

YOUR SMALL BUSINESS IS AT RISK

The California Consumer Privacy Act (CCPA) is a sweeping privacy law that was rushed through the State Legislature in just one week. If it is not fixed, it will unfairly harm small businesses like yours. *There is still time to fix the law to protect consumer data security, privacy, and choice before it comes into effect on January 1, 2020.*

The law applies to you if you:

Conduct a minimum of 50,000 credit card transactions a year, which is basically only about 12 transactions per hour in a 12-hour day.

50,000
CREDIT CARD
TRANSACTIONS
A YEAR



Approximately **12**
TRANSACTIONS
PER HOUR
IN A 12-HOUR DAY

50,000
ONLINE VISITORS
A YEAR



Approximately **137**
ONLINE VISITS
PER DAY
TO YOUR WEBSITE

Have a minimum of 50,000 online visitors per year

(or about 137 online visits per day) to your website – and that number could be a lot less because if someone visits your website from two different devices – like their phone and their computer – they would be counted twice!

Have some combination of both descriptions above (or other types of data) that hits the 50,000 threshold – i.e. 40,000 online visitors and 10,000 credit card transactions.

Impacts:



1. No More Rewards Programs:

The law raises doubt about the legality of loyalty and rewards programs from any business including restaurants, retailers, grocers, hotels, and airlines.



2. No More Targeted Ads:

The law contains language that puts targeted advertising at risk. This is a huge disadvantage for small businesses, which rely on this affordable method of advertising to reach local customers.



3. Creates a Separate System for Employment Data:

Under the CCPA, consumers have the right to know what personal information has been collected about them, as well as the rights to access, delete, and opt out of the sale of their personal information. Consumers are defined as any California resident, which would include employees or job applicants. Not only will this create huge, additional compliance costs — it could lead to serious unintended consequences. For example, an employee accused of sexual harassment could ask a business to delete complaints about them.



4. Collect MORE Data:

You may be forced to collect MORE data than you currently collect from visitors to your website or your customers. Essentially, businesses will have to compile all the information about who views their websites in one place in order to respond to consumer requests (even if you just track IP addresses for web analytics and don't link them back to specific people).



5. Expensive Compliance Costs:

You will have to pay for the costs associated with complying with the law, which may include retaining legal counsel, hiring more staff to respond to requests, and purchasing expensive security software.



6. Increased Liability:

Any violation of the CCPA, no matter how small, would be subject to a fine of \$2500-\$7500. For example, even an inadvertent violation that impacts the data of 1,000 consumers could result in a \$250,000 fine. Further, if your business is a victim of a data breach, trial lawyers can sue for significant minimum statutory damages with no proof of injury.

There are several legislative bills that will address these issues and make privacy work for small businesses and consumers. We urge you to support the bills listed below because they will help ensure the CCPA need not apply to very small businesses, ease compliance burdens, and clarify that loyalty and rewards programs and online targeted ads can continue.

There is also legislation that will make the CCPA worse for businesses and dramatically increase costs by making it easier for trial lawyers to file frivolous lawsuits. This needs to be stopped.



AB 25 (Chau), AB 873 (Irwin),
AB 846 (Burke, Low, Mullen),
AB 1564 (Berman), SB 753 (Stern)



SB 561 (Jackson)

Here's what you can do to help change this law:

- ✓ Write a letter/email to your representative, by going to <https://p2a.co/xKw7R7b>
- ✓ Join the coalition by signing up at [MakePrivacy.Work](https://makeprivacy.work)
- ✓ Author a letter to the editor or attend a legislative hearing by emailing info@makeprivacy.work