

AB 1281 (CHAU) CALIFORNIA CONSUMER PRIVACY ACT OF 2018

REQUEST FOR SIGNATURE



September 8, 2020

The Honorable Gavin Newsom  
Governor, State of California  
State Capitol  
Sacramento, CA 95814

**SUBJECT: AB 1281 (CHAU) CALIFORNIA CONSUMER PRIVACY ACT OF 2018  
REQUEST FOR SIGNATURE**

Dear Governor Newsom:

On behalf of The California Chamber of Commerce and the listed organizations, I write to respectfully **REQUEST** your **SIGNATURE** on **AB 1281 (Chau)**. **AB 1281** extends the existing sunset on a crucial fix to the California Consumer Privacy Act (CCPA) by exempting information collected in the employment and business-to-business contexts from the applicable provisions of the law until January 1, 2022.

The CCPA's current exemptions for this data were signed into law as two separate amendments to CCPA in 2019. These exemptions are scheduled to sunset on January 1, 2021. This 2021 sunset date represents a compromise among a diverse group of stakeholders, including privacy groups and labor advocates, and reflects an agreement that although the CCPA did not provide a solution for the handling of such data, stakeholders are nevertheless committed to working together to find a better solution for the same.

The agreement called for stakeholders to come together and develop a solution in 2020, but the COVID-19 crisis denied stakeholders the opportunity to engage on this issue. And though the California Privacy Rights Act of 2020 (Prop 24) would itself extend the sunset date at issue if it passes in the November election; no allowance has been made to account for the possibility that Prop 24 does not pass in November. Accordingly, **AB 1281** extends this sunset for the CCPA exemptions until January 1, 2022 but will not take effect if Prop 24 passes in the November election. There are several reasons why this fix is necessary:

- **CCPA was not drafted for, and is incompatible with, employee and job applicant data.** CCPA is broad enough to include employees and job applicants within its definition of "consumers." But without a well-designed framework to deal specifically with employee data, the CCPA is ill-equipped to handle employee data. This includes issues as far reaching as employment harassment investigations and wrongful termination suits.
- **Operationalizing CCPA for employees and job applicants would sink thousands of already struggling businesses.** The costs to businesses of all sizes to operationalize CCPA for employees and job applicants would be crippling to California's businesses.
- **The legal consequences of failing to refine CCPA before it inadvertently applies to such data are too significant to bear.** CCPA is not designed to handle employee or job applicant data, and does not account for business-to-business data. Extending the CCPA sunset as provided under **AB 1281** allows stakeholders to work together on developing a framework for these complex issues.

For these reasons, CalChamber and the listed organizations respectfully **REQUEST** your **SIGNATURE** on **AB 1281 (Chau)**.

Sincerely,



Shoeb Mohammed  
Policy Advocate  
California Chamber of Commerce

Advanced Medical Technology Association  
Agricultural Council of California  
Alliance for Automotive Innovation  
American Benefits Council  
American Council of Life Insurers  
American Property Casualty Insurance Association  
American Staffing Association  
Association of California Life & Health Insurance Companies  
Association of National Advertisers  
BIOCOM  
BSA – The Software Alliance  
California Apartment Association  
California Association of Collectors  
California Association of Health Facilities  
California Association for Health Services at Home  
California Association of Licensed Investigators  
California Association of Realtors  
California Bankers Association  
California Beer & Beverage Distributors  
California Building Industry Association  
California Business Properties Association  
California Cable & Telecommunications Association  
California Credit Union League  
California Hospital Association  
California Hotel & Lodging Association  
California Land Title Association  
California League of Food Producers  
California Life Sciences Association  
California Manufacturers & Technology Association  
California New Car Dealers Association

California Professional Association of Specialty Contractors  
California Restaurant Association  
California Retailers Association  
California Trucking Association  
Cemetery and Mortuary Association of California  
Civil Justice Association of California  
CompTIA  
Consumer Technology Association  
CTIA  
Entertainment Software Association  
Email Sender & Provider Coalition  
Equifax  
Honda North America, Inc.  
Insights Association  
Interactive Advertising Bureau  
Internet Association  
Internet Coalition  
Motion Picture Association – America  
MPA – The Association of Magazine Media  
National Advertising Initiative  
National Association of Mutual Insurance Companies  
National Federation of Independent Business  
National Payroll Reporting Consortium  
Orange County Business Council  
Personal Insurance Federation of California  
Plumbing Manufacturers International  
Securities Industry and Financial Markets Association  
Sempra Energy Utilities/SDG&E/SoCal Gas  
Silicon Valley Leadership Group  
State Privacy and Security Coalition  
TechNet  
The Association of Magazine Media  
The Toy Association

Cc: Legislative Affairs, Office of the Governor  
Garret Bazurto, Office of Assemblymember Chau

SM:ldl