CALIFORNIA PRIVACY PROTECTION AGENCY

TITLE 11. LAW
DIVISION 6. CALIFORNIA PRIVACY PROTECTION AGENCY
CHAPTER 3. DATA BROKER REGISTRATION

EXPLANATORY STATEMENT

The California Privacy Protection Agency (Agency) requests the Office of Administrative Law courtesy File & Print the attached amendments to California Code of Regulations, Title 11, sections 7600 and 7611. The amendment to Section 7600 increases the annual data broker registration fee from $6,000 to $9,500 in time for the 2027 registration period. This adjustment ensures the fee continues to reflect the reasonable costs of administering both the Data Broker Registry and the Delete Request and Opt-out Platform (DROP), as required by Civil Code section 1798.99.82. Amendments to Section 7611 realign the prorated first-time DROP access fee for data brokers beginning operations prior to registration.

Civil Code section 1798.99.87(b) states: “any regulation adopted by the California Privacy Protection Agency to establish fees authorized by this title shall be exempt from the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).” Accordingly, the regulatory amendments adjusting the registration and access fees are not subject to the APA and properly made as a File & Print submission.

The Agency requests that the regulations become effective on January 1, 2027, to align the new registration fee with the first day of the next registration period, which begins on January 1, 2027. If the fee is not effective on January 1, 2027, data brokers could potentially pay different fee amounts for the same registration period or the new fee could go into effect after the registration period concludes on January 31, 2027. Additionally, Section 7611 addresses data brokers that begin activity prior to their first registration. Even though they are required to begin using DROP as soon as they begin brokering data, data brokers are not required to register until the first January following their initial brokering activities. These data brokers must pay an access fee that is prorated per month beginning with February based on the registration fee for that year. Therefore, the access fee must also be updated at the same time for consistency with the registration fee.

The Agency respectfully requests File & Print submission is approved and filed with the Secretary of State with an effective date of January 1, 2027.