Via Email: Regulations@cppa.ca.gov

Attn: Brian Soublet

California Privacy Protection Agency

2101 Arena Blvd., Sacramento, California 95834

Re: CPPA Public Comment

We appreciate the opportunity to submit a comment on the California Privacy Protection Agency’s (“CPPA”) proposed regulations under the California Privacy Rights Act (“CPRA”).

As part of the administrative process, the CPPA submitted an Economic Impact Statement (“EIS”) concluding that the cost for a typical business to comply with the Proposed Regulations would be $127.50. We are also aware that the attorneys who drafted the Proposed Regulations have characterized them as “basically restat[ing] the law, consolidate[ing] them into one place, just so that it aids in the [public’s] understanding,” while suggesting that the Proposed Regulations will not impose any new compliance burdens.[[1]](#footnote-1)

We have reviewed the Proposed Regulations and have identified new economic burdens that were not accounted for in the EIS and go well beyond restating preexisting statutory and regulatory rules. These include the more than 45 new compliance obligations identified in the [comment](https://www.wlf.org/wp-content/uploads/2022/08/WLF-Comment-to-CPPA-Regarding-Proposed-Regulations-17-Aug.-2022.pdf) submitted by the Washington Legal Foundation (“WLF”) to the CPPA. Based on our initial review, we believe that the actual burden to comply with the Proposed Regulations would be exponentially greater than that reported by the CPPA in its EIS.

To provide us with an opportunity to fully evaluate the impact of the Proposed Regulations, we ask the CPPA to explain how each of the 45+ compliance obligations identified by WLF “basically restates the law” – in other words, how they would be imposed upon businesses even if the Proposed Regulations are not enacted. We also ask the CPPA to update its estimate of the economic impact of the Proposed Regulations to account for each new compliance obligation, submit its revised estimate to the California Department of Finance, and solicit the independent review of that agency. A full, complete, and accurate economic impact assessment of each new compliance burden is essential so that impacted businesses may better understand the CPPA’s proposals and provide comprehensive comments to the agency.

Characterizing proposed regulations as a restatement of the law when they actually contain new compliance obligations smacks of the very “underground regulation” prohibited by the California Administrative Procedure Act. The CPPA should restart the 45-day notice-and-comment period after preparing and providing a full economic analysis to the public.

Sincerely,

[Signature]

1. Transcript of Recorded Board Meeting of the CPPA at 19:7-9 (June 8, 2022). [↑](#footnote-ref-1)