

# THE CALIFORNIA CONSUMER PRIVACY ACT (CCPA)

## What is CCPA?

As consumers grow increasingly more concerned about their personal data privacy, governing bodies are growing ever more vigilant and demanding in how they want to help consumers protect that privacy. In June, 2018, the state of California passed the California Consumer Privacy Act (CCPA) that aims to protect the personal information of California residents and consumers while also allowing those residents much more control over their personal data. Though similar to – and in some respects less restrictive than – the EU’s General Data Protection Regulation (GDPR), the CCPA could actually be more difficult for American companies to comply with.

What does the law do exactly? It allows any California resident (or “consumer”) to request a company provide them with all the data they have saved on them, along with a full listing of all third-party entities that company has sold the data to and/or shared the data with. This law also allows the consumers to sue those companies if the privacy rules are violated – even if there is no actual data breach.

## Who is Considered a California Resident?

According to the CCPA, “The term ‘resident,’ as defined in the law, includes 1) every individual who is in the State for other than a temporary or transitory purpose, and 2) every individual who is domiciled in the State who is outside the State for a temporary or transitory purpose. All other

individuals are nonresidents.” *Section 17014 of Title 18 of the California Code of Regulations*

## Who Needs to Comply?

Simple. Organizations that collect personal data from residents of California. If you don’t, you’re finished here and you can move on. However, if you do, then you and your parent and/or subsidiary companies have to take into account whether or not you meet ANY of the following qualifiers:

- Your annual gross revenue is \$25 million or more
- You acquire personally identifiable information (PII) from up to or over 50,000 California consumers, households or devices on an annual basis
- 50% or more of your annual revenue is derived from selling the PII of California residents (in other words... you’re a data broker)

Remember... you only have to tick off one of the above bullet points to qualify as a company that is subject to the requirements of the CCPA.

## What Qualifies as Personal Data?

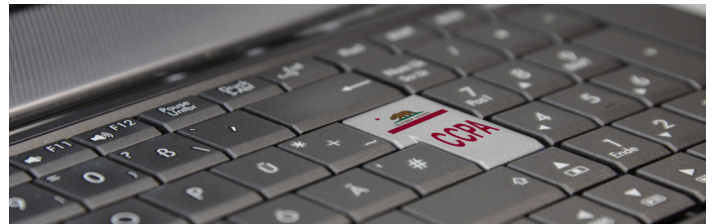
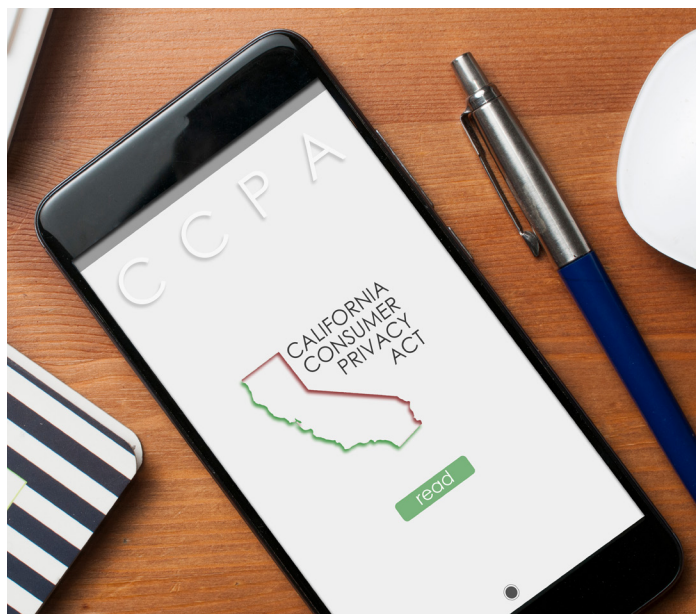
“Personal data” has been defined by the CCPA as “information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular California resident or household.”



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The CCPA goes on to say that personal information includes, but is not limited to:

- Identifiers such as a real name, alias, postal address, unique personal identifier, Internet Protocol address, email address, account name, Social Security number, driver's license number, passport number, or other similar identifiers.
- Any categories of personal information described in subdivision (e) of Section 1798.80.
- Characteristics of protected classifications under California or federal law.
- Commercial information, including records of personal property, products or services purchased, obtained, or considered, or other purchasing or consuming histories or tendencies.
- Biometric information (i.e., fingerprints, retinal scans, facial recognition, voice recognition, DNA, etc.).
- Internet or other electronic network activity information, including, but not limited to, browsing history, search history, and information regarding a consumer's interaction with an Internet Web site, application, or advertisement.
- Geolocation data.
- Audio, electronic, visual, thermal, olfactory, or similar information.
- Professional or employment-related information.
- Education information, defined as information that is not publicly available personally identifiable information.
- Inferences drawn from any of the information listed here to create a profile about a consumer reflecting the consumer's characteristics, psychological trends, preferences, predispositions, behavior, attitudes, intelligence, abilities, and aptitudes.



Personal information does not include information that is already publicly available. This is information that is “lawfully made available from federal, state, or local government records” with the exception of biometric information that was collected without the consumer's consent or knowledge.

### **What are the Penalties for Non-Compliance?**

Companies who do not comply with the CCPA can face any number of fines and penalties for violations whether they be considered intentional or unintentional. And, in addition to the civil fines and penalties a company can be hit with, they can also be sued by the consumer directly. Here is a brief list of the financial burdens a company can face for non-compliance with the CCPA:

- Unintentional violation = \$2500 per record per breach
- Intentional violation = \$7500 per record per breach
- Payments to the consumer = \$100 - \$750 (or actual damages) per occurrence

If one can imagine how many records are affected in a data breach, the potential amount of fines and/or penalties is staggering.

### **What Rights does CCPA give Consumers?**

The CCPA grants new rights to California residents as it pertains to their personal data and information:

- The consumer has the right to know what personal information is collected, used, sold or shared – both as to the specific pieces and categories of information.
- The consumer has the right to delete personal information stored by the business AND the business's service provider.
- The consumer has the right to opt out of the sale of their personal information. Consumers can force a company that is selling their personal information to stop selling that information.
- The consumer has the right to not be discriminated against in terms of price or service when they exercise their rights to privacy under the CCPA.

## THE CCPA COMPLIANCE SOLUTION

Strengthening the rights of consumers to control what personal data is stored and shared is a groundswell taking place beneath our feet at this very moment. Given efforts first in Europe with the GDPR, and now here in the US with the California Consumer Privacy Act (CCPA) and the impending legislation many other states currently have in progress. Understanding that there may be millions of California residents in a company's databases, it can be impossible to implement effective manual or rudimentary processes for a "quick-and-dirty" solution, so companies with large amounts of data could find it difficult to comply. Those organizations that are at risk of fines or penalties for non-compliance with the CCPA need to implement solutions that can make their review and reporting process simple, scalable and easy to manage.

One of the biggest challenges many companies are facing is that although the personal information related to an individual consumer is already within their database, it may be spread across the entire enterprise in different data silos being used by various applications for any number of reasons. In this scenario searching through each database or application every time a consumer requests a report on their data would be system resource intensive and time-consuming. Add to that the possibility of typos, errors, nicknames and abbreviations in the data, and identifying all the information for a specific consumer becomes extremely problematic. And now that there are financial penalties involved, the need for timely and – most importantly - accurate responses to customer requests are more important than ever.

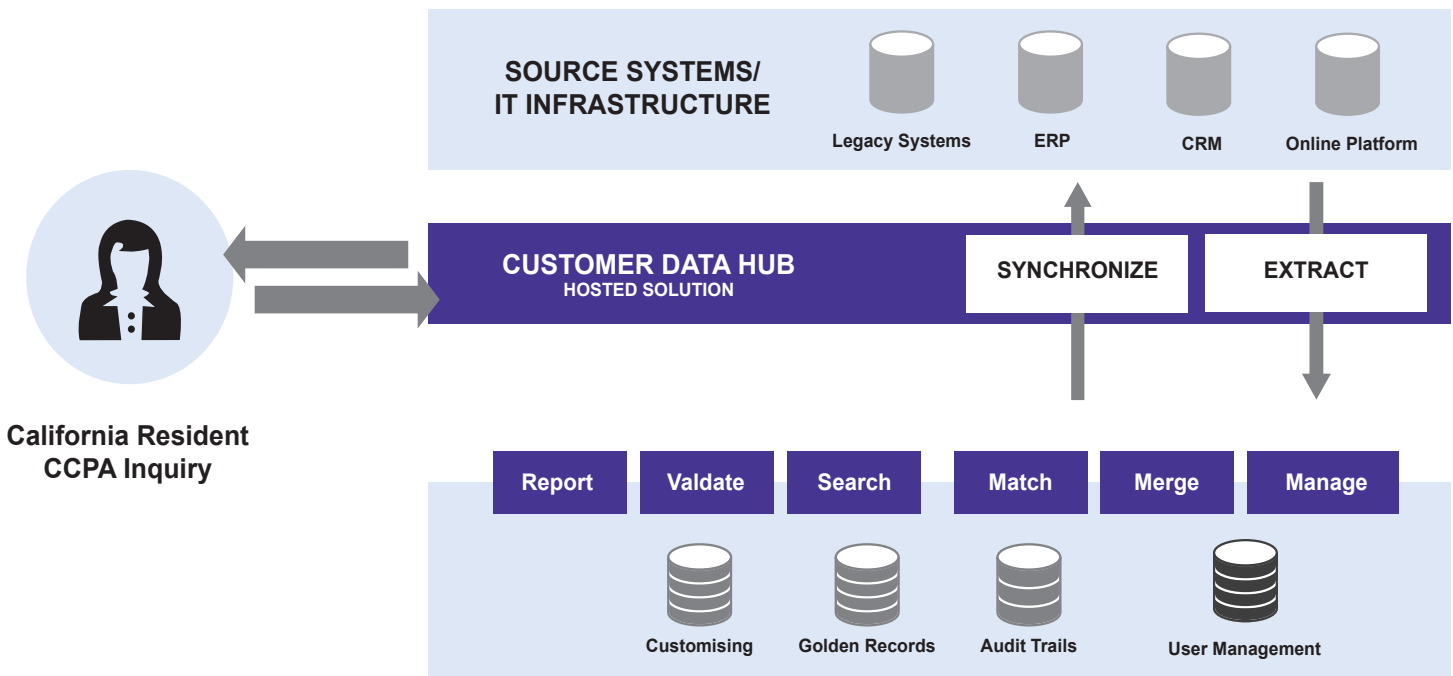
Now imagine if everything relating to a consumer could be quickly collected together in one place to form a single view of that consumer. What if companies could determine

the unique identity of their customer, then extract and consolidate that customer's master data from a wide range of disparate sources without changing the source data? Those companies could identify and retrieve consumer information more efficiently, effectively and accurately - as well as link to and report on any third-party business partners that may have received their customer's data.

The Customer Data Hub from Anchor Software is that simple, scalable and easy-to-manage system that extracts and consolidates customer master data from a wide range of sources. It uses comprehensive internal knowledge bases, phonetics and address-specific fuzzy logic (among other methods) to reduce errors resulting from typos, nicknames and abbreviations.

Users of the Customer Data Hub can easily determine the unique identities of their customers throughout all processes and systems while the original data is maintained for synchronization with the source systems. The entire process is controlled through web-based GUIs that define and administer appropriate sets of rules, guidelines, work-flows and processes. Any changes made to the master data are clearly visible and can be identified, and relationships and hierarchies can be shown. These tools allow organizations to respond to CCPA inquiries quickly and accurately, providing the consumer with a complete report of their data including any parent, subsidiary or third-party companies that may have received it. In complying with the CCPA, it provides the company with the ability to act on any resulting requests for correction or deletion.

The Customer Data Hub is no "new kid on the block" either – it is a tested and proven solution. It has been around and used successfully for many years helping companies extract, consolidate and report on their data for the EU's GDPR – long before the CCPA.



## THE BENEFITS OF USING ANCHOR'S CDH

- Allows real-time consumer data inquiries
- Quickly determines whether data on a consumer is stored in the system
- If data is stored, determines where it is stored
- All information components from different data sources can be linked
- Precise information on data sources and record IDs is provided
- Complete administrative control for the Data Steward or Privacy Officer
- Successful deletion verification
- Processes can be documented in the procedure directory
- Easy integration into existing systems and processes

## CONCLUSION

The Anchor Customer Data Hub helps companies achieve a unified, complete and up-to-date image of their customers while making it readily and quickly available in response to CCPA requests submitted by those customers/consumers. The accurate synchronization of records ensures that all relevant data can be included in a CCPA response, while the integral identity resolution capability prevents incorrect data from being included. And, upon receiving a deletion request from the consumer, accurately removes all data on that consumer from every internal database.

All of this means that Anchor's Customer Data Hub is the most proven and effective tool for complying with the CCPA available on the market today.

In short: Better Data – Better Business!

# Anchor Software Solutions Overview

Anchor Software LLC was established in 2000 to provide comprehensive software solutions for direct mail, direct marketing, data quality, and other related applications. Anchor Software prides itself in delivering comprehensive, products and services designed to meet the needs of our customers that allows them to stay in the forefront of dynamic and highly competitive marketplaces. Anchor's product line includes 60 separate solutions, with over 2000 products installed.

## Postal Processing • Data Quality • Document Design

### Postal Processing

- CASS™ Certified Solution
- USPS NCOALink® Certified Interface Solution
- PAVE™ Gold (Presort) Certified Solution
- Intelligent Mail® Barcode (IMb) Solutions

### • International Address and Data Quality

### Enterprise-Level Data Quality

- MDM and Golden Records
- Real-Time Address Validation
- De-Duplicate Files
- Enhance Addresses
- Deceased/Prison Suppression
- GeoCoding

### Document Design

- High-Speed Printing and Document Preparation
- Transactional Document Design

Rockville, MD • Phone 800-237-1921 • Fax 240-631-2104 Plano, TX • Phone 972-881-2424 • Fax 972-881-2324  
Email: [sales@anchorcomputersoftware.com](mailto:sales@anchorcomputersoftware.com)