

MEMO# 32792

September 30, 2020

California Extends Privacy Law Exclusion for Employee Information Until January 1, 2022

[32792]

September 30, 2020 TO: ICI Members

Operations Committee

Privacy Issues Working Group

Small Funds Committee

Transfer Agent Advisory Committee SUBJECTS: Compliance

Privacy

State Issues RE: California Extends Privacy Law Exclusion for Employee Information Until January 1, 2022

As you may recall, in 2018 the California Consumer Privacy Act (CCPA) was amended to exclude from the CCPA's coverage personal information collected by an employer from a consumer when such consumer is acting as an "employee, owner, director, officer, or contractor" of the employer. (See Section 1798.145(n) of the CCPA.[\[1\]](#)) As enacted, this exclusion expires by operation of law on January 1, 2021. Yesterday, when Governor Newsom signed into law AB 128, this exclusion was extended until **January 1, 2022**.[\[2\]](#) As with the previous extension, this extension is intended to provide the California General Assembly time to enact a more comprehensive privacy law applicable to information collected by an employer on employees, officers, and directors.

In the meantime, however, please remember that the California Consumer Personal Information Law and Agency Initiative (Proposition 24) will be on the ballot in California in November.[\[3\]](#) If enacted, Proposition 24 will be codified in California's constitution. Importantly, Proposition 24 excludes the information collected by an employer on its employees, officers, and directors from its scope.[\[4\]](#)

Tamara K. Salmon

Associate General Counsel

endnotes

[1] The CCPA is accessible at: <https://oag.ca.gov/privacy/ccpa>.

[2] See http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AB25.

[3] The text of Proposition 24 is available at:
https://iapp.org/media/pdf/resource_center/ca_privacy_rights_act_2020_ballot_initiative.pdf.

[4] See Section 1798.145(n) in Section 15 of the bill on p. 35.

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