



LOS ANGELES AREA
CHAMBER OF COMMERCE



INNOVATION & TECHNOLOGY

Chair: Mike Silacci, AT&T
Vice Chair: Eugene Chi, Microsoft Corporation
Hilary J. Baker, Cal State University,
Northridge

INNOVATION & TECHNOLOGY COUNCIL

February 18, 2020

10-11:30 a.m.

1. WELCOME AND SELF-INTRODUCTIONS
2. PRESENTATION:
Federal Privacy Legislation and California Consumer Privacy Act
Presenter: Jordan Crenshaw, Senior Policy Council at United States Chamber of Commerce
3. ACTION ITEMS:
 - Consideration of Protect App-Based Driver Ballot Initiative
 - Policy Priorities Review
4. ANNOUNCEMENTS:
 - Start-Up LAUNCH Update
 - Tech Talent Pipeline Update
 - Policy Update
5. UPCOMING EVENTS:
 - Access Washington D.C – March 9-11 @Mayflower

Next Meeting

Tuesday, April 21, 2020 | 10 a.m. – 11:30 a.m.



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Jordan Crenshaw

Policy Counsel and Committee Executive, C_TEC,
U.S. Chamber of Commerce

Jordan Crenshaw serves as Policy Counsel at the U.S. Chamber of Commerce's Technology Engagement Center. He analyzes federal privacy, cloud computing, broadband, internet, e-commerce, and broadcast policies that impact U.S. businesses. Crenshaw oversees the Chamber's privacy working group which is comprised of over 200 companies and trade associations which developed model privacy legislation and principles.

Before joining the Chamber, Crenshaw served as an attorney with another trade association focusing on environmental issues and analysis of consumer privacy laws. Previously, Crenshaw managed discovery issues in the defense of a financial institution against TCPA claims at McGuireWoods, LLP. During law school, Crenshaw interned for Virginia Senate Majority Leader Thomas Norment, the Office of the Attorney General of Virginia, the U.S. Department of Labor Office of Administrative Law Judges, and the National Right to Work Defense Foundation.

Crenshaw earned both his undergraduate degree and Juris Doctor from the College of William and Mary.

SHOULD YOU BE CONCERNED ABOUT THE CALIFORNIA CONSUMER PRIVACY ACT

QUESTION 1

Does your business ever keep or collect the following types of information about your customers or employees?

Check All That Apply:

- Names
- Postal Address
- IP Addresses
- Email Addresses
- Account Numbers
- Social Security Numbers
- Driver's License Numbers
- Passport Numbers
- Telephone Number
- Insurance Policy Number
- Education Information
- Employment Information
- Medical Information
- Financial Account Numbers
- Purchase History Information that is linked to a consumer
- Internet Browsing History
- Location Data
- Audio of Individuals
- Visual Recordings of Individuals
- Biometric Information (retina, fingerprint, face, hand, palm, vein patterns, or voice recordings) that can be linked to an individual.

QUESTION 2

Check All That Apply:

- Does your company make more than \$25,000,000 a year?

OR
- Does your company conduct 50,000 transactions each year (i.e. do you serve around 137 customers a day)?

OR
- Does your company make the majority of its money from sharing consumer information?

THE IMPACT OF CCPA ON SMALL BUSINESS

QUOTES FROM THE CALIFORNIA AG'S ECONOMIC ANALYSIS OF CCPA

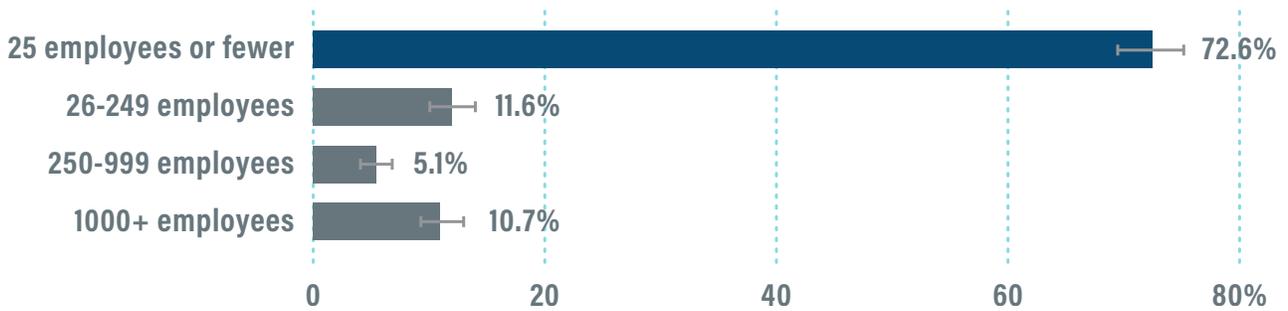
- "A recent survey by TrustArc of businesses expecting to need to undertake compliance actions for CCPA found that 29% of businesses expect to spend less than \$100,000 (or nothing) on compliance, 32% expect to spend \$100,000-\$500,000, 20% expect to spend \$500,000-\$1,000,000, 15% expect to spend \$1,000,000-\$5,000,000, and 4% of businesses expect to spend more than \$5,000,000. While these estimates of costs are quite large, the majority of these economic costs are attributable to the CCPA, not the DOJ's regulations. Furthermore, the survey was only sent to businesses with more than 500 employees. **Nearly 99% of California businesses have fewer than 500 employees."**
- **"Assume that smaller firms (<20 employees) will incur \$50,000 in initial costs (the median of the lowest cost category)², medium-sized firms (20-100 employees) incur an initial cost of \$100,000 (the maximum of the lowest cost category in the survey), medium/large firms (100-500 employees) incur an initial cost of \$450,000, and firms with greater than 500 employees incur, on average an initial cost of \$2 million. Also assume that 75% of all California businesses will be required to comply with the CCPA (see Section 2.1 for detailed estimates of the number of firms affected by firm size and industry). The total cost of initial compliance with the CCPA, which constitutes the vast majority of compliance efforts, is approximately \$55 billion. This is equivalent to approximately 1.8% of California Gross State Product in 2018."**
- "The lower bound estimate of the number of businesses affected by the proposed regulations is 15,643. The upper bound estimates, depending on whether one assumes 50% or 75% of businesses will be impacted, ranges from 383,323 to 570,066."

MOST COMPANIES ARE UNAWARE OF CCPA COMPLIANCE

According to a recent online survey, the vast majority of companies are unaware if CCPA applies to them at all.

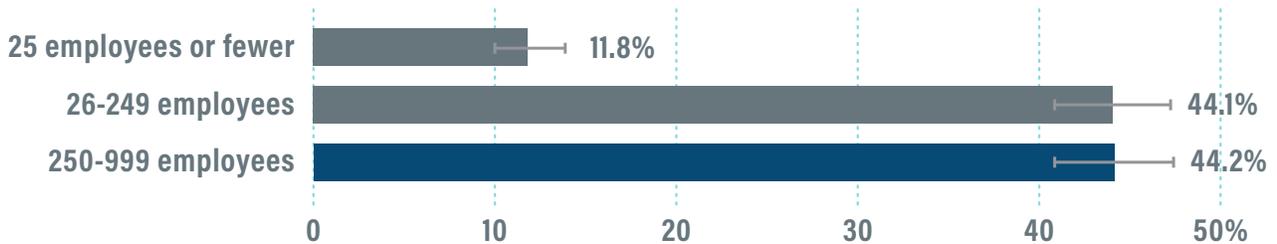
How large is your organization?

767 respondents

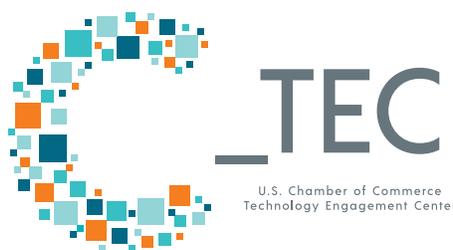


Do you know if the California Consumer Privacy Act (CCPA), effective January 1, 2020, applies to your business?

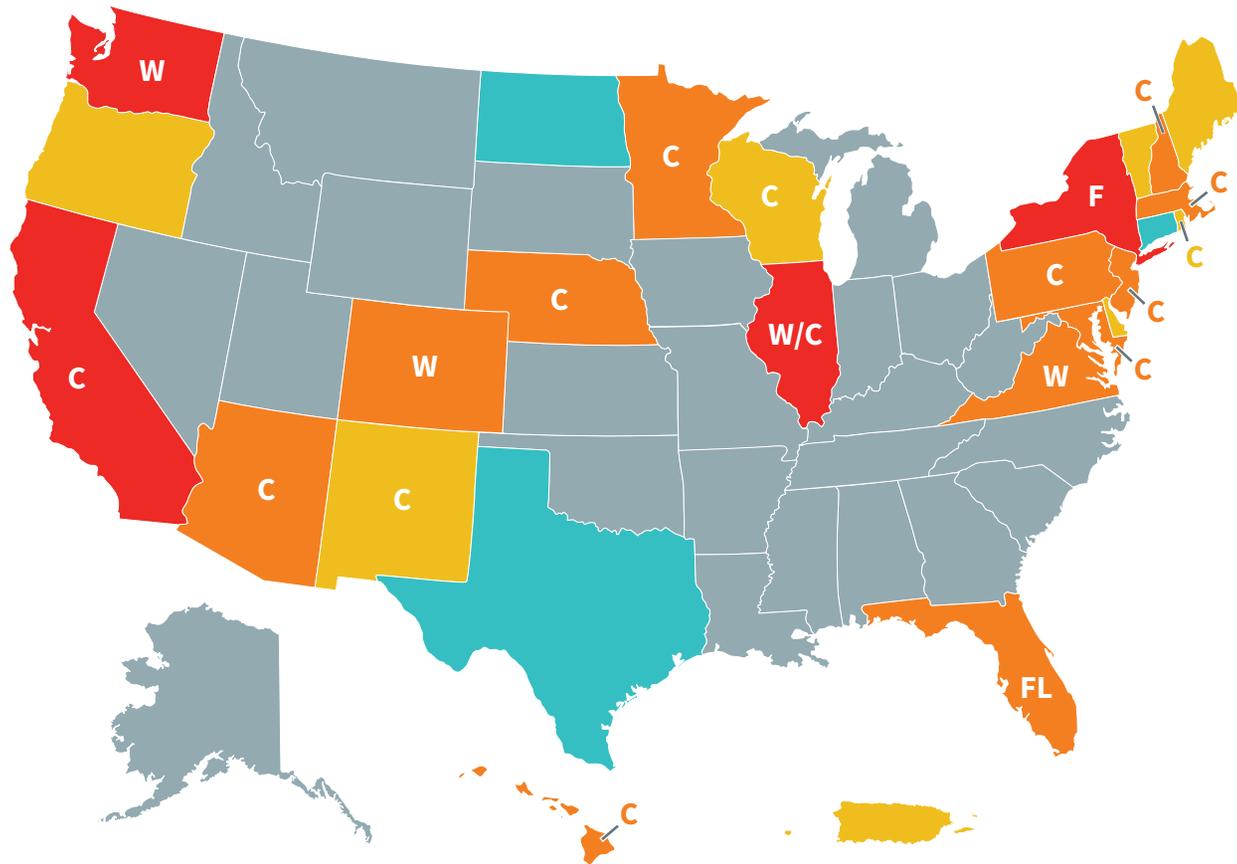
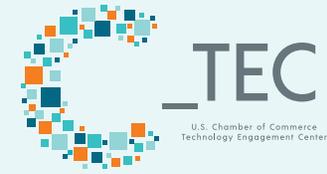
751 respondents



Source: https://cdn1.esetstatic.com/ESET/US/download/ESET_CCPA_Survey_Results.pdf



STATE PRIVACY ACTIVITY IN 2020*



- Likely to pass privacy law
- Legislation Introduced
- Considering Legislation
- Formal Study
- No activity
- C** California Model
- W** Washington State Model
- F** Fiduciary Model
- FL** Florida Model

*All information subject to change

2020 Legislative Session Dates

Arizona.....	January 13 - April 25
California	January 6 - August 31
Colorado	January 8 - May 6
Connecticut.....	February 5 - May 6
Delaware.....	January 14 - June 30
Florida	January 14 - March 14
Hawaii.....	January 15 - May 1
Illinois	January 8 - TBD
Maine	January 8 - April 15
Maryland.....	January 8 - April 6
Massachusetts.....	January 1 - July 31
Minnesota	February 11 - May 18
Nebraska.....	January 8 - April 23
New Hampshire.....	January 8 - June 30
New Jersey.....	January 14 - January 10, 2022
New Mexico	January 16 - February 20
New York.....	January 15 - TBD
North Dakota.....	Not meeting in 2020
Oregon	February 3 - March 7
Pennsylvania.....	January 7 - December 31
Puerto Rico.....	January 13 - November 15
Rhode Island	January 1 - TBD
Texas.....	Not meeting in 2020
Vermont	January 8 - TBD
Virginia.....	January 8 - March 7
Washington	January 13 - March 12
Wisconsin	January 14 - May 13

For more information, please contact:

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 Chamber Technology Engagement Center
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INNOVATION & TECHNOLOGY

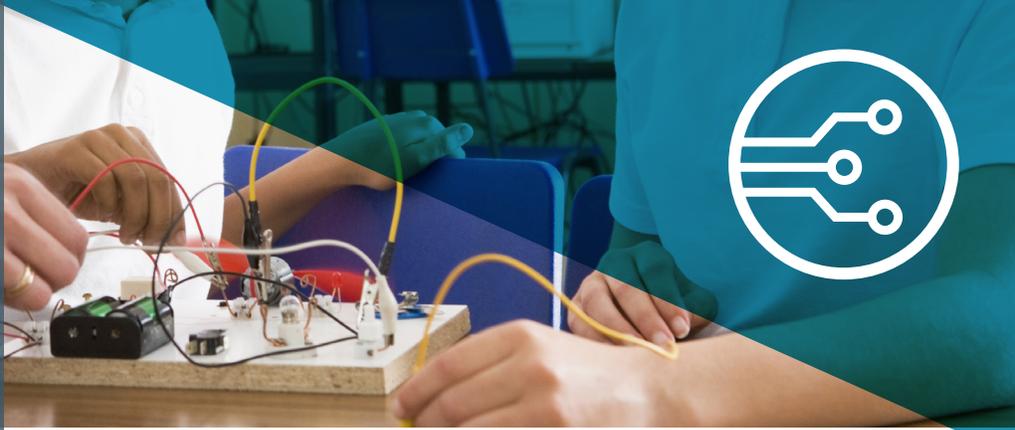
The Innovation & Technology Council of the Los Angeles Area Chamber of Commerce supports policies and programs that foster innovation and creativity, make L.A. a more desirable place for technology companies and entrepreneurs to locate and grow their businesses, increase the supply of technically skilled workers and entrepreneurs, and lead to a more transparent, accessible and efficient government.

Support comprehensive immigration reform to build a skilled workforce

The Chamber supports comprehensive immigration reform with greater specificity on the needs of the technology industry. Sensible and comprehensive immigration reform is needed in order to drive our booming technology industry with new entrepreneurs and secure a globally competitive future workforce. Congress should establish a streamlined process for admitting future workers and entrepreneurs, including an increase in the number of H1-B visas, creation of a new STEM green card category and a pathway to citizenship for undocumented residents.

Foster greater certainty for innovators

Entrepreneurs should be encouraged to focus on building their products and companies rather than face practices designed to eliminate competition. The Chamber supports patent reform policies that establish a proper framework



for disputes. For certainty in business practices, companies should be able to comply with government data collection needs while balancing their right to protect sensitive and proprietary consumer data. The Chamber advocates for clear direction and guidelines for data gathering that allow companies to safeguard consumer data information.

Increase targeted investments in high-growth industries

With 900 service sites across the country, Small Business Development Centers (SBDCs) provide key touch points for small businesses and entrepreneurs to gain mentorship and assistance in growing their companies. We support an increase in targeted investments of federal resources toward SBDCs that focus on advising companies in high-growth industries.

Increase government open data and transparency

Government data can revolutionize many industries and stimulate entrepreneurs to create innovative solutions and services. The Chamber supports greater government transparency and information sharing with the public to unlock the potential for imaginative and data-driven outcomes by public and private

entities. We look forward to providing business community expertise and input on best uses and education for the entrepreneurial community. The Chamber supports an open internet and ensuring equal access to the internet, understanding that much innovation and commerce flow through this platform.

Bolster STEAM education efforts in public schools and colleges

As the information economy grows, it will need a steady supply of diverse, technically skilled and educated employees to infuse companies with their creativity and talent. To increase the supply and quality of L.A.'s talent pool, the Chamber's Bixel Exchange supports industry-based skills education expansion, continuing education and career pathways development that harness the expertise of science and technology leaders. The Chamber connects students directly to the region's growing tech community and employers through private and public partnerships that provide critical skills training for future employees and nurture the next generation of tech leaders.

2019 Innovation & Technology Council Leadership



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