6 So I think that Mr. Laird Philip Laird's point
7 about the constitutional issues really needs to be
8 uncovered before we do a lot of resources in that
9 direction.

10 CHAIR URBAN: Thank you very much, Ms. Hamer. I
11 have a proposal that is going to make nobody happy, which
12 is that I would be happy to take Mr. Mactaggart's
13 suggestion that I or Mr. Kemp talk with the European
14 officials to see sort of where their current thinking is,
15 just so that we have some more information about some of
16 the -- the details.

17 I'm unsure that the Commission would find it
18 within their authority or be willing to issue some kind of
19 partial determination. I do take Mr. Mactaggart's point
20 that some kind of imprimatur from the European Commission
21 could be valuable. I also am finding the fact of FISA and
22 all of the other sort of intelligence statutes, and so
23 forth, a little bit difficult to disconnect from the
24 entire question.

25 But if I could propose something that maybe isn't

1 as resource-intensive but does -- does gather more
2 information in the spirit of what Mr. Mactaggart is
3 saying, would that make nobody happy but everybody kind of
4 okay?

5 And I do -- I'm asking also Mr. Laird and
6 Ms. Mahoney specifically because I absolutely respect the
7 resources issue. And I want to highlight that the --
8 because the Board didn't pick it up yet, that Ms. Mahoney
9 mentioned that we would have to work with all of -- a lot
10 of different partners in the state as well.

11 And so I'm not proposing that that would be the
12 step that it -- but it would be sort of finding out a
13 little bit more detail. I would be happy to, to take that
14 on. If, for example, I were to go to the Global Privacy
15 Assembly, that might be a good place to do it, or some
16 other opportunity.

17 MR. LAIRD: I'll just say no objection from
18 staff.

19 CHAIR URBAN: Okay. Thank you. All right.

20 MR. MACTAGGART: I wouldn't object, I'd say
21 strong support. I think that's a great idea. I mean, I
22 -- look, things may have changed. It was five years ago.
23 They may say, "Hell no, no way, no how," and they may --
24 you may get a warm reception. So who knows?

25 But I think -- I think if we don't, we won't

1 know. And so I'm a huge -- huge fan of you doing that.
2 That would -- that would satisfy me.

3 CHAIR URBAN: Okay. Thank you.

4 MS. HAMER: I also support information gathering
5 on this.

6 CHAIR URBAN: Okay. Mr. Liebert and Ms. Ozer, do
7 you have strong -- yeah?

8 MS. OZER: Support.

9 CHAIR URBAN: Okay. Great. Thank you. Well,
10 with that, I would like to request any public comments on
11 this item.

12 MS. CARWILE: This is for Agenda Item Number 5,
13 Review of Adequacy Requirements with the European Union
14 and the Existing EU-US Adequacy Decision by the European
15 Commission. If you'd like to make a comment at this time,
16 please use your raise-hand feature, or by pressing star-9
17 if you're joining us by phone. This is for Agenda Number
18 5.

19 Madam Chair, I'm not seeing any hands raised at
20 this time.

21 CHAIR URBAN: Thank you very much, and thank you
22 to the Board for the robust discussion and to staff for
23 doing this very helpful research, which I'm sure it's a
24 novel question and I hope was interesting to the Legal
25 Division, although I suspect it was -- it was quite a bit

1 of work. So thank you for that.

2 We find ourselves at a fork in the road. It is
3 12:05, and we could take lunch and take up Agenda Item
4 Number 9, which is the closed session item. We could
5 press on and take up agenda items number 6, 7, and 8.
6 Number 6 is the discussion of 7500, which is our Conflict
7 of Interest Code. I anticipate this to be a very
8 administrative discussion. It's just who's covered by the
9 Conflict of Interest Code, and we've grown. And I'm
10 sorry, Mr. Laird, I don't mean to drift outside of this
11 agenda item.

12 And then public comment for items not on the
13 agenda, which will be as long as the -- as long as the
14 public comments are, and a future agenda items discussion,
15 which is usually up to maybe ten minutes. So do I have
16 views on whether we -- whether we do one or the other?

17 MR. LIEBERT: My view is, understanding that
18 several of our Board Members have major commutes, that I
19 think we should plug on if that's okay.

20 CHAIR URBAN: Okay. Yeah.

21 MS. HAMER: I agree with it. Okay. Quick bio
22 break and then continue. Okay, so let's return at 12:15.
23 That will also give us the opportunity to go into closed
24 session, and the public can decide to come back and watch
25 us adjourn or not. So 12:15.

1 (Whereupon, a recess was taken.)

2 CHAIR URBAN: Welcome back, everyone. We will
3 proceed with Agenda Item Number 6, which is a discussion
4 and possible action to amend Regulation Section 7500,
5 which is our Conflict of Interest Code required by
6 California law. It will be presented by Mr. Philip Laird,
7 our General Counsel. And you do have some materials in
8 your packet.

9 MR. LAIRD: Thank you, Chair Urban. As was
10 alluded to earlier, this is a little bit of administrative
11 catch-up for -- for the Agency, and a memo was provided in
12 connection with this agenda item today. But in short, the
13 situation is this: when the Agency was created, it adopted
14 its first Conflict of Interest Code back in 2021, and
15 since then there's been significant growth at the Agency,
16 which is a very good thing, and sort of proliferation of
17 different divisions and different functions within the
18 Agency, and so it is high time to update and amend our
19 Conflict of Interest Code to really reflect the nature and
20 decision-making of those different divisions and
21 positions, and make sure we have tailored reporting
22 requirements amongst those divisions.

23 So the proposal today before you has been
24 discussed and sort of preliminarily agreed to with the
25 Fair Political Practices Commission. It was brought to my

1 attention that there is a minor edit that we need to make,
2 a single extraneous 'that,' I think, in Category 2 that we
3 would propose, but that would be sort of for grammatical
4 purposes.

5 But otherwise, the process is that we would --
6 it's sort of like a rulemaking light process. There is a
7 45-day public comment period, and then we would return to
8 the Board one more time for final adoption of these
9 amendments.

10 But with that said, I'm happy to answer any
11 questions, but that's all.

12 CHAIR URBAN: Okay. Thank you very much.
13 Ms. Ozer, was that a hand?

14 MS. OZER: I just have one question. For the new
15 Category 3, Category 4, and Category 5, would -- since I
16 recently filled out these forms as a new member of the
17 Board, I just wanted to clarify, would the Agency be able
18 to provide us lists of these things?

19 Because as a Board Member, I may not be aware of
20 anyone who provides media or advertising services to the
21 Agency, or information technology. I'm just -- I'm just
22 worried about the process of making sure that those of us
23 who are not as close to the actual inside work of the
24 Agency are -- make sure we're in compliance.

25 MR. LAIRD: Yes. Great question. So I guess

1 I'll start by saying Board Members under this proposed
2 amendments would remain in a Category 1 disclosure,
3 meaning you'd really be disclosing all interests, and
4 ownership, and property, and things of that nature kind of
5 across the board and not within a specified category.

6 This is due to the nature of sort of the Board's
7 jurisdiction over so many variety of businesses and -- and
8 enterprises in the State.

9 These categories, the more specific categories,
10 are -- are narrower, in fact, because it's saying instead
11 of having to disclose all ownership of property,
12 interests, or things of that nature, it's only those
13 coming from certain types of sources. And so Categories
14 3, 4, 5 are a narrower disclosure obligation, and that's
15 to reflect the nature of governmental decisions that some
16 of positions that staff make at the agency, what they
17 affect.

18 So for instance, the one about media relations,
19 we recognize that our Public Affairs team isn't
20 necessarily always making governmental decisions about who
21 we're going to enforce against, for instance. And so
22 having them disclose as widely as positions like attorneys
23 or the Board Members wasn't necessary. And so a more
24 focused disclosure that relates to the types of conflicts
25 they might encounter was -- was more appropriate.

1 Does that help? Okay. So apologies because you
2 -- you remain obligated to disclose at the broadest
3 disclosure requirement as a Board Member, but -- but of
4 course, always happy to assist with those determinations
5 as needed.

6 CHAIR URBAN: Thank you. And for the record,
7 Board Member Ozer nodded in response to the question of
8 whether it helped.

9 MS. OZER: Yes. Thank you very much for that.
10 Appreciate it.

11 CHAIR URBAN: Mr. Liebert?

12 MR. LIEBERT: Yes. Phil, I just wanted to get
13 your advice. Should we fight the FPPC on this issue of
14 that?

15 MR. LAIRD: I don't think so. I think we should
16 concede it and strike that -- or not concede it, I think
17 we should strike that, but. It's the appropriate time in
18 the process to make a -- a minor grammatical --

19 CHAIR URBAN: well, then we can have a motion
20 that authorizes staff, as usual with our regulations, to
21 make any sort of conforming changes to the text.
22 Mr. Mactaggart.

23 MR. MACTAGGART: Thank you, Chair. Mr. Laird,
24 I'm sorry, this is a really dumb question. We're not
25 adopting a standard that would require us to do anything

1 other than fill out the Form 700; is -- is that correct?
2 I mean, I just don't want to have 15 different disclosures
3 and, you know --

4 MR. LAIRD: That's correct. And not a dumb
5 question at all. Again, for Board Members, everything is
6 business as usual. If anything, what this does is it
7 relieves current burdens on staff who have to sort of
8 overly disclose in their Form 700s to make a more narrow
9 set of disclosures when they submit their Form 700s, but
10 it's still the exact same process for Board Members.

11 MR. MACTAGGART: Thank you. That's fine. Thank
12 you.

13 CHAIR URBAN: All right. Thank you. And just to
14 be clear, because I realize I was the only one on the
15 Board when we initially adopted the conflict-of-interest
16 policy, at that time, we only had Board Members and
17 possibly an executive director. So we only had Category
18 1, and we did have Category 2, which I think was a
19 forward-thinking category for when we hired -- or we might
20 have hired you, Mr. Laird, or somebody who was in Category
21 2.

22 So this is adding the categories that are
23 appropriate to a broader staff under the Fair Political
24 Practices Act.

25 MR. LAIRD: Yes. That is correct, and your --

1 your recollection is correct as well because I as I recall
2 that the Board Members were the only one who received the
3 45-day notice because they were the only staff of the
4 agency at the time.

5 CHAIR URBAN: Yeah.

6 MR. LAIRD: And before we conclude, I -- I'd be
7 remiss not to thank Mr. Kevin Sabo, who's in the audience
8 today, for his efforts to get this moving. FPPC has a lot
9 of departments and agencies to work on these Conflict of
10 Interest Codes with, and he helped get this to this point.

11 CHAIR URBAN: Thank you, Mr. Sabo. I won't ask
12 if you used your radio voice, but I hope you did. That's
13 wonderful. So the motion I will request will be to direct
14 staff to advance the proposed draft amendments to the
15 agency's Conflict of Interest Code provided to us today in
16 connection with this agenda item to formal rulemaking,
17 including commencement of the 45-day public comment
18 period, and to authorize staff to make additional
19 non-substantive changes to the text if necessary,
20 including but not limited to the reduction of extraneous
21 'that's.' And with that, I will ask for public comment.

22 MS. CARWILE: This is for Agenda Item Number 6,
23 Discussion and Possible Action to Amend Regulation Section
24 7500, Conflict of Interest Code. If you'd like to make a
25 comment at this time, please raise your hand using the

1 raise-hand feature, or by pressing star-9 if you're
2 joining us by phone. This is for Agenda Item Number 6.

3 Madam Chair, I'm not seeing any hands raised at
4 this time.

5 CHAIR URBAN: Thank you, Ms. Carwile. In that
6 case, may I have the motion as stated? Thank you. I have
7 a motion from Mr. Liebert. May I have a second? Thank
8 you. I have a motion from Mr. Liebert and a second from
9 Ms. Hamer. Ms. Carwile, would you please conduct the roll
10 call vote?

11 MS. CARWILE: Yes. This is a roll call for the
12 motion as stated by the Chair. Board Member Hamer?

13 MS. HAMER: Aye.

14 MS. CARWILE: Board Member Liebert?

15 MR. LIEBERT: Aye.

16 MS. CARWILE: Board Member Mactaggart?

17 MR. MACTAGGART: Aye.

18 MS. CARWILE: Board Member Ozer?

19 MS. OZER: Aye.

20 MS. CARWILE: Chair Urban?

21 CHAIR URBAN: Aye.

22 MS. CARWILE: Madam Chair, you have five yeses.

23 CHAIR URBAN: Thank you very much to Mr. Laird
24 for presenting, Mr. Szabo for pushing things along, and to
25 everyone for the discussion. The motion carries with a

1 vote of five to nothing, and it will go into the 45-day
2 comment period.

3 We now turn to Item Number 7, which is our item
4 for public comment on items not on the agenda. As a
5 reminder, under this item, members of the public and
6 members of the public only, may bring to the Board's
7 attention comments that they have on any matter. Please
8 note, though, that the Board may not discuss or act on any
9 matter raised during the public comment section, except to
10 decide whether to place the matter on the agenda of a
11 future meeting, which we would take up under our next
12 Agenda Item Number 8.

13 We appreciate that we may seem unresponsive, but
14 that is not our intent. We are listening, and it is
15 necessary that we comply carefully with Bagley-Keene so as
16 to meet the goals of both the commenter and the Board.
17 Thank you. And with that, Ms. Carwile, is there any
18 public comment on this item?

19 MS. CARWILE: Public Comment on Agenda Item
20 Number 7. Please raise your hand using the raise-hand
21 feature, or by pressing star-9 if you're joining us by
22 phone. This is for Agenda Item Number 7.

23 Madam Chair, I'm not seeing any hands raised at
24 this time.

25 CHAIR URBAN: Thank you, Ms. Carwile. Thanks

1 again. And we'll move to Agenda Item Number 8, which has
2 our advertised item for future agenda items. As is usual,
3 I will first touch on the regularized calendar and
4 upcoming items, briefly run through my list that I keep
5 from items from Board Members, and then request if any
6 additional ones from Board Members and the public.

7 Our next regular meeting is currently scheduled
8 for August 7th. In today's meeting, we covered two
9 regularized meetings: legislation update and request for
10 Board to take positions on certain pending legislation,
11 and our annual enforcement update.

12 On August 7th, we will hear from admin about the
13 budget plan for upcoming budget development. And will we
14 have a public affairs update? Probably? Yes, we will
15 have our Annual Public Affairs Update. I note that the
16 regularized agenda mentions the Annual Hiring Update,
17 including diversity and inclusion metrics, but our very
18 efficient Deputy for Administration, Von Chitambira,
19 actually covered that in her last Administration Update.
20 So we have already covered that one.

21 The Conflict of Interest Code we just discussed
22 is anticipated probably for final decision in August. So
23 if there's an update we need to hear, we will hear that.
24 In November, that's the following regularly scheduled
25 quarterly meeting, we will have our Annual Legislation

1 Proposals and Priorities; so that's the forward-thinking
2 discussion of potential legislation; Annual
3 Intergovernmental Affairs Update and Priorities; the 2027
4 Board calendar, discussion of that; and our annual
5 discussion of regulation proposals and priorities.

6 So I'm putting this on your radar now just
7 because some of those are pretty meaty items, to let you
8 know when the usual plan is to discuss them. Of course,
9 if something comes up, I will put it on the agenda
10 earlier.

11 The quarterly meetings are typically on Fridays.
12 Yesterday we began a series of informational sessions
13 which we will continue to hold on some Thursdays before
14 board meetings for interested Board Members, or on other
15 days. These may include information sessions for
16 potential rulemaking, such as that supported by our
17 requests for preliminary information.

18 Relatedly, Ms. Ozer has previously requested an
19 information session on reducing friction for exercising
20 privacy rights, and Mr. Liebert has requested one on
21 privacy policies. Ms. Hamer has requested a discussion
22 about Audit Division development and priorities. So when
23 our Chief Privacy Auditor is ready to present, the request
24 is open.

25 And then we have some requests related to

1 rulemaking. Mr. Mactaggart has requested implementing the
2 right to delete to include partial deletion, and in this
3 case -- and he's updated it to include discussing getting
4 businesses to disclose the impact of deleting the data, as
5 it varies depending on what you're deleting from where,
6 and requested an agenda item about how concretely we can
7 guide consumers since we are limited by the California
8 Administrative Procedure Act and Bagley-Keene.

9 I mentioned discussing when -- whenever we're
10 ready and gathered more information about employers,
11 employees, and models for businesses, model notices, and
12 so forth. And we've been discussing GDPR adequacy, and we
13 have a plan for that. And there's interest in discussing
14 what a small business is and who's actually covered by our
15 laws and regulations. And that is my list.

16 Do Board Members have additional items they'd
17 like to add? Yes, Ms. Hamer.

18 MS. HAMER: So, a couple of --

19 CHAIR URBAN: Okay.

20 MS. HAMER: The November meeting, there was a
21 public comment about a fourth-party issue, and --

22 CHAIR URBAN: Oh shoot, it's here. I forgot to
23 read it.

24 MS. HAMER: Okay. I'm --

25 CHAIR URBAN: Yep. I -- go ahead so I -- I don't

1 cut you off.

2 MS. HAMER: Go ahead.

3 CHAIR URBAN: Oh, okay.

4 MS. HAMER: I have more, but go ahead.

5 CHAIR URBAN: Okay. So a legal briefing on a
6 fourth -- the fourth party issue, which was brought up by
7 -- in a public comment, right?

8 MS. HAMER: Yes.

9 CHAIR URBAN: Yes. Okay. It is on my list. I
10 just missed it in my readout. Okay.

11 MS. HAMER: I don't know if this is a legal
12 briefing or something else, but the combination of
13 technical devices that record and do facial recognition,
14 i.e., the MetaGlasses and things that operate like that,
15 or even recording things that can go -- run through facial
16 recognition, just the cross-section of how we can protect
17 consumers' privacy with those technologies. And then I
18 have -- that's it. Oh wait, no, I had one more. Sorry.
19 I would be interested in a future informational session on
20 AI, GenAI, and the impact, protection of California
21 residents' privacy rights.

22 CHAIR URBAN: Mr. Liebert.

23 MR. LIEBERT: Thank you. Is our next meeting --
24 just remind me, please -- in August? Is that one down at
25 Riverside, or --

1 CHAIR URBAN: I think it's currently planned for
2 Riverside, yes.

3 MR. LIEBERT: Okay. Great. I don't want to jump
4 ahead of anyone, but I'm hoping that we can soon have an
5 informational hearing on -- on the notices and disclosure
6 issue that I know our great staff is evaluating. So I was
7 curious Mr. Laird, what your thinking is in regards to --
8 with our exciting informational components now, how that's
9 going to work vis-à-vis all the work that you and your
10 staff are doing on these issues of potential regulations.

11 MR. LAIRD: Great question. I -- I think our
12 plan is to pair our future agenda items on those topics
13 with informational sessions to -- to -- to sort of better
14 inform the Board on the topics before staff itself then
15 presents on potential recommendations on that work.

16 MR. LIEBERT: So as you know, I'm enthusiastic
17 about us doing that for an informational hearing. The
18 other issue that I would raise now is one that I
19 mentioned, I think, earlier, and that is the impact of
20 advertising models on AI platforms in terms of its impact
21 on privacy. That seems to be the -- the brave new world
22 we're entering into shortly, and certainly something that
23 -- it's interfaced with the CPPA and all sorts of other
24 privacy issues -- would be great to -- to start evaluating
25 at some point.

1 CHAIR URBAN: Are you thinking, Mr. Liebert, of
2 that as part of an informational session?

3 MR. LIEBERT: Yes, yes, absolutely. I think it's
4 going to be absolutely huge. People now who are used to
5 this happening, advertisements on social media platforms,
6 and now the idea that everything that they're putting on
7 their AI investigations being subject to an advertising
8 model, that's as a potentially really important issue.

9 CHAIR URBAN: Thank you. Additional items?
10 Ms. Ozer, please go ahead.

11 MS. OZER: Just one building on the Executive
12 Director's very helpful presentation about sort of
13 spreading the word about the resources of the agency and
14 of the DROPP platform. And then in the enforcement
15 presentation, there was conversation about how when there
16 were some significant data breaches, there was a lot more
17 traffic to the agency.

18 And so I just wanted to maybe suggest there could
19 be an opportunity to consider whether or not if there was
20 a data breach notification letter that went out to
21 Californians, whether that could include information about
22 the Agency, and Agency resources, and the DROP platform.
23 I do remember getting some data breach notification
24 letters in the past that had information about the
25 resources of the Federal Trade Commission and others.

1 So I just -- given today's conversation, I just
2 wondered if that could be an interesting opportunity to
3 make sure that Californians, when their information has
4 been potentially disclosed, know about resources and about
5 the DROP platform.

6 CHAIR URBAN: Thank you. Mr. Mactaggart, I just
7 want to be sure I haven't skipped you.

8 MR. MACTAGGART: No, I think the -- the resources
9 of the agency are constrained enough that I don't need to
10 add something else. And plus, you know, once we deal with
11 adequacy and we've been talking about the -- the do-not-
12 sell stuff, I think we're good, for me anyway.

13 CHAIR URBAN: Okay. Thank you, Mr. Mactaggart.
14 Are there any additional agenda items from members of the
15 public?

16 MS. CARWILE: This is for Agenda Item Number 8:
17 Future Agenda Items. If you'd like to make a comment at
18 this time, please raise your hand using the raise-hand
19 feature, or by pressing star-9 if you're joining us by
20 phone. This is for Agenda Item Number 8.

21 Madam Chair, I'm not seeing any hands raised at
22 this time.

23 CHAIR URBAN: Thank you very much, Ms. Carwile.
24 In that case, we will move to Agenda Item Number 9, which
25 is our closed session agenda item in which we will discuss

1 personnel matters under the authority of Government Code
2 Section 11126, Subdivision (a)(1), and also confer and
3 receive advice from legal counsel regarding litigation for
4 which disclosing the names would jeopardize the Agency's
5 ability to conclude existing settlement negotiations to
6 its advantage pursuant to Government Code, Section 11126,
7 Subdivision (a)(1).

8 And the remaining agenda item after Number 9 is
9 adjournment. So for the information of the public, we
10 will go into closed session to discuss these items. We
11 will be returning to adjourn, but only to adjourn, just to
12 give you enough information to make a decision about
13 whether you want to stick around for that. Thanks
14 everyone, and the Board will now go into closed session.

15 (Whereupon, a recess was taken for a closed
16 session.)

17 CHAIR URBAN: Welcome back, everyone. We are
18 returning from closed session, Item Number 9, and moving
19 to Item Number 10 on the agenda for today, which is the
20 last agenda item, and it is Adjournment.

21 I would like to thank everyone on the staff who
22 put together all of the wonderful work and materials that
23 we heard from today, the Board Members for their time and
24 attention, and members of the public. With that, may I
25 have a motion to adjourn this meeting?

1 MR. LIEBERT: I'm going to make that motion, and
2 I'm going to thank thank you for great chairing as well.
3 I so move.

4 CHAIR URBAN: Thank you, Mr. Liebert. May I have
5 a second?

6 MR. MACTAGGART: I'll second it with -- with --
7 with an affirmation of Mr. -- Mr. Liebert's comment.

8 CHAIR URBAN: Okay. I am being very flattered
9 today. I have a motion and a second. Ms. Carwile, would
10 you please conduct the roll call?

11 MS. CARWILE: Yes. The motion is to adjourn.
12 Board Member Hamer? Board Member Liebert?

13 MR. MACKO: Aye.

14 MS. CARWILE: Board Member Mactaggart?

15 MR. MACTAGGART: Aye.

16 MS. CARWILE: Board Member Ozer? Chair Urban?

17 CHAIR URBAN: Aye.

18 MS. CARWILE: Madam Chair, you have two present
19 yeses, one virtual, and two absents.

20 CHAIR URBAN: Thank you. The motion carries with
21 a vote of two present in favor, one remote in favor, and
22 two absent. And thank you, again, to everyone. With
23 that, this meeting of the California Privacy Protection
24 Agency Board stands adjourned.

25 (End of recorded audio.)