

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

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

7

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

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

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

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

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

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

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

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

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

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

19 RESOLVED, That the City and County of San Francisco opposes the SB 753 targeted  
20 advertising loophole, which would gravely undermine the California Consumer Privacy Act of  
21 2018, San Francisco's Privacy First Policy and the privacy rights of all California residents;  
22 and, be it

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