

HART | KING



California and the Law of Privacy



by: **BILL DAHLIN**
Partner

The California Legislature has passed Assembly Bill 375 which adds significant new provisions to the California Civil Code. This new statute is scheduled to take effect January 1, 2020.

In 1972, California amended its state constitution, through the initiative process, to add the right of privacy as one of the “inalienable” rights of all its people. In the intervening 40+ years, a number of statutes have been adopted, and court decisions have been made, based upon that constitutional provision.

This new legislation, which is likely to be significantly amended between now and its scheduled effective date, would dramatically change how many businesses operate in the state. The “basic” alternative criteria are \$25,000,000 in gross annual revenue or access to data of 50,000 or more consumers. AB 375 sets forth requirements for many businesses that will influence how data from customers [consumers] is collected, how such data is used, if it can be sold and whether that data can be transmitted to third parties. The potential ramifications and liability created by this new legislation are significant.

Because AB375 is likely to be further amended, a company’s decision on data collection and use, should be analyzed carefully. While the

legislation is allegedly aimed at entities that gather considerable amounts of consumer data, such as banks, social media, and other "tech" related companies, the impact is potentially much wider. Thus, the first step for any business should be to analyze with counsel, how this statute will impact that business, and what you should do to prepare for its implementation.

The potential exemptions, from both state and federal legislation, are extremely broad. However, any business entities that may be subject to this legislation should begin an analysis of how to implement procedures to avoid actions that would be in conflict with the new legislation. We can assist you with this analysis and help you put these procedures in place.

MANUFACTURED HOUSING PRACTICE GROUP



BILL HART
Managing Partner



JOHN PENTECOST
Partner



BILL DAHLIN
Partner



ROBERT WILLIAMSON
Partner



Hart King represents publicly held corporations, mid-sized businesses and entrepreneurs in all state and federal courts within California. The firm offers a wide range of civil litigation and transactional services in the areas of business, commercial real estate, manufactured housing, professional design & construction, and trust and estate matters.

P: 714-432-8700 | www.hartkinglaw.com | F: 714-546-7457