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## Your California Customer Privacy Rights

California has once again taken the lead in enacting yet another tough privacy law. If you do business with anyone in California, pay attention!

On January 1, 2005, Senate Bill 27 ("S.B. 27") took affect. S.B. 27 is a significant addition to privacy law in this country. It affects companies that have customers in California or even just market to California. The law requires entities that disclose personal information regarding California consumers to third parties for commercial marketing purposes to either:

1. If a consumer requests, provide a detailed notice of the entity's policy regarding disclosure of personal information to third parties for the purpose of commercial marketing, including to affiliated third parties. The consumer's request must be honored within 30 days of the request.

or

2. Notify consumers of the opportunity to opt out of or opt in to such disclosures.

For the requirements of S.B. 27 to apply, a business must have:

- twenty or more employees;
- an established business relationship with a California resident; and
- shared customer personal information with a third-party business for the third party's own commercial marketing purposes within the previous calendar year.

Want an easy way to comply? S.B. 27 contains an incentive for businesses to provide a special link titled "Your California Privacy Rights" on their home pages. Businesses that post this link may ignore customer requests for information-sharing disclosure notices that are not sent to the businesses' established notice contact point. The link must take users directly to a description of customer rights under the statute and the company's contact point. Alternatively, a company must respond to a request that is received at a different number or address within a "reasonable" period, not exceeding 150 days.

An aggrieved consumer may obtain an injunction, attorneys' fees and statutory damages of \$3,000 for each willful, intentional or reckless violation. For other violations, entities have a 90-day cure period from the date that the entity learned that it had failed to comply.