On January 1, 2020, new data privacy requirements took effect that impact thousands of businesses, regardless of their location, that leverage personal data connected to the nearly-40-million California residents, their households, and devices. Though some uncertainties remain about how the California Consumer Protection Act (CCPA) will be interpreted and enforced, failure to address this pioneering data privacy law can lead to hefty losses.

Fast on the heels of the EU’s General Data Protection Regulation (GDPR), many U.S. state legislatures have proposed new regulations to provide their consumers with increased transparency and control over their personal data. Signed into law in 2018, CCPA covers a broad range of personal information, creates a private cause of action for consumers affected by data breaches, and imposes new requirements on businesses even beyond those of GDPR. While there is no singular roadmap to “CCPA compliance,” there is no shortage of good strategies for companies to prepare for this rapidly-changing regulatory landscape. And the DocuSign Agreement Cloud can help. Here are five key strategies critical to CCPA readiness.

**Identify risk areas across contracts—in DocuSign and from other sources.**

CCPA imposes new requirements on businesses that share or sell private data, including when the “sale” is not for traditional monetary gain. To address these requirements, you need to know how your service providers and business partners collect and share personal data, both before and after your interactions – and that requires clear knowledge of what’s in your agreements. The challenge is that contracts don't generally contain standardized terms around data privacy issues, so even a searchable contract repository won't obviate a tedious manual review effort. DocuSign Insight uses AI-driven analysis to provide 360-degree visibility into your agreements, regardless of where they’re stored in your enterprise. Using Insight’s concept-based discovery, you can have a comprehensive understanding of your providers’ commitments around customer data use and management to mitigate risk where necessary.

**Businesses affected by CCPA**

Any for-profit entity doing business in California that collects, shares, or sells residents' personal data, and:

- Has annual gross revenues over **$25 million**
- or possesses the personal information of **50,000**
- or more consumers, households, or devices; or earns

**More than half**

of its annual revenue from selling consumers' personal information.

Includes any entity that owns, is owned by, or shares common branding with a covered business.

**CCPA penalties**

- **Statutory damages:**
  - $100-$750 per consumer per violation as triggered by data breach

- **Actual damages:**
  - No cap on liability to consumers affected by data breach

- **The California Attorney General may also seek an injunction and/or civil penalties of:**
  - $2,500 per violation
  - $7,500 per intentional violation
Generate revised agreements with third parties that share data.

Once you’ve identified the data privacy weak points within your agreements, you’ll need to amend and re-negotiate contract terms. Traditionally, “re-papering” agreements with a range of business partners and service providers was a painstaking, costly, and error-prone process. DocuSign CLM streamlines this process by automating contract creation, negotiation, and approval. CLM helps you efficiently build contracts by leveraging previously-approved clause language and source data from your enterprise systems; it also helps shepherd agreements through complex negotiations and proprietary workflows to gain approval. Similarly, if your 3rd party relationships are managed in Salesforce, DocuSign Gen for Salesforce provides an integrated solution to prepare, sign, and store these agreements efficiently and reliably.

Execute revised third-party agreements quickly and efficiently with all signatories.

When time is of the essence and risk abounds, agreements revised for CCPA readiness need to be executed in an efficient, reliable, and legally-binding way. DocuSign eSignature provides reliable enforceability of revised agreements with time-stamped, tamper-evident, and court-admissible audit trails. Plus, DocuSign’s advanced workflow tools accelerate your execution process: The bulk-send feature allows you to gather individual consent from a large number of users, while automated reminders and conditional routing keep complex approvals on track. With these advanced capabilities, DocuSign eSignature gives you the power to maintain provider relationships with confidence.

Collect provable consent to revised T&Cs, disclosures and privacy policies.

CCPA requires that businesses notify consumers if they sell, share, or disclose personal information. Businesses are required to display a persistent “opt-out” option and provide younger consumers (or their parents/guardians) a mechanism to affirmatively “opt-in” for their data to be leveraged. To minimize risk, businesses should collect and document the consent of their consumers to updated End User License Agreements (EULAs), Terms and Conditions, privacy policies, and the like. DocuSign Click provides an easily-auditable mechanism to capture legally-binding consent to standard terms, all with a single click. Administrators can configure the clickwrap layout, enforcement methods, and delivery methods, as well as manage updates to existing agreements. Click captures date, time, and other critical info in the audit trail, along with clear visibility into which user agreed to which version of an agreement.

Agreement Cloud products for CCPA readiness

- Click
- eSignature
- Gen for Salesforce
- Guided Forms by SmartIQ
- Identify
- Insight
- CLM

Personal data covered by the CCPA

- Characteristics protected under CA or federal law
- Commercial information
- Biometric information
- Internet or other electronic network activity info
- Geolocation data
- Audio, electronic, visual, thermal, olfactory, or similar information
- Professional or employment-related information
- Education information
- Personal info described in Cal. Civ. Code §1798.80(e)
Simplify subject access requests — from submission to vetting to secure delivery.

CCPA requires businesses to provide consumers the ability to obtain, have deleted, and stop the sharing of their information, including adding a “Do Not Sell My Personal Information” option to corporate websites. Handling such data privacy “subject access requests” can be a burden and risk point, but it can also show a business’ commitment to consumer privacy and convenience. DocuSign Guided Forms, powered by SmartIQ, provides easy-to-implement, customer-friendly forms to capture such information. Guided Forms provides step-by-step guidance to users and pre-fills forms with known data, so you get complete submissions and fewer errors. To bolster customer trust and minimize risk, DocuSign can also help you validate the identity of the requestor using the DocuSign Identify family of products, including SMS, phone, knowledge based authentication, and even digital verification of government IDs and electronic IDs from a mobile device.

Driving data privacy compliance can also enhance customer trust.

CCPA and GDPR are only two of many emerging data privacy regulations that may affect your organization in the near future. With a patchwork of inconsistent legislation on the horizon, maintaining data privacy law diligence is a mandate, not a choice. Fortunately, meeting your CCPA requirements can, and should, go hand in hand with enhancing customer trust. Many of the same digital processes that minimize risk under the latest data privacy laws can simultaneously improve customer experience and help drive more business. The DocuSign Agreement Cloud is committed to just that – to helping you build more agreeable relationships.

California economy relative to top 5 countries (2018)

<table>
<thead>
<tr>
<th>Country</th>
<th>GDP (trillion)</th>
</tr>
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<tbody>
<tr>
<td>United States</td>
<td>$19.391</td>
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<tr>
<td>China</td>
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<td>United Kingdom</td>
<td>$2.625</td>
</tr>
</tbody>
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Source: businessInsider.com

Related regional data privacy laws

- EU General Data Privacy Regulation (GDPR), effective May 25, 2018
- Nevada Internet Privacy Law (SB 220), effective Oct. 1, 2019
- New York SHIELD Act data protection provisions, effective Mar. 21, 2020