

September 19, 2023

The Honorable Gavin Newsom Governor, State of California 1021 O Street, Room 9000 Sacramento, CA 95814

Re: SB 362 (Becker) Data broker registration: accessible deletion mechanism – Request for Veto

Dear Governor Newsom:

On behalf of the California Retailers Association (CRA), I respectfully request a veto of SB 362 (Becker).

SB 362 would undermine protections for consumers and their privacy. Eliminating personal data means deleting all consumer's data. This legislation does not allow for the balance established just a few years ago with the enactment of the California Consumer Privacy Act, which empowers individuals to control their data by choosing which companies can access their data. Consumers may want the ability to prove their identity to their financial institution, participate in consumer loyalty programs or choose to have local organizations advocate on their behalf regarding important legislation. These are just a few examples of the unintended consequences this legislation could have that would negatively impact Californians. It is unfortunate that the legislature did not allow the time to fully vet this issue by making this a two-year bill, which is what CRA advocated for.

Furthermore, SB 362 would weaken protections against identity theft and inadvertently undermine safeguards against consumer fraud. Many financial institutions and online retailers, for example, rely on data provided by data brokers to verify the identities of their customers, protecting them from fraudulent activities and scammers. Deleting certain personal information, such as past addresses or other historical data, could prevent consumers from accessing their financial accounts.

As currently written, SB 362 is an all-or-nothing proposition for consumers. Wipe all their data or none of their data. As with most things in life, what people want is somewhere in the middle. We want to improve privacy and protections without losing the power to utilize our information in specific ways.

The California Retailers Association is the only statewide trade association representing all segments of the retail industry including general merchandise, department stores, mass merchandisers, on-line marketplaces, restaurants, convenience stores, supermarkets and grocery stores, chain drug, and specialty retail such as auto, vision, jewelry, hardware, and home stores. CRA works on behalf of California's retail industry, which operates over 400,000 retail establishments with a gross domestic product of \$330 billion annually and employs one fourth of California's total employment.

For these reasons, we respectfully request a veto on SB 362 (Becker).

Sincerely,

Rachel Michelin President + CEO California Retailers Association