[Opposing California State Senate Bill No. 753 (Stern) - Targeted Advertising Loophole to the California Consumer Protection Act]

Resolution opposing California State Senate Bill No. 753, authored by Senator Henry Stern, which would amend Civil Code, Section 1798.140, also known as the California Consumer Protection Act of 2018, to permit disclosure of personal information for the purpose of serving and displaying advertising.

WHEREAS, The California Consumer Privacy Act of 2018 ("CCPA") was passed by the State Legislature and signed by Governor Brown on June 28, 2018, and is expected to greatly enhance privacy rights and consumer protections for all California residents when it becomes effective on January 1, 2020; and

WHEREAS, Among its provisions, the CCPA provides California residents with the right to know what personal information is being collected about them, to know whether their personal information is sold or disclosed and to whom, to deny the sale of their personal information, to access personal information collected about them, and to ensure consumers have access to equal service and price even if they exercise their privacy rights; and

WHEREAS, The CCPA applies to any business, including any for-profit entity that collects consumers' personal information and either has annual gross revenues of \$25 million, possession of personal information of 50,000 or more consumers, or that earns more than half of its annual revenue through the sale of consumers' personal information; and

WHEREAS, The CCPA was signed into law in the wake of the European Union's landmark General Data Privacy Regulation ("GDPR"), which included the most significant updates to data privacy regulation in Europe in 20 years; and

WHEREAS, California State Senate Bill No. 753 ("SB 753"), authored by State Senator Henry Stern, would significantly undermine the CCPA and create a vast targeted advertising

loophole by permitting the disclosure or sharing of personal information between businesses or third parties pursuant to adhesion or click-through contracts for the purpose of advertising to consumers on internet websites; and

WHEREAS, SB 753 has been met with opposition from technology industry executives who recognize that the bill would undermine critical safeguards to protect consumers from the abuse of their personal information and that it would stifle healthy innovation in the tech sector; and

WHEREAS, SB 753 flies in the face of the high standards set forth in the CCPA, which allow for innovation while protecting private individuals from unwarranted and unnecessary access to, disclosure and sharing of their personal information; and

WHEREAS, SB 753 is also contrary to the principles set forth in San Francisco's own Privacy First Policy, including principles requiring informed consent and discouraging the unnecessary or potentially harmful collection, storage, sharing or use of sensitive demographic information, which voters adopted in November 2018 by an overwhelming majority vote; and

WHEREAS, There is no technical need, business justification, or justifiable authorization for the mass distribution of personal information for online advertising and auditing; therefore, be it

RESOLVED, That the City and County of San Francisco opposes the SB 753 targeted advertising loophole, which would gravely undermine the California Consumer Privacy Act of 2018, San Francisco's Privacy First Policy and the privacy rights of all California residents; and, be it

FURTHER RESOLVED, That the Clerk of the Board be directed to send a copy of this resolution to Senator Stern, San Francisco's State Legislature Delegation, and to Governor Newsom.



City and County of San Francisco Tails

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Resolution

File Number:

190430

Date Passed: April 23, 2019

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April 23, 2019 Board of Supervisors - ADOPTED

Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

File No. 190430

I hereby certify that the foregoing Resolution was ADOPTED on 4/23/2019 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

Unsigned

London N. Breed Mayor

5/3/19

Date Approved

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without her approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

> Angela Calvillo Clerk of the Board