California Consumer Privacy Act (CCPA)
Granting California Residents New Rights on Personal Information

On June 28, 2018, California passed a comprehensive consumer privacy law. The California Consumer Privacy Act of 2018 (CCPA) will become effective January 1, 2020 and is expected to become enforceable on July 1, 2020. We know that many of our clients have questions about the CCPA and the new obligations it introduces for businesses. To support your compliance efforts, we outline a few notable provisions of the CCPA below.

What Is the CCPA?

The CCPA is a new, comprehensive data protection law that expands the rights of consumers and requirements of businesses. It presents a set of rules to strengthen the protection of “personal information” (information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household) in our digital society. Under the CCPA, California consumers may have the right to know which categories of personal information a business has collected about them, whether a business has sold any personal information or disclosed it for a business purpose, and to whom.

The CCPA states that data privacy is an important human right, and in this data-driven world, companies need to pay attention to data protection and data privacy. With potentially significant fines enforced by the California Attorney General and consumers’ private right of action, no one should ignore the CCPA. Yardi is dedicated to its CCPA readiness efforts, assessing internal business units and client-facing software services.

Does the CCPA Affect my Organization?

The CCPA applies to any for-profit business that collects consumers’ (defined as a natural person who is a California resident) personal information, conducts business in California, determines the purposes and means of processing personal information, and meets one or more of the following thresholds:

- Has annual gross revenue over $25 million
- Annually buys, sells, receives, or shares for a commercial purpose the personal information of 50,000 or more consumers, households, or devices
- Derives 50% or more of its annual revenues from selling consumers’ personal information

Under the CCPA, organizations processing personal information may be a “business” (entities that alone, or jointly with others, determine the purposes and means of the processing) and/or a “service provider” (entities that process information on behalf of a business). As a service provider, Yardi is committed to protecting and securing personal information it processes on behalf of its clients. We do not sell, retain, use, or disclose any personal information we process on behalf of our clients for any purpose other than as specified in our clients’ contracts and our internal operational purposes. Yardi strongly supports the CCPA and everyone’s right to protection of personal data. Please ask your Yardi sales representative for a copy of Yardi’s CCPA data processing addendum. Once you execute this addendum, you can demonstrate that your contractual relationship with Yardi meets CCPA requirements.
How Does the CCPA Change Existing Data Protection Laws?

The CCPA expands existing data protection laws in several important ways:

- **Expanded Definition of “Personal Information.”** Geolocation data, online identifiers (such as IP addresses), commercial information (including records of personal property, and products or services purchased), and internet activity (including browsing and search history) are considered personal information.

- **Expanded and New Rights for California residents.** The CCPA provides the following rights:
  - **Right of Access:** to request a business to disclose the categories and specific pieces of personal information collected (Section 1798.100 and 1798.110)
  - **Right of Notice:** to be informed of the categories of personal data collected and the purpose of collection at or before the point of collection, and to be informed of any changes to this collection (Section 1798.100)
  - **Right of Data Portability:** in certain circumstances, to receive the personal information a business has collected in a readily usable format (Section 1798.100)
  - **Right of Deletion:** to request that a business delete any personal information collected (Section 1798.105)
  - **Right to Opt-Out of Sale:** to direct a business not to sell personal information to a third party; businesses may be required to provide a clear and conspicuous link on their Internet homepage, titled “Do Not Sell My Personal Information” (Section 1798.120 and 1798.135).
  - **Right to Age-Based Opt-In:** mandated opt-in before the sale of personal information of children under 16 (Section 1798.120)

- **Security Measures.** To protect personal information, businesses must implement and maintain reasonable security procedures and practices appropriate to the nature of the information. Under our CCPA data processing addendum, we can provide documents evidencing our data security measures, including our SSAE 18 (SOC1 Type II and SOC2 Type II) audit report, PCI compliance letter, and Standardized Information Gathering (SIG) questionnaire.

We welcome the CCPA as an opportunity for us and our clients to deepen our commitment to data protection. We know our clients are responsible for meeting many of the requirements in the new California law, and we are always looking for ways to support and assist our clients. Client feedback has always driven our product enhancements; as our clients establish best practices for compliance, we will work to optimize functionality to streamline the management of consumer rights requests and compliance reporting packages.

Yardi clients should conduct their own investigation and planning for CCPA compliance. While we are dedicated to helping our clients comply with the CCPA, this white paper is not intended to provide legal advice. You should consult your attorneys regarding CCPA compliance.

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