June 8, 2022

Six Consumer Protection Groups to CPPA: Global Opt-Outs Are Essential to Protect Consumers and Mandatory for Businesses Under the CPRA

Dear Executive Director Soltani, Chair Urban, and Board Members de la Torre, Le, Sierra, and Thompson,

The undersigned groups write to commend the California Privacy Protection Agency for the substantial progress the CPPA has made in developing regulations to implement the California Privacy Rights Act. In particular, we applaud the CPPA for reaffirming in its draft regulations that businesses are legally obligated to honor global opt-out preference signals. However, we are concerned about the potential impact on users if businesses chose not to comply with opt-outs in a "frictionless manner."

Global opt-out signals can provide an easy way for internet users to notify all businesses of their choice not to have their data sold or shared. This will significantly reduce the burden on users and empower them to take back control of their data. But any "friction" added to the process, either through obtrusive pop-up notifications or degraded service, would increase that burden and essentially punish those users who prefer greater privacy protection.

The regulations governing global opt-out preference signals should be designed to benefit both consumers and businesses by providing clarity and meaningful protection from unwanted tracking. The regulations should be designed to avoid the known problems with "cookie walls" and consent fatigue present in other jurisdictions.

Indeed, the CPRA specifically requires businesses to honor these opt-out preference signals to enable consumers to exercise their rights under 1798.120(a). Section 1798.135(e) gives consumers the right to authorize an opt-out through "an opt-out preference signal" and requires businesses to comply with such signals. Businesses may additionally choose to honor opt-out preference signals in a frictionless manner under section 1798.135(b), a safe harbor that ensures individuals will not face pressure to avoid the use of global opt-outs.

The California Attorney General has also <u>recognized</u> that under the California Consumer Privacy Act, a global opt-out signal "must be honored by covered businesses as a valid consumer request to stop the sale of personal information."

We remain willing and eager to work with the agency to ensure regulations accurately reflect the CPRA and protect consumers. If you have any questions, please don't hesitate to reach out to Ben Winters, EPIC Counsel, at <u>winters@epic.org</u>.

Signed, Common Sense Media Consumer Action Consumer Federation of America Electronic Privacy Information Center (EPIC) Ranking Digital Rights Virginia Citizens Consumer Council