The California Consumer Privacy Act (CCPA) will take effect on January 1, 2020, creating a new set of requirements for companies that collect or process personal information. Like Europe’s GDPR, the California law establishes rights for consumers who want to control how their personal data is used, and sets financial penalties for organizations that fail to meet their obligations.

The CCPA applies to any company that collects or provides the personal information of California residents and meets one or more of the following criteria:

- Has $25 million or more in annual sales
- Buys, sells, or shares information on 50,000 or more individuals, households, or devices
- Derives more than half of its annual revenue from selling personal information

In addition to new requirements for policy disclosures, consent gathering, and breach reporting, the law creates new rights for California residents:

- The right to request information about the data a company has collected and sold
- The right to request deletion of personal data
- The right to sue for damages after a data breach involving unencrypted or unredacted personal information

Like the GDPR, the California law defines penalties that may be applied when companies expose personal information or otherwise fail to meet their privacy and security obligations. One unique aspect of the California law is that it sets specific dollar amounts that consumers can collect from companies in the event of a breach. A consumer can sue for between $100 and $750 without having to prove that they were actually harmed by a data breach, and can collect much more if they are able to demonstrate material harm.

Also like the GDPR, the law only applies these sanctions if companies fail to protect personal data with encryption or redaction. If personal information is protected with appropriate data-level measures, it cannot be used by unauthorized parties, so consumers are left unharmed.

Most organizations already have tools in place to manage the consumer information stored in their database systems. However, when data is extracted from a database and saved in spreadsheets, documents, or other files, organizations typically lose control over it. Files containing consumer data can be shared in inappropriate locations and with unauthorized parties, creating compliance gaps and exposing the company to unnecessary risks.
HOW DOES PKWARE HELP MEET PRIVACY ACT REQUIREMENTS?

PKWARE solutions enable companies to manage their unstructured data with the same level of control they have over database records. PKWARE technology monitors file activity in real time and takes automated action based on the company’s information security policies.

Organizations can use PKWARE solutions to address a variety of California Consumer Privacy Act requirements:

<table>
<thead>
<tr>
<th>REQUIREMENT</th>
<th>PKWARE SOLUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROTECTING CONSUMER DATA</td>
<td>The California Consumer Privacy Act requires that organizations prevent the exposure of consumer data, and allows California residents to sue for specific dollar amounts in the event of a data breach. The law exempts organizations from data breach sanctions if stolen data is protected by encryption or redaction. Organizations can use PKWARE to apply strong data-level encryption to sensitive information, ensuring that the data remains inaccessible to unauthorized users, even if stolen or mishandled. With simplified key management and cross-platform operability, PKWARE is the only data security company that facilitates true enterprise-wide encryption. Organizations can also use PKWARE’s automated data redaction technology to find and redact credit card numbers in files, rendering the numbers unusable in the event of a loss or theft.</td>
</tr>
<tr>
<td>DELETION OF CONSUMER DATA</td>
<td>Consumer data is often found outside the database environment, in files that users have saved on laptops, desktops, and file servers. After receiving a deletion request, administrators can use PKWARE’s policy-based technology to detect and delete an individual’s data on servers and user devices across the entire organization.</td>
</tr>
<tr>
<td>DISCLOSURE AND REPORTING</td>
<td>PKWARE’s logging and reporting capabilities allow organizations to maintain real-time visibility into the personal data stored in files, and to comply with information requests from residents and regulatory authorities.</td>
</tr>
</tbody>
</table>

PKWARE solutions help organizations eliminate security gaps, manage sensitive data, and meet their data compliance goals.